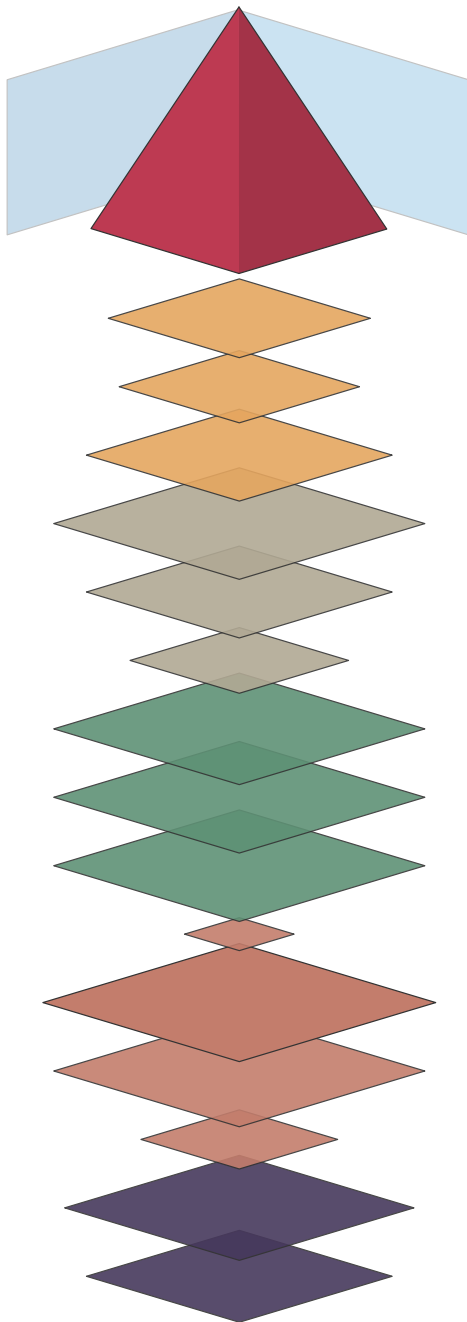


 **BRAZIL**



 **6.77**
CRIMINALITY SCORE

22nd of 193 countries
7th of 35 American countries
4th of 12 South American countries

 **CRIMINAL MARKETS** **6.93**

HUMAN TRAFFICKING	6.00
HUMAN SMUGGLING	5.50
EXTORTION & PROTECTION RACKETEERING	7.00
ARMS TRAFFICKING	8.50
TRADE IN COUNTERFEIT GOODS	7.00
ILLICIT TRADE IN EXCISABLE GOODS	5.00
FLORA CRIMES	8.50
FAUNA CRIMES	8.50
NON-RENEWABLE RESOURCE CRIMES	8.50
HEROIN TRADE	2.50
COCAINE TRADE	9.00
CANNABIS TRADE	8.50
SYNTHETIC DRUG TRADE	4.50
CYBER-DEPENDENT CRIMES	8.00
FINANCIAL CRIMES	7.00

 **CRIMINAL ACTORS** **6.60**

MAFIA-STYLE GROUPS	8.00
CRIMINAL NETWORKS	7.00
STATE-EMBEDDED ACTORS	8.50
FOREIGN ACTORS	3.50
PRIVATE SECTOR ACTORS	6.00

 **4.92**
RESILIENCE SCORE



Funding provided by the United States Government.

