

# Trade Policy in Times of Complexity and Expansion of Mercosur's Network of Agreements

Brazilian Chamber of Commerce in the United Kingdom

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Foreign  
Trade Secretariat

MINISTRY OF  
**DEVELOPMENT,  
INDUSTRY, TRADE  
AND SERVICES**






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- 1) International Scenario of Ongoing Tensions, Disruptions, and Transformations
- 2) Expansion of Mercosur's Network of Agreements
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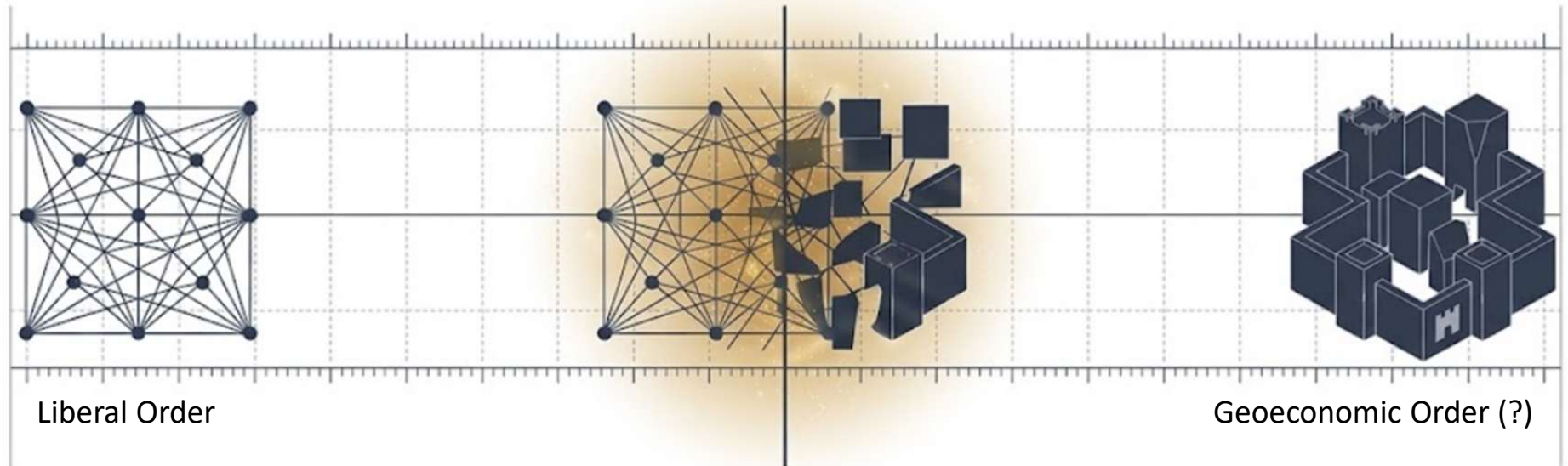
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● ● ● **Much Noise, Little Clarity**


**The Current Moment:** Systemic transformations not seen in decades. We are operating in a transition zone marked by high instability and unpredictability, displaying conflicting features of both models.





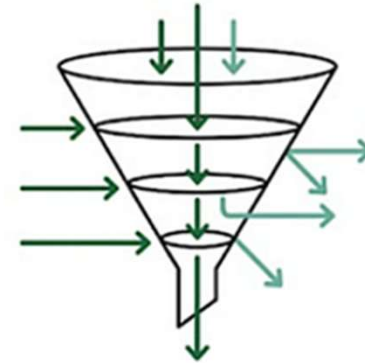
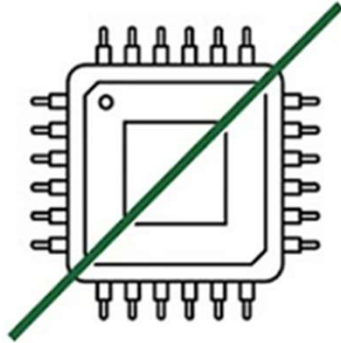
 **Paradigm Shift**

	<b>The Liberal Order</b>	<b>The Geoeconomic Order</b>
Primary Driver	Unrestricted pursuit of efficiency	Priority on resilience
View of Trade	Primary source of opportunity	Dual factor: opportunity and risk/vulnerability
Role of the State	Agent that removes barriers for private sector growth	Strategic actor (strong resurgence of industrial policies)
Policy Objective	Tool for economic development	Instrument of national security and geopolitical objectives





**Instrumentalization of Trade**



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**Technology Restrictions**

Targeted controls on high-tech exports to limit the advancement of geopolitical rivals

