



BRIEFING DIPLOMÁTICO

COVID-19 Pandemic Impacts on Brazilian Foreign Trade



Confederação Nacional da Indústria

PELO FUTURO DA INDÚSTRIA

SUMMARY

- 1 BRAZILIAN EXPORT MANUFACTURING FIGURES
- 2 IMPACTS OF THE COVID-19 PANDEMIC ON TRADE AND COMPANIES
- 3 CNI's ACTIONS PRIORITIES ON THE INTERNATIONAL FRONT

1. INDUSTRY AND FOREIGN TRADE

ECONOMIC IMPACT RESULTING FROM THE EXPORT OF EACH R\$1 BILLION

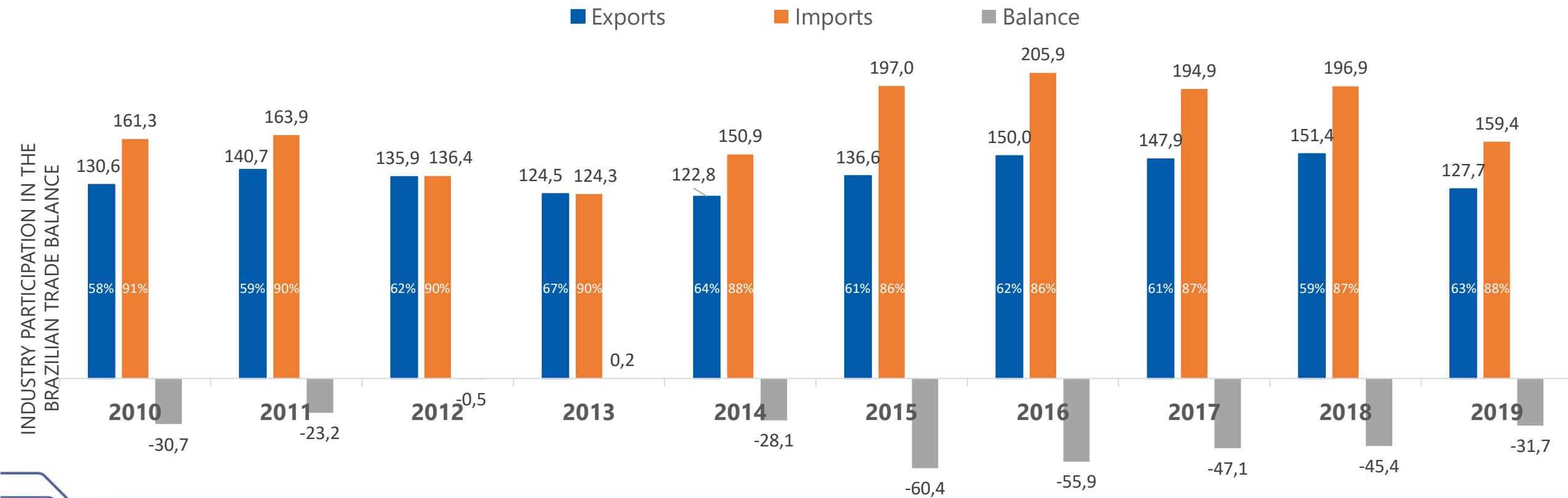
| | EMPLOYMENT | WAGE (BRL MILIONS) | PRODUCTION (BRL BIILIONS) | TAXES (BRL MIILIONS) |
|---------------|------------|-----------------------|------------------------------|-------------------------|
| Agriculture | 28,136 | 272,6 | 2,3 | 135,9 |
| Mining | 21,556 | 526,2 | 3,4 | 212,9 |
| Manufacturing | 36,004 | 708,1 | 4,4 | 366,1 |

Source: Brazilian Institute of Geography and Statistics (IBGE) and Brazilian Foreign Trade Secretariat (Secex).

10. MANUFACTURING INDUSTRY TRADE BALANCE

There was a **16% drop in manufacturing industry exports in 2020**, compared to the same period in 2019 (January-May).