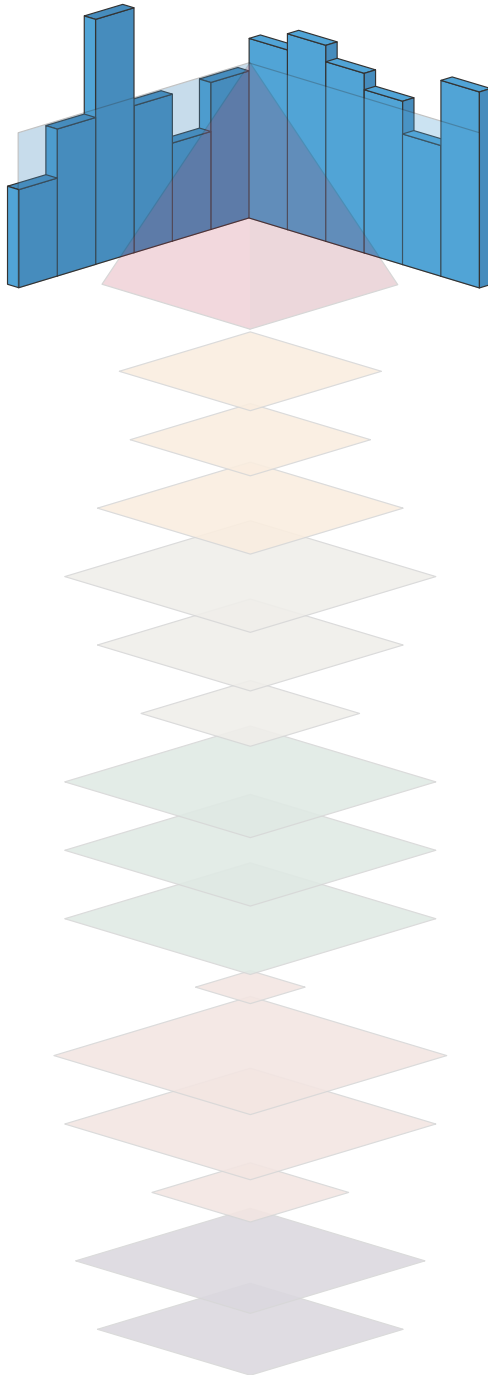


Funded by the European Union

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BRAZIL




4.92 RESILIENCE SCORE

94th of 193 countries
18th of 35 American countries
5th of 12 South American countries

POLITICAL LEADERSHIP AND GOVERNANCE	3.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	4.50
INTERNATIONAL COOPERATION	7.50
NATIONAL POLICIES AND LAWS	4.50
JUDICIAL SYSTEM AND DETENTION	3.00
LAW ENFORCEMENT	4.50
TERRITORIAL INTEGRITY	5.50
ANTI-MONEY LAUNDERING	6.00
ECONOMIC REGULATORY CAPACITY	5.50
VICTIM AND WITNESS SUPPORT	5.00
PREVENTION	4.00
NON-STATE ACTORS	6.00



6.77 CRIMINALITY SCORE

CRIMINAL MARKETS	6.93
CRIMINAL ACTORS	6.60

CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Brazil is a country that is both a source of and destination for human trafficking, with victims from Latin America, the Caribbean, Africa and China being identified. The COVID-19 pandemic has made people, especially children, more vulnerable to human trafficking, and criminals are exploiting social networks, marketplaces and other platforms to reach more victims. The main actors involved in human trafficking are relatives or friends of victims who are paid by big entrepreneurs to recruit people. In some cases, female, poor or foreign victims could become recruiters themselves. Officials and the population in general often overlook and even normalize this crime.

Furthermore, Brazil has become a hub for human smuggling, with people travelling to and from the country for various reasons. In recent years, a record number of Brazilians have been detained for illegally crossing the southern border into the US, due to the economic crisis and expectations of lenient migration policies. Some Brazilian cities, such as Governador Valadares in Minas Gerais, have become hubs for illegal immigration, with smuggling 'packages' being sold. Brokers help people from Africa and Asia to travel to Brazil, sometimes through corruption, by providing visas. Once in Brazil, they can be transported to various locations across the Americas, including Argentina, Chile, the US and Canada. The federal police has investigated cases of transnational collaboration in smuggling, which may involve potential ties to terrorism.

Extortion in Brazil is difficult to quantify as there are no nationwide estimates, but mafia-style organizations frequently engage in extortion during their activities. Extortion has become more widespread in recent years due to the expansion of militias, which charge local businesses and the population protection fees for the use of various services.

TRADE

The illegal trafficking of arms in Brazil is a significant problem as the country is a major producer and exporter of small weapons. Firearms are smuggled back into the country from Paraguay, the US, Bolivia and Uruguay. Young criminals have easy access to illegal firearms, and local and transnational networks manage most of the trafficking. This illegal market fuels conflicts between criminal groups and security forces, making Brazil one of the countries with the highest homicide rates in the region. Corruption and inefficiency in the arms control sector of the federal police also contribute to the problem, as a substantial percentage

of seized weapons were legally acquired. Despite this, the government has in recent years facilitated the purchase and ownership of guns with the implementation of at least eight decrees.

Counterfeit goods are a growing problem for intellectual property rights holders, particularly for products like clothing, perfumes, medicine, luxury cars, electronic devices, computers and mobile phones. The majority of counterfeit products are produced in China and sent to other Latin American countries before being exported to Brazil in order to mislead Brazilian authorities about their origin. Counterfeit goods are a source of income and a means of survival for many impoverished Brazilians, and the market is dominated by violent criminal organizations that use profits to finance other illegal activities, mainly drug trafficking.

