

# **MONITORING EXPORT AND IMPORT RESULTS FOCUSING ON THE COMPARISON BETWEEN FEDERAL STATES AND CITIES OF THE STATE OF SÃO PAULO (SPRINT 1)**

Danilo Henrique Gino

Edlaine Aparecida Marcos

Lucas Fernando Luciano Serafim

Maria Clara Demetrio dos Santos

Mário de Oliveira Silva Júnior

Professor M2 or Advisor: Carlos Bastos

Professor P2: Marcus Nascimento

## **IMPACT OF TARIFF POLICIES: RISKS AND OPPORTUNITIES OF REGULATORY CHANGES**

Brazilian foreign trade between 2023 and 2025 was marked by a complex interplay between global protectionist pressures and intense domestic regulatory reforms. For a state like São Paulo (SP), the country's financial, industrial, and logistical hub, understanding these forces is essential to mitigate risks and seize opportunities.

### **The Impact of Tariff Policies and Global Protectionism**

The recent period has been defined by the rise of selective protectionism, primarily driven by major trading partners.

*Risks to Import/Export Flows (General and São Paulo):*

Export Portfolio Vulnerability (Risk): The resurgence of unilateral tariffs—such as the announced “tariff hike” by the United States on certain Brazilian products—poses a direct risk. While high-tech sectors (with a strong presence in São Paulo), such as aerospace, may receive exemptions, traditional agricultural and industrial products face a loss of competitiveness abroad. This is particularly critical for São Paulo, which exports a more diversified and higher-value portfolio (manufactured goods, auto parts, chemicals) compared to other states.

Rising Import Costs (Risk): Brazil maintains a relatively high nominal average tariff in the global context and employs trade-defense mechanisms. Decisions such as maintaining or increasing the Import Tax (II) in sensitive sectors (e.g., chemicals, tires) to protect domestic industry drive up the cost of imported inputs. For industries in São Paulo that rely on imported raw materials and components, this translates into a higher “Custo Brasil” (Brazilian cost) and reduced competitiveness.

Geopolitics of the Tariff War (Materialized Risk and Opportunity): The trade tensions between the U.S. and China—São Paulo’s two largest trading partners—create uncertainty. The Port of Santos, responsible for about 30% of Brazil’s trade balance, has become the epicenter of this dispute. China is investing heavily, through state-owned companies such as COFCO (agribusiness) and COSCO (logistics), in building and operating terminals in Santos (e.g., a US \$285 million COFCO terminal) to ensure the outflow of Brazilian soybeans and shield itself from U.S. tariffs. While this intense activity brings record-high trade volumes, it exposes the state to the risk of excessive dependence and requires a more assertive national bargaining strategy to maximize the benefits of leasing these strategic assets.

*Strategic Opportunities (General and São Paulo):*

Diversification and Repositioning (Opportunity): Barriers imposed by major powers encourage São Paulo companies to diversify their markets and pursue higher-value niches. The state, with its robust industrial base, is better positioned to take advantage of Ex-Tariff policies for inputs not produced domestically, increasing efficiency and competitiveness.

Opening of New Agreements (Opportunity): External pressures are pushing Brazil to accelerate the negotiation and ratification of bilateral and regional agreements, such as those with Mercosur, which implemented a simplified Rules of Origin regime (2024), reducing bureaucracy for São Paulo industries operating within the bloc. The accelerated flow of bulk cargo and containers at the Port of Santos, confirmed by consecutive months of record throughput, directly reflects Brazil’s need to fill gaps in global supply.

**The Impact of Domestic Regulatory Changes**

The period from 2023 to 2025 was marked by efforts to modernize customs and fiscal regimes aimed at reducing the “Custo Brasil” (Custo Brasil refers to the combination of economic, bureaucratic, and structural factors that increase production and operational

costs for companies in the country, undermining competitiveness in both domestic and international markets).

*Opportunities (Simplification and Efficiency):*

Customs Revolution: Single Portal and DUIMP: The implementation of the Single Import Declaration (DUIMP) and the consolidation of processes in the Single Foreign Trade Portal represent the greatest regulatory opportunity. The goal is to replace the old systems (LI/DI) with a more efficient, centralized, and risk-managed process.

Benefit for São Paulo: As the country's largest import hub (ports, airports, and dry borders), companies in São Paulo—especially major importers and those operating under the Authorized Economic Operator (OEA) regime—will experience a drastic reduction in customs clearance time and costs. This is crucial to alleviate logistical pressure at Santos, where over 90% of the agricultural bulk handling capacity is already in use, requiring maximum operational efficiency to meet growing demand (driven by Chinese investment).

New Foreign Exchange Framework (2024): The enforcement of provisions from Law No. 14,286/21 (New Foreign Exchange Framework) increases flexibility in international operations, reduces documentary bureaucracy, and facilitates the use of dollar-denominated accounts abroad by companies. This improves cash flow and foreign exchange risk management for São Paulo exporters and importers.

Sectoral Incentives: The creation or revamping of programs, such as the MOVER Program (sustainable mobility), generates fiscal benefits for high-tech industrial sectors, many of which are concentrated in the interior and metropolitan areas of São Paulo.

*Risks (Transition and Compliance):*

Transition Complexity: The main risk of the reforms lies in the learning curve and the adaptation of companies' IT systems and human resources to the DUIMP and Single Portal. Failures during the transition may result in delays and fines.

Regulation of Low-Value Purchases: The end of the Import Tax exemption for international purchases up to US\$50, with the introduction of a reduced 20% rate, has sparked significant debate and directly affects logistics companies and consumers in São Paulo, requiring adjustments in e-commerce strategies and reverse logistics.

**Conclusion:**

For the State of São Paulo, the period from 2023 to 2025 is a turning point. The negative impact of global tariff policies (particularly U.S. protectionism) necessitates the diversification of partners and increased industrial efficiency.

Opportunities lie in embracing regulatory changes (DUIMP and the New Foreign Exchange Framework) to transform complexity into logistical and customs efficiency. São Paulo companies that invest in regulatory compliance, technology, and OEA certification will

be better positioned to excel in the faster yet more volatile foreign trade environment of the coming years.

## References

Comex Stat: Sistema para consulta e divulgação de estatísticas de comércio exterior.

[<https://comexstat.mdic.gov.br/pt/home>]

Portal Gov.br (MDIC/SECEX): Notícias e atos normativos sobre DUIMP, Portal Único e decisões da CAMEX/Gecex.

[<https://www.gov.br/produtividade-e-comercio-exterior/pt-br/assuntos/comercioexterior>]

Fecomercio SP e CNI: Análises sobre o impacto das tarifas internacionais e custo Brasil.

[CNI: <https://www.cni.com.br/> Fecomercio SP: <https://www.fecomercio.com.br/>]

Consultorias Jurídicas e Tributárias: Artigos sobre o Novo Marco Cambial e as atualizações na legislação aduaneira.

Estudos Econômicos (Funcex, UNCTAD): Análises sobre a guerra tarifária global e a posição estratégica do Brasil.

[<https://unctad.org/>] [<https://funcex.org.br/>]

Análise Geopolítica/Logística: Vídeo "O que a China está fazendo em Santos preocupa os EUA" (Arvvo, 2025) – Detalhamento do investimento chinês (COFCO, COSCO) e seu impacto nos fluxos do Porto de Santos.

[<https://www.youtube.com/watch?v=CHImpD72Mms>]