Brazilian Manufacturing industry trade balance in billions of dollars (USD)



1. IMPACTS OF THE COVID-19 PANDEMIC ON TRADE

WORLD TRADE

WTO ESTIMATE

GOODS



FALL BETWEEN

13% e 32%

BRAZILIAN EXPORTS

CNI ESTIMATE BASED ON THE -1.1% WORLD GDP SCENARIO (MARCH 2020)



11%

FALL

From
To

USD 225 bi
USD **200 bi**

IPEA ESTIMATE BASED ON DIFFERENT GROWTH SCENARIOS – IMF AND WTO (APRIL 2020)

From USD 225 bi



10%

To USD **203 bi**

20%

To USD **180 bi**

FALL

TRADE MEASURES



UNILATERAL MEASURES IDENTIFIED

92

COUNTRIES



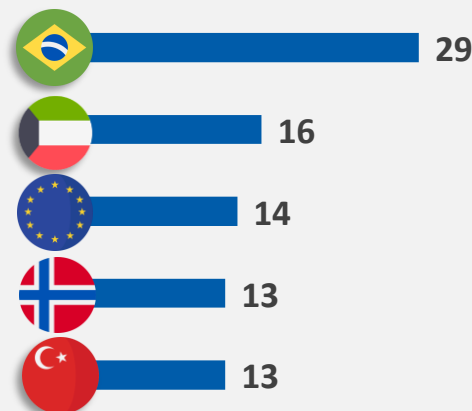
183

RESTRICTIVE

122

LIBERALIZING

MAIN MARKETS



MAIN SECTORS



MEDICAL AND
HOSPITAL



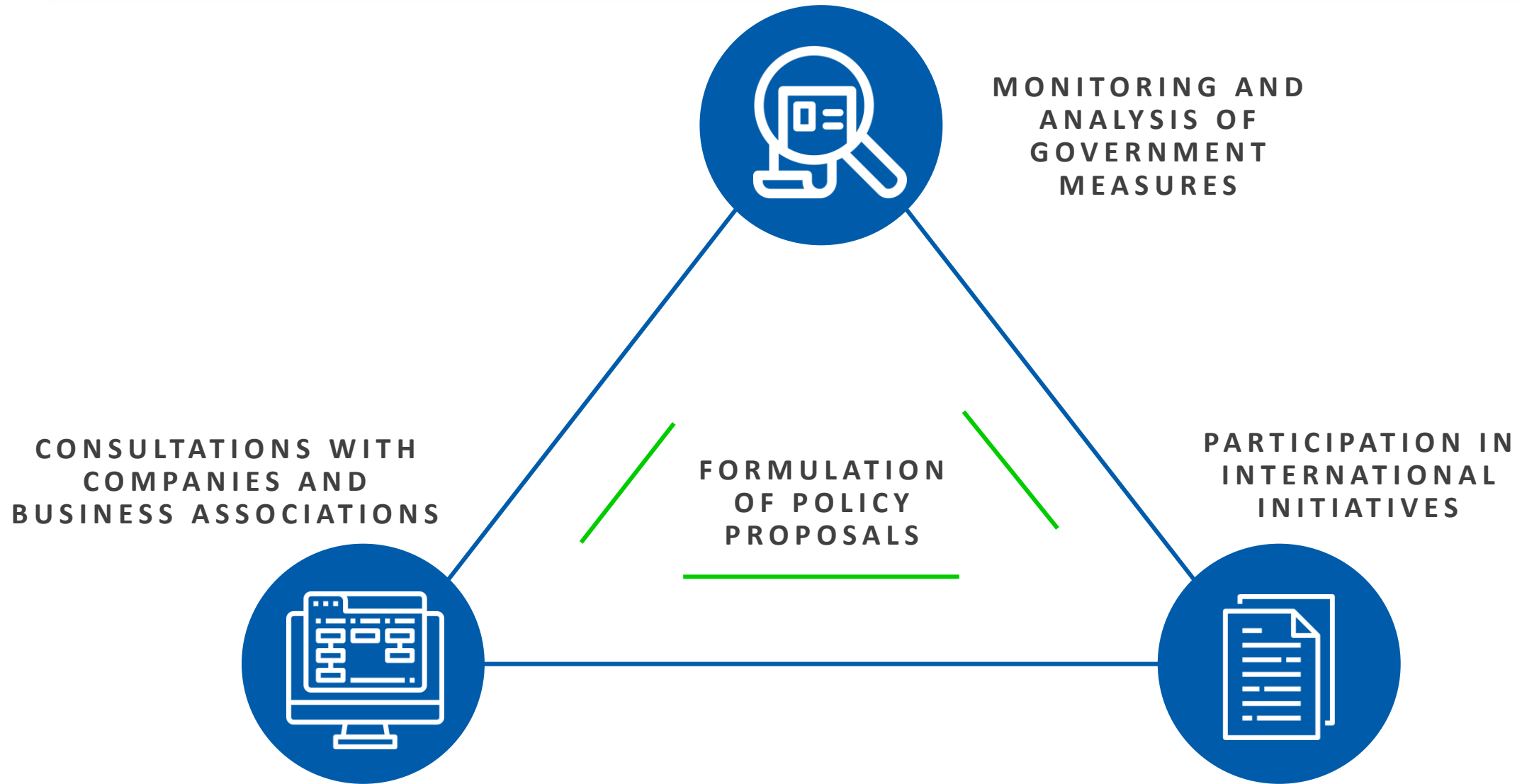
DRUGS AND MEDICINES



SANITATORS AND
ANTISEPTICS

Updated until June 18, 2020.

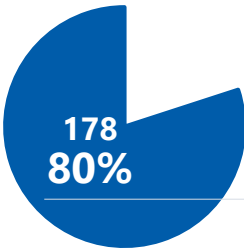