**Punitive Tariffs**

Use of trade tariffs to achieve non-trade objectives

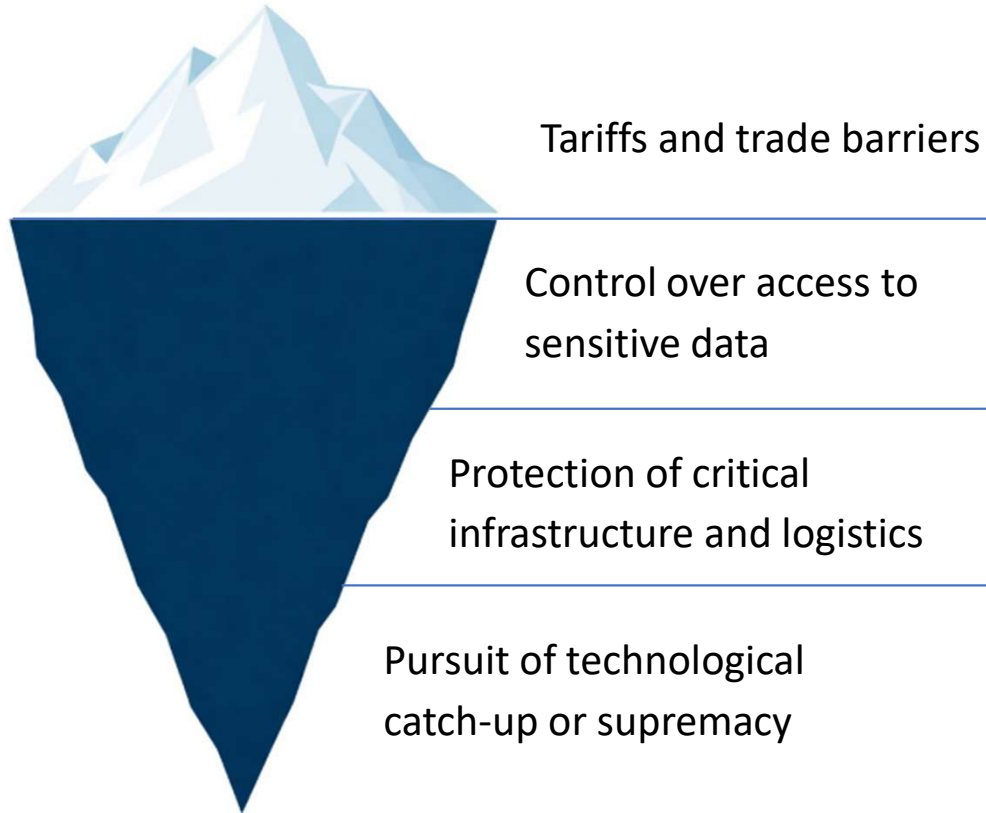
**Investment Screening**

Rigorous scrutiny of foreign capital based on country of origin, ownership structure (state-owned or private), potential access to critical infrastructure, data etc.

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● ● ● **Old-Fashioned Protectionism Does Not Explain**



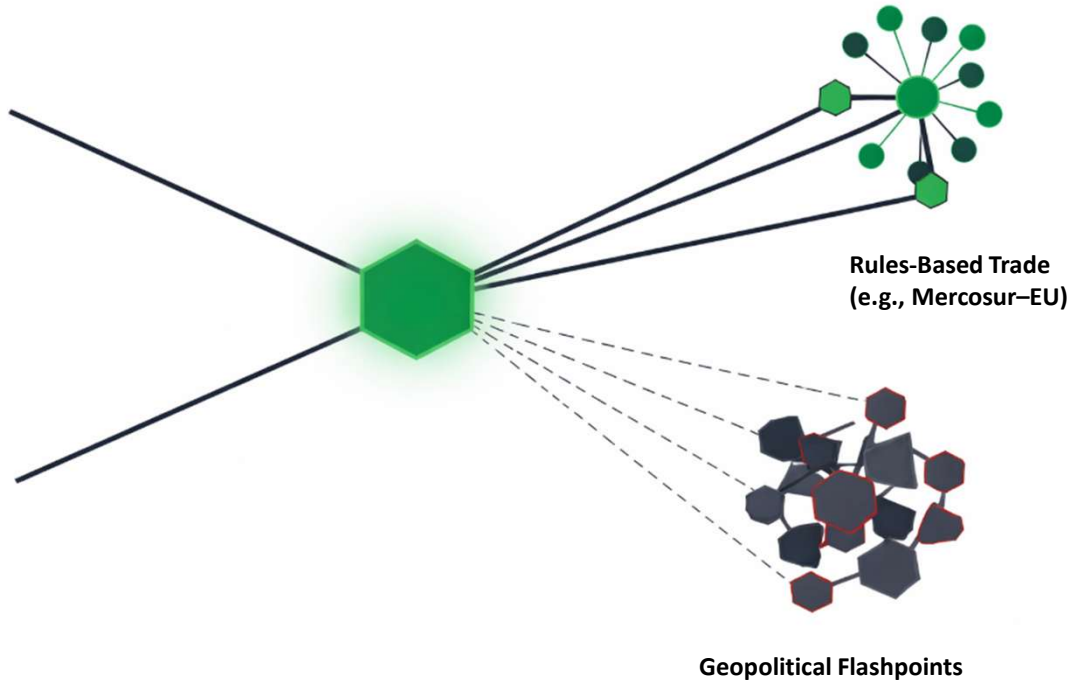
Reducing the geoeconomic order to mere protectionism is an analytical mistake.

Current restrictions are driven by long-term strategic imperatives not simply by the protection of selected industries.