The illicit trade in excise goods, such as tobacco products and alcoholic beverages is also an expanding criminal market in the country. Cigarette smuggling to Brazil is driven by the large tax difference between Brazil and Paraguay, as Paraguay has one of the world's lowest taxes for these products. Nevertheless, the government has determined that reducing taxes on tobacco is not the solution to reducing illicit trade. Instead, it plans to increase control and has implemented track-and-trace systems for these products.

ENVIRONMENT

Illegal logging and deforestation have become serious issues in the Amazon rainforest in Brazil, with record levels of deforestation reported each year. Studies show that nearly all timber leaving the Amazon is illegally or irregularly sourced, and organized-crime groups involved in illegal mining, land grabbing and farming with environmental liabilities are often the driving force behind these activities. The government's public support for loggers and agribusiness farmers, as well as the dismantling of essential federal agencies, have contributed to the highest levels of deforestation in years. Criminal gangs use environmental crimes as an opportunity to accumulate capital, and their involvement often results in violence against indigenous communities, activists and authorities. Additionally, legal companies, aided by corruption and limited monitoring capacity, also contribute to irregular practices, making it difficult to distinguish between legal and illegal trade in the Amazon.

Wildlife trafficking is another major problem in Brazil, which remains one of the top countries for illegally traded wildlife due to weak legislation and insufficient public response. Brazil's environmental crime legislation considers the trafficking of animals a minor offence, resulting in lax penalties. Wildlife traffickers operate both domestic

and international markets, with domestic trade run by low-income individuals who capture animals and sell them for extra income at highways, fairs and bus stops. International trade is characterized by a more organized market, with networks using corruption and bribery to forge documents and bypass inspections.

Illegal mining, particularly in the state of Pará, has also become a growing concern in Brazil. Criminal organizations invade protected territories, causing social tensions and human-rights abuses. Despite the government's support programme for the development of artisanal and small-scale mining, unregulated mining is larger than industrial mining in the country. Criminal groups and powerful economic entities dominate the national mining landscape, leading to violence, sexual exploitation, hunger and environmental destruction and contamination. Indigenous people are especially vulnerable to attacks from miners. Although Brazil is not among the world's largest global markets for illegal mining products, there are hundreds of illegal mining areas in the Brazilian Amazon.

DRUGS

Although the heroin market in Brazil is limited due to irregular shipments from Asia and poorly developed routes, the non-medical use of prescribed opioids has increased. There is a concern that without stricter controls, Brazil could see an increase in the consumption of illegal opioids like heroin, as is the case in other countries.

In contrast, Brazil's cocaine market is worth billions of dollars, making it one of the top ten markets in the world. Criminal organizations, including local elites, control the main wholesale cocaine entry routes into Brazil, leading to violent conflicts over distribution in urban centres. The retail sale of cocaine is an important source of income for the poor population on the outskirts of large cities, and it has contributed to their involvement in crime. Although the pandemic impacted cocaine trafficking in Brazil, traffickers adapted by diversifying their national routes and international destinations.

Brazil also has a large cannabis market. While possession of small amounts of cannabis for personal use is depenalized, selling remains illegal, leading to an increase in contact with the criminal justice system and prisons. Domestic organized-crime groups control local cultivation, but Paraguay is the main supplier for the country. Colombian marijuana, known as *creepy*, is becoming more popular due to its stronger effects. Trafficking routes for Colombian marijuana often involve passing through Venezuela before entering Brazil through the border with Roraima, or through Peru and Bolivia and entering Brazilian territory through the states of Acre, Mato Grosso and Mato Grosso do Sul. Gangs associated with various criminal factions distribute the drug nationally.

The synthetic drug trade in Brazil is relatively small and limited to the upper class, with domestic networks involved in the production of ecstasy and methamphetamine in small makeshift factories. However, there has been an increase in the international trafficking of these drugs from neighbouring countries, as well as distribution by mail from domestic production centres in the south and centre-west of the country. Brazil has also experienced an increase in the use and seizures of ketamine.

CYBER-DEPENDENT CRIMES

Brazil boasts well-developed technological infrastructure. However, the pandemic has led to a surge in cybercrime, which has more than doubled. Malware attacks are common, and Brazil is considered among the top countries in the world for cyber-attacks. The primary targets of these attacks are political groups, journalists, government institutions and businesses. The manufacturing sector is especially vulnerable to ransomware attacks. Major attacks have been perpetrated by the Brazilian malware Bizarro, which targeted 70 different banks from South America. Additionally, infostealers have been utilized to transfer user information to hackers.