2. INTERNATIONAL AFFAIRS UNIT ACTIONS IN RESPONSE OF THE COVID-19 PANDEMIC



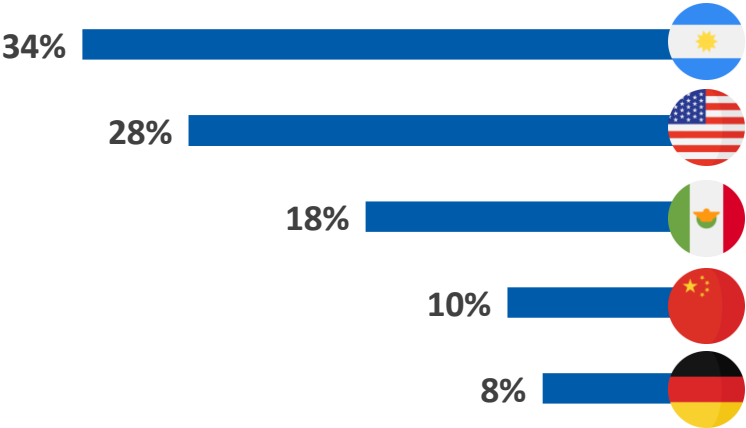
3. IMPACTS OF COVID-19: SURVEY

1st ROUND

Period: February and March
Total of exporting companies: **221**



of the companies consulted were **negatively affected** in **February and March**



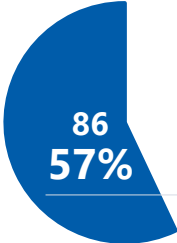
EXPORTS

Pandemic effect on exports activity so far
Percentage (%) of total exporting companies

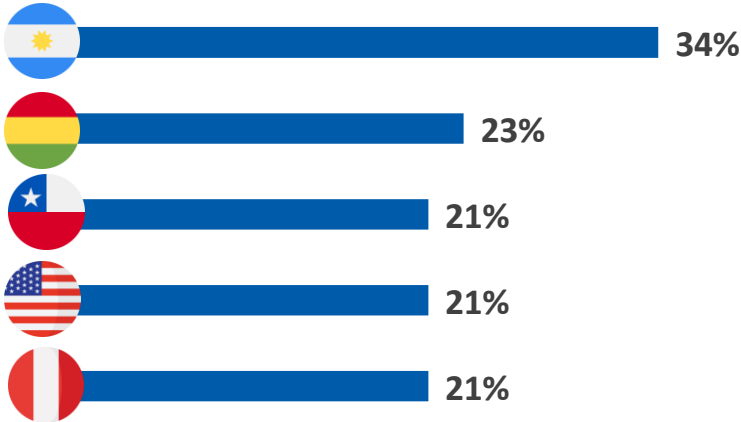
Markets to which companies indicated that exports have been reduced
Percentage (%) of total companies whose exports were affected by the pandemic

2nd ROUND

Period: April and May
Total of exporting companies: **152**



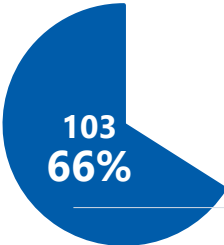
of the companies consulted were **negatively affected** in **April and May**