**Brazil's Positioning**




- Global player
- Focus on Diversification, Predictability, Development, Sustainability, Multilateralism






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## ● ● ● International integration strategy (1/2)

- ❑ Engagement with the global economy is essential for building a modern, competitive, and innovative industrial base
  - ❑ It must be **well-planned, gradual, and reciprocal**
  - ❑ Brazil is experiencing the largest expansion of its trade agreement network in its history
  - ❑ Agreements concluded **since 2023** are set to increase the **share of trade covered by preferences by 2.5 times**: from 12.4% to 31.2% of total trade flows
- 




**International integration strategy (2/2)**

Concluded:

- Singapore (in 2023),
- European Union (in 2024 / in force shortly)
- EFTA (in 2025)

Other ongoing negotiations:

- United Arab Emirates (launched in 2024)
  - Canada (resumed in 2025)
  - India (high-level engagement for expansion in 2025)
  - Mexico (expansion launched in 2025)
- 




## **Mercosur–European Union: Context and Relevance**

- One of the largest trade agreements in the world
  - 31 countries, 718 million consumers, GDP of US\$ 22 trillion, and trade flow with Brazil of US\$ 100 billion in 2025:
    - Brazil's imports: 75% capital goods, inputs, and intermediates**
    - Brazil's exports: 43% medium- and high-tech goods**
  - Estimated impacts:** GDP (+0.34%), investments (+0.76%), real wages (+0.42%), imports (+2.46%), exports (+2.65%), consumer prices (-0.56%)
- 




## **Mercosur-European Union: Context and Relevance**

- Significant transformative potential
  - Challenging international context + a strategic asset for Brazil
  - Significant political space for a planned, gradual, and reciprocal integration + Strong support from the private sector
  - Mercosur as a platform for international integration
- 



**Mercosur–European Union: innovative and balanced commitments**

- The State as a driver of growth and promoter of economic resilience: policy space preserved
  - Commitments that reconcile trade and sustainable development
  - Rebalancing mechanism for preservation of concessions
  - Mechanisms for political cooperation (shared values and interests)
  - Transparency and inclusiveness
- 




## Recent Timeline

### Expansion of Scope and Conclusion (2023–2024)


- ❑ 2023–2024 – Resumption of negotiations, with expanded scope, adjustments on topics of interest, and conclusion of pending issues
- ❑ 12/06/2024 – Effective conclusion of negotiations

### Initial Institutional Procedures (2025–2026)

- ❑ 2025 – Legal scrubbing + Translation into 25 languages
  - ❑ 01/09/2026 – Approval by the EU Council
  - ❑ 01/17/2026 – Signing of the Mercosur–EU Agreement
  - ❑ 01/21/2026 – Legal consultation at the EU Court of Justice
  - ❑ 03/17/2026 – Ratification by the Brazilian National Congress
- 




 **Next Steps**

- Entry into force on May 1, 2026
  - Shift in focus from “negotiation” to “implementation”, with emphasis on:**
    - Converting opportunities into business outcomes
    - Supporting adaptation to new conditions arising from the Agreement
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## Brazil-United Kingdom Trade

Março 2026

Jan-Mar 2026

2025

↗ Exportações

4,0

US\$ Bilhões

↑ 30,5% Var.  
2025/2024

↗ Importações

3,8

US\$ Bilhões

↑ 20,7% Var.  
2025/2024

+ Corrente

7,8

US\$ Bilhões

↑ 25,6% Var.  
2025/2024

⚖ Saldo

230,1

US\$ Milhões

Superávit  
2025

1,16%

📊 Part. nas Exportações  
2025

18°

★ Ranking de Exportações  
2025

1,35%

📊 Part. nas Importações  
2025

14°

★ Ranking de Importações  
2025



## Brazil–United Kingdom Trade

### Comércio brasileiro com o Reino Unido

*Dados SECEX (US\$ FOB) – 2025*

Exportações brasileiras  
para o Reino Unido

4 bilhões

Importações brasileiras  
do Reino Unido

3,8 bilhões

Corrente brasileira  
com o Reino Unido

7,8 bilhões

Saldo brasileiro  
com o Reino Unido

+230 milhões

### Comércio do Reino Unido com o mundo

*Dados UN/Comtrade (US\$) – 2025*

Exportações totais  
para o mundo

566,4 bilhões

Importações totais  
do mundo

961,8 bilhões

Corrente de comércio  
com o mundo

1,5 trilhão

Saldo comercial  
com o mundo


–395 bilhões





● ● ● **With SECEX/MDIC: What areas of engagement can we build?**

Cooperation can combine a regulatory agenda, trade facilitation, and strategic partnerships, with a focus on predictability, innovation, and sustainability.

- Trade facilitation and digitalization
  - Regulatory issues and non-tariff barriers
  - Trade intelligence and export promotion
  - Sustainability and green trade
  - Capacity building and institutional cooperation
  - Trade negotiations
- 

# Thank you

**Tatiana Prazeres**

Secretary of Foreign Trade

Ministry of Development, Industry, Trade and Services

Foreign Trade Secretariat

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MINISTRY OF  
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