FINANCIAL CRIMES

Financial crimes are prevalent in Brazil, with tax fraud being the most common. This type of fraud often involves the sale of products without invoices, the use of duplicate or cancelled invoices, and fictitious interstate sales. In addition, bank-client fraud saw a significant rise in 2021. Many criminal networks specialize in tax evasion and loan-sharking. Embezzlement of public funds is also a common occurrence in some states where government officials make deals with illegal miners. There have been cases where military officers have formed militias to assist these criminals. As a result, accomplices of these crimes often seem to live luxurious lives.

CRIMINAL ACTORS

The Primeiro Comando da Capital (PCC) is Brazil's largest criminal organization, with tens of thousands of members involved in drug trafficking domestically and internationally, primarily through cargo ships. The Comando Vermelho (CV) is the second largest group and competes with the PCC for control of drug trafficking in certain areas. Both groups are involved in various other illegal activities, including illegal mining, arms trafficking, bank robberies, kidnappings and money laundering. Other criminal groups that operate like mafias, including white-collar-crime groups and independent militias composed of current and former police officers, are also found in urban areas in Brazil. These paramilitary groups are known for extorting neighbourhoods, perpetrating extrajudicial killings and

controlling various industries, including the gas supply and public transportation.

Criminal networks in Brazil typically ally with either the PCC or the CV and have expanded in recent years, with notable access to weapons contributing to high levels of violence across the country. Violence has particularly increased in the northern and north-eastern states, while in the south networks allied with the main mafia groups are profiting from a newly instituted route for cocaine trafficking.

Furthermore, the PCC and CV have connections with transnational mafias in Bolivia, Paraguay, Peru and Colombia to ensure the shipment and transportation of drugs to Europe. The Italian mafia also operates in Brazil, along with other Latin American countries, to transport cocaine. The tri-border area and the Amazon region are hotspots for criminal activities involving both domestic and foreign networks.

In relation to state-embedded actors, militias and paramilitary groups composed of former and current law enforcement officials are of particular concern, as they have the ability to infiltrate the three powers of the state and have been linked to politically motivated murders. They control

certain territories in Rio de Janeiro and engage in criminal activities, such as the collection of security and housing fees and the installation of clandestine cable TV and internet centres. In recent years, the link between militias and politics has become increasingly evident, with politicians using ties with such groups to assert their interests and silence opponents. Paramilitary violence, especially in Rio, remains a major problem.

Tax fraud and money laundering are prevalent in Brazil, with tax evasion and operational fraud being common practices among business owners. Illegal mining is another substantial issue, often facilitated by legal brokers and enterprises, with miners collaborating with local governments to receive weapons and abuse indigenous peoples fighting for their land. Loggers are also accused of involvement in illegal timber-trafficking activities, with evidence suggesting a link between drug trafficking and groups connected to environmental crimes. Additionally, private-sector actors are frequently used as facilitators by foreign actors, particularly in drug trafficking and money laundering, with cryptocurrency scams frequently masquerading as opportunities offered by prestigious private enterprises.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Brazilian politics have a long-standing history of corruption, where leadership is based on patronage systems and deals in congress. Governance and law enforcement are lacking in low-income areas where organized crime thrives, and public-security policies vary widely between states. Punitive strategies, which are the main focus of initiatives, have only increased violence in the country. The justice system is notorious for wrongfully arresting the poor and marginalized population while dangerous criminals often go free, which fuels organized crime that originates in prisons. Organized crime has been a persistent issue in all political campaigns and governments, with various solutions proposed. Furthermore, criminal organizations are involved in democratic processes at regional and local levels, with militias attacking candidates and threatening civilians in certain areas. Brazil has been struggling with corruption and poor transparency in recent years. Despite the existence of independent investigation and prosecution bodies, the government is heavily influenced by private and criminal interests. Although Brazil has a strong legal framework for access to information, corruption remains a significant problem in Brazilian politics, and transparency mechanisms have not been effective in deterring it or organized crime.

Brazil has been actively participating in international cooperation efforts to tackle organized crime, including signing and ratifying treaties and conventions on drugs, arms and human trafficking, and having extradition treaties with many countries. It is also a member of MERCOSUR (Common Market of the South) trade bloc and has several cooperation agreements with international agencies and governments to exchange experiences on public-security policies and strategies to fight crime. Brazil has a robust legal framework to fight crime, but the government lacks the efficiency and capacity to enforce the law due to corruption and patronage. The penal code and other laws classify a wide range of crimes, but the police mostly react when violence rises or tackle small-scale operators, rather than acting preventively.