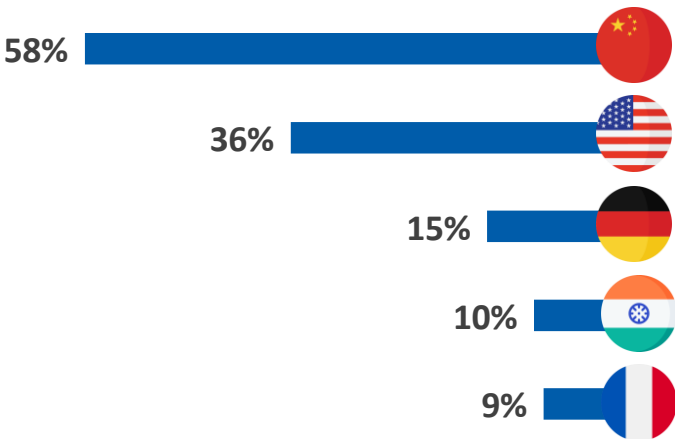
3. IMPACTS OF COVID-19: SURVEY

1st ROUND

Period: February and March
Total of import companies: **156**



of the companies consulted were **negatively affected** in **February and March**



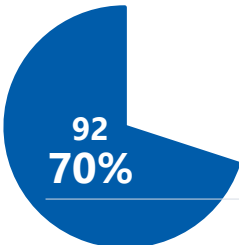
IMPORTS

Pandemic effect on imports activity so far
Percentage (%) of total importing companies

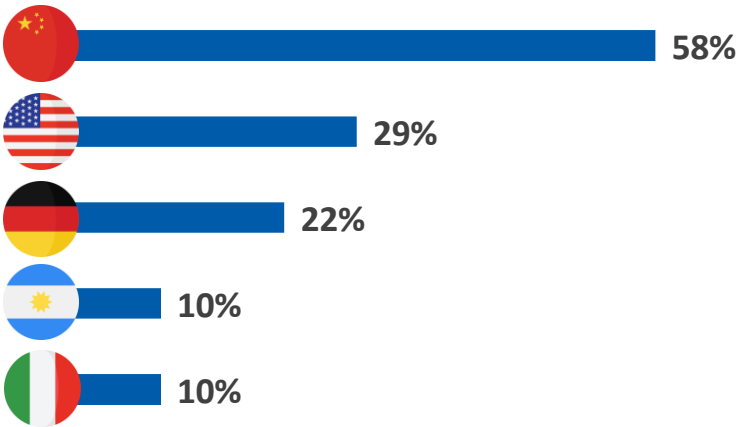
Markets to which companies indicated that imports have been reduced
Percentage (%) of total companies whose imports were affected by the pandemic

2nd ROUND

Period: April and May
Total of import companies: **151**



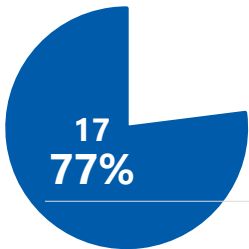
of the companies consulted were **negatively affected** in **April and May**



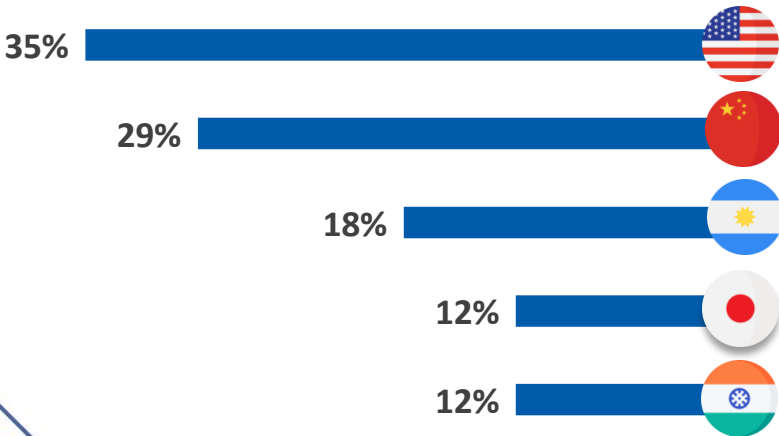
3. IMPACT OF COVID-19: SURVEY

1st ROUND

Period: February and March
Total of investing companies: **22**



of the companies consulted were **negatively affected** in **February and March**



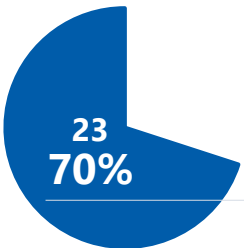
INVESTMENTS

Pandemic effect on investment and production activity abroad
Percentage (%) of total investing companies

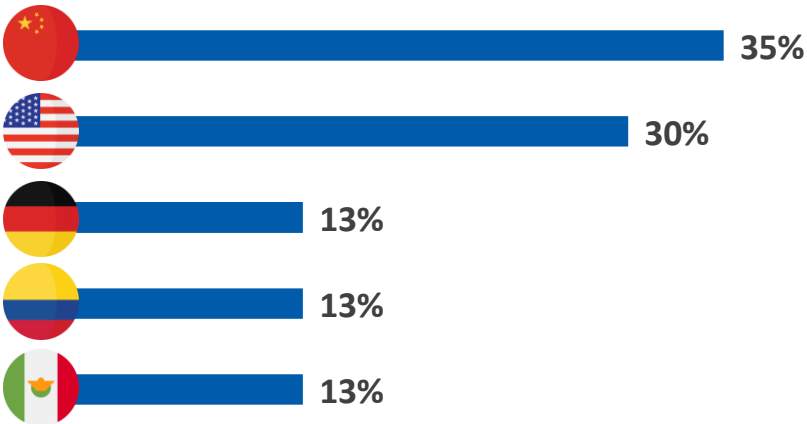
Markets from which companies indicated that investments have been reduced
Percentage (%) of total companies whose investments were affected by the pandemic

2nd ROUND

Period: April and May
Total of investing companies: **33**



of the companies consulted were **negatively affected** in **April and May**



4. PROBLEMS FACED BY COMPANIES IN CARGO TRANSPORT AND MEASURES TAKEN DURING THE PANDEMIC CRISIS

LOGISTICS



Maritime

- Reduction in the frequency of ships
- Increase in the value of international sea freight
- Stop-over cancellations
- Excessive time to release cargo at port terminals
- Lack of empty containers for shipments destined abroad