CRIMINAL JUSTICE AND SECURITY

The Brazilian criminal justice system is widely criticized for being inefficient, corrupt and biased against black people and the poor, owing to class and racial prejudices among legal practitioners. The executive has been attempting to interfere with the autonomy of the judiciary, leading to political polarization and challenges to executive decisions by the Supreme Court. While institutions such

as the attorney general's office and the federal police are effective in investigating crime, impunity remains a common issue. Prisons suffer from structural problems such as overcrowding and poor conditions, which have contributed to the development of criminal networks.

Law enforcement in Brazil has a militarized approach to public security, and has resulted in police violence and low levels of public trust. The expansion and militarization of police strategies have led to increased violence and incarceration, making Brazil one of the most violent countries in the world, with a substantial prison population. State police forces have been accused of extrajudicial executions against young and black men in marginalized areas, and police corruption is rampant. However, the federal police remains the best-equipped police force in the country, and the National Force reinforces the work of the armed forces and the civil police in some states of the country. Some police forces, such as the Federal Highway Police, are suspected of having supported the electoral tension that swept through the country during the presidential election of 2022. While the country frequently employs the armed forces in operations against organized crime, the lack of coordination between the different security forces remains a challenge.

Brazil's vast and complex borders are vulnerable to transnational organized crime. The Tri-Border Area, where Brazil borders Argentina and Paraguay, is a major hub for drug trafficking, arms trafficking and other crimes. Additionally, illegal-mining and drug-trafficking routes are prevalent in the northern and north-eastern border regions with Venezuela. Within the country, criminal organizations and militias have a significant influence on inner-city areas and the political process, presenting further challenges for law enforcement.

ECONOMIC AND FINANCIAL ENVIRONMENT

Brazil has effective measures in place to prosecute money laundering, and is an active member of both the Financial Action Task Force of Latin America and the Financial Action Task Force. However, concerns have been raised in the past about a lack of accountability in addressing some key deficiencies. Currently, the country is considered to have moderate risks of money laundering and terrorism financing.

The regulatory environment in Brazil is considered to be unfriendly to businesses. The country's tax environment is one of the primary factors contributing to economic complexity, with various taxes imposed at each level of government, making it difficult for multinationals seeking to operate in the country. Although the government has taken steps to simplify the bureaucracy and reform systems such as pensions, the structure remains challenging to navigate.

CIVIL SOCIETY AND SOCIAL PROTECTION

Brazil has a victim and witness protection programme that offers support, health care and psychological assistance to hundreds of people annually. However, the programme has been criticized for not providing adequate guidance and support regarding anonymity. Furthermore, modern slavery, human trafficking and smuggling continue to be notable issues in the poorest areas, with police tactics in cities being heavy-handed, resulting in organized-crime victims being treated as criminals or extrajudicially killed by the police. Investigations into police killings are rare, and relatives of victims and witnesses often report a lack of support.

The Brazilian government has several campaigns aimed at preventing drug use, human trafficking and fauna trafficking. Non-state institutions are also involved in implementing prevention strategies. One of the primary programmes for the prevention of drug use by young people is conducted in schools by the military police of all Brazilian states. However, it has been criticized for not having an assessment of its effectiveness and not involving drug issue specialists. The country also carries out highly visible actions throughout the country to warn against trafficking in people, and non-state actors work with members of congress and the senate to raise awareness and support legislative changes to improve the fight against such crimes. Nonetheless, complex mechanisms for the prevention of organized crime remain challenging to implement, and socio-economic development policies aimed at low-income urban areas are rare. Another challenge for preventive strategies is that crime bosses are able to operate and maintain their influence from within prisons or wealthy gated communities. Despite attempts at apprehension, they still retain power and continue to coordinate criminal activities.

Under the previous government, the state increased its attacks on journalists and NGOs, resulting in a deterioration of civil liberties. Violence against journalists more than doubled between 2019 and 2021. Although the media environment in Brazil remains vibrant and the media has consistently denounced corruption, coverage of organized crime is weak, with media organizations refusing to mention the names of crime groups. The situation is particularly perilous for environmental activists and indigenous leaders, who face harassment and threats due to the government's policy towards the Amazon and indigenous lands. Civil-society organizations have proliferated in low-income urban areas, providing assistance to communities through legal advice and awareness campaigns, and education, health services and small business support. Nevertheless, the Brazilian state's capacity and willingness to protect non-governmental actors have continued to deteriorate.

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