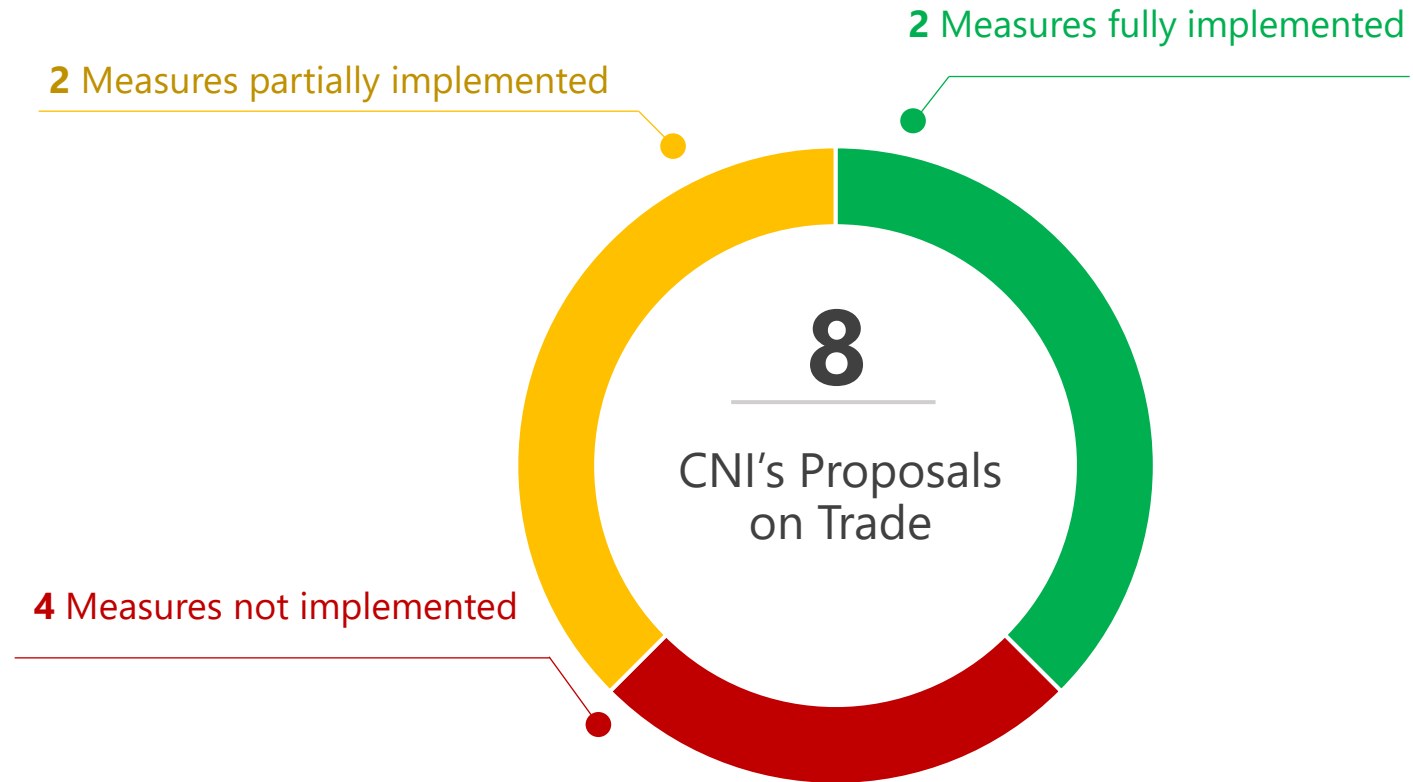
Air

- Increase in the value of air freight
- Reduction in the frequency of international flights
- Reduction in the frequency of domestic flights
- Suspension of international air routes
- Suspension of domestic air routes

5. EXCHANGE BETWEEN BUSINESS AND POLITICS REGARDING THE CRISIS MEASURES


FOREIGN TRADE PROPOSALS

- Taxation in Foreign Trade (partially implemented)
- Export Finance (fully implemented)
- Trade Facilitation (partially implemented)
- Foreign Trade Logistics (not implemented)



6. GOVERNMENT RESPONSE TO THE CRISIS – FOREIGN TRADE MEASURES

ANALYSIS OF FOREIGN TRADE MEASURES IN BRAZIL AND ABROAD



Confederação Nacional da Indústria
PELO FUTURO DA INDÚSTRIA


CORONAVÍRUS E COMÉRCIO EXTERIOR

ANÁLISE DAS MEDIDAS SOBRE COMÉRCIO EXTERIOR NO BRASIL E NO ÂMBITO INTERNACIONAL

Atualização: 03/04/20

A pandemia do coronavírus afeta também o comércio exterior brasileiro.

Por meio deste boletim, a Área Internacional da CNI acompanha as medidas do governo brasileiro relacionadas ao comércio exterior e diretrizes e iniciativas de organismos internacionais.










Nº DE MEDIDAS, DIRETRIZES E INICIATIVAS ADOPTADAS

NO BRASIL **30**

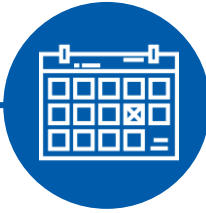
POR ORGANIZAÇÕES INTERNACIONAIS **24**

MEDIDAS ADOPTADAS NO BRASIL

| AII* | DATA | NORMATIVA | RESUMO | PONTOS DE ATENÇÃO |
|---|-------|--------------------------------------|--|---|
|  | 04/03 | Portaria INMETRO N° 79/2020 | Notificação TBT encaminhada à OMC | <ul style="list-style-type: none">Estabelece condições alternativas aos Organismos de Certificação de Produtos (OCP) para avaliação da conformidade em plantas fabris localizadas em países afetados pelo coronavírus |
|  | 17/03 | Resolução CAMEX n° 17/2020 | Facilita e simplifica as atividades de licenciamento, controle ou fiscalização de imp. de produtos de combate ao COVID-19 | <ul style="list-style-type: none">Facilita e simplifica as atividades de licenciamento, controle ou fiscalização de importações para 33 NCMs de uso médico-hospitalar |
|  | 17/03 | Resolução CAMEX n° 17/2020 | Reduz a 0% tarifas de importação para 33 NCMs médico-hospitalares | <ul style="list-style-type: none">Média tarifária dos produtos abrangidos de 19%A redução tarifária teve como base legal Tratado da ALADI |
|  | 17/03 | Instrução Normativa RFB N° 1927/2020 | Simplifica despacho aduaneiro de produtos de uso médico-hospitalar destinados ao combate da Covid-19 | <ul style="list-style-type: none">Altera a IN SRF N° 680/2006 e simplifica o despacho aduaneiro de 33 NCMs:<ul style="list-style-type: none">Permite o recebimento da mercadoria antes da conclusão da conferência aduaneira (Bk e matérias-primas)Processamento simplificado da DITratamento de armazenamento prioritário e sob custódia do depositário até ser submetida a despacho aduaneiro |
|  | 18/03 | Portaria SECEX N° 18/2020 | Suspende temporariamente o licenciamento não automático de importação para produtos de saúde sob direito antidumping | <ul style="list-style-type: none">Suspende temporariamente a exigência de licenciamento de imp. dos produtos sujeitos a medidas de defesa comercial dos produtos:<ul style="list-style-type: none">Tubos de plástico para coleta de sangue a vácuo da Alemanha, EUA, Reino Unido, Índia e ChinaSeringas descartáveis de uso geral, originárias da China |
|  | 20/03 | Decreto N° 10.285/2020 | Desonera temporariamente o IPI sobre os bens necessários ao combate do Covid-19 | <ul style="list-style-type: none">Reduz a alíquota do IPI a 0% sobre 15 produtos necessários ao combate do Covid-19 |
|  | 23/03 | Resolução RDC ANVISA N° 356/2020 | Flexibiliza os requisitos para a fabricação, importação e aquisição de dispositivos médicos estabelecidos para o combate do Covid-19 | <ul style="list-style-type: none">Dispensa temporária da Autorização de Funcionamento de Empresa, da notificação à Anvisa, e de outras autorizações sanitárias, a fabricação e importação de produtos médico-hospitalares estabelecidos |

*Temas da Agenda Internacional da Indústria (AII) de 2020.

TOPICS FROM THE INTERNATIONAL AGENDA OF THE INDUSTRY



78



BRAZIL

40



ADOPTED BY INTERNATIONAL ORGANIZATIONS

Updated 06/19/2020.

7. GOVERNMENT RESPONSE TO THE CRISIS – FOREIGN TRADE MEASURES

HIGHLIGHTS OF FOREIGN TRADE MEASURES ADOPTED BY THE GOVERNMENT



TRADE FACILITATION

Foreign Trade Chamber (CAMEX) Resolution 17/2020:
Facilitates and simplifies tax licensing, control or inspection activities of imports of products to combat COVID-19.



TRADE AGREEMENTS

Foreign Trade Chamber (CAMEX) Resolutions 17, 22, 28, 31, 32, 33:
Reduction to 0% of tariffs for 259 NCMs to combat COVID-19.



SERVICES

Normative Instruction 1,936:
Authorization to present the Certificate of Origin of goods to combat COVID-19 within 60 days, counted from the registration of the Import Declaration.



FAIR TRADE

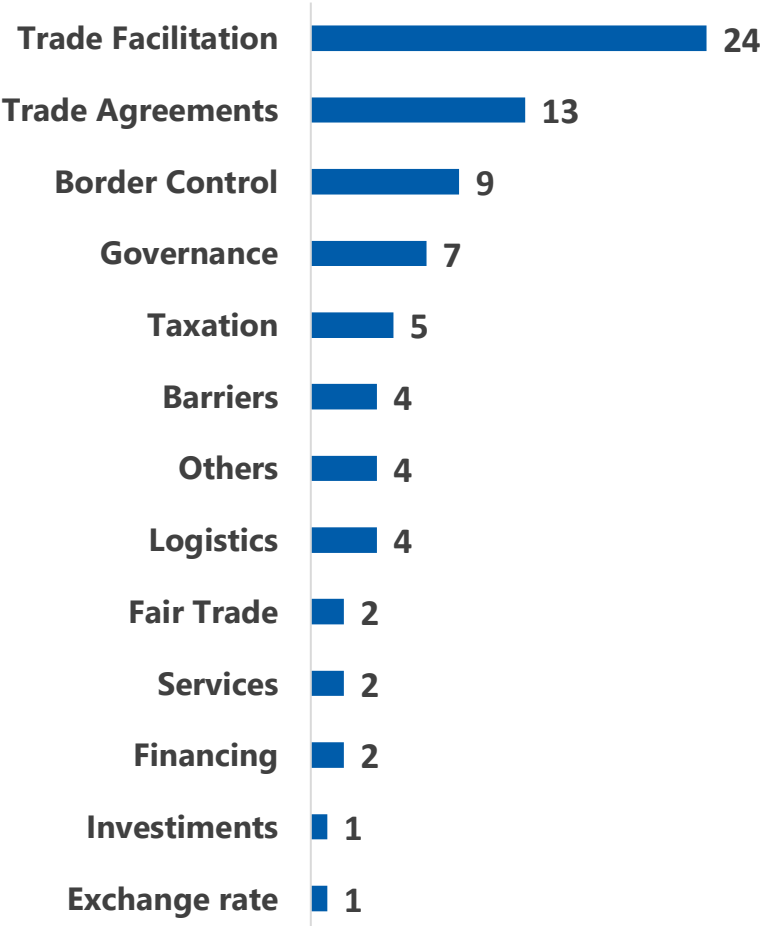
Foreign Trade Secretariat (SECEX) Ordinance 18/2020: Temporary suspension of non-automatic import licensing for health products under anti-dumping duty.



GOVERNANCE


Resolution 1 and 2: Creation of a Working Group with 18 public bodies for the Coordination of Structural and Strategic Actions for the Recovery, Growth and Development of the Country, in response to the impacts of the coronavirus.

NUMBER OF MEASURES ADOPTED BY TOPIC



8. CNI PARTICIPATION IN INTERNATIONAL INITIATIVES

CNI PARTICIPATION IN INTERNATIONAL INITIATIVES

| PARTICIPAÇÃO DA CNI EM INICIATIVAS INTERNACIONAIS DE COMBATE À PANDEMIA DO COVID-19 | | | | |
|---|---|----------------------|-----------|--------|
| CNI Confederação Nacional da Indústria PELO FUTURO DA INDÚSTRIA 15 de abril de 2020 | | | | |
| INSTITUIÇÃO | PRINCIPAIS PONTOS | AÇÕES OU INICIATIVAS | AÇÕES CNI | STATUS |
| GLOBAL | | | | |
| LEGENDA: E EMPRESARIAL G GOVERNO ✓ REALIZADO ✳ EM ANDAMENTO | | | | |
| G G20  | Comunicado dos Líderes do G20 Saúde <ul style="list-style-type: none"> Garantir financiamento adequado para conter a pandemia e proteger as pessoas; Fortalecer os sistemas de saúde; Economia global <ul style="list-style-type: none"> Minimizar os danos econômicos e sociais; Restaurar o crescimento global; Manter a estabilidade do mercado; Proteger trabalhadores, empresas e os setores mais afetados; Comércio internacional <ul style="list-style-type: none"> Garantir o fluxo transfronteiriço de suprimentos médicos, produtos agrícolas essenciais e outros bens e serviços; Solucionar as interrupções nas cadeias globais de suprimentos; Criar um ambiente de comércio e investimento que seja livre e justo; Garantir que as medidas emergenciais estejam de acordo com as regras da OMC; Assumir o compromisso de notificar a OMC sobre quaisquer medidas tomadas relacionadas ao comércio. Plano de Ação dos Ministros de Comércio, desenvolvido a pedido dos Líderes do G20 Resposta sanitária <ul style="list-style-type: none"> Incentivar contribuições voluntárias a todas as iniciativas e plataformas de financiamento que contribuam para o desenvolvimento, fabricação e distribuição de diagnósticos e vacinas do COVID-19; | | | |
| | 1 26 de março Comunicado dos Líderes do G20 divulgado, após a reunião por video-conferência 2 26 de março "Injeção" de 5 trilhões de dólares na economia global 3 30 de março Comunicado dos Ministros de Comércio, após reunião por video-conferência 4 15 de abril Comunicado + Plano de Ação dos Ministros de Comércio do G20 1 Diálogo com o Ministério das Relações Exteriores e da Economia para apresentar prioridades e apoio da CNI. | | | |



9. PRIORITY TRADE AREAS FOR THE RECOVERY



TRADE AGREEMENTS



BARRIERS IN THIRD MARKETS



TRADE FACILITATION



TRADE DEFENCE



GOVERNANCE



FOREIGN TRADE LOGISTICS



TAXATION IN FOREIGN TRADE



EXPORT FINANCE AND GUARANTEE



BRAZILIAN INVESTMENTS ABROAD



STRATEGIC MARKETS



INTERNATIONALIZATION SERVICES





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