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GOVERNMENT ELIMINATES TARIFFS ON FOOD IMPORTS AND REDUCES TECH TARIFFS BY 10%

The Ministry of Economy announced a reduction in import tariffs on two fronts on March 21, one of which will last until the end of the year and the other will be permanent. The first, classified by the ministry as a short-term measure, eliminated tariffs on food imports, specifically on seven products that significantly impact the National Consumer Price Index (INPC): coffee, margarine, cheese, pasta, sugar, soy oil, and ethanol. In addition, a 10% cut was made in tariffs linked to capital goods and information technology. The first measure comes into force on the 23rd. The reduction applied to tech goods will come into force on April 1. The ministry calculates that setting the ethanol tariff to zero will bring the price of gasoline down "by around 20 cents," according to Foreign Trade Secretary Lucas Ferraz. But, according to him, this does not prevent "the price from continuing to rise" due to external factors. "Our idea is to have a supply shock," he said, noting that "the scenario [of production bottlenecks] grew increasingly more worrisome with the war."

Sources: Valor Econômico/Datamar News

SANCTIONED LAW CHANGES TAX RULES ON FUEL

Brazil's President Jair Bolsonaro sanctioned without vetoes Complementary Law 192/22, which provides for the incidence on Tax on the Circulation of Goods and Services (ICMS) on fuels, including imported ones, based on a fixed rate per volume traded. In addition to changes in ICMS, the new law also changes the federal PIS/Pasep and Cofins norms, providing for a fuel exemption in 2022. The new standards cover gasoline, fuel ethanol, diesel, biodiesel and liquefied petroleum gas, including the derived from natural gas. Aviation kerosene was left out according to the Chamber Agency News. The rates will be based on the unit of measure (liters, for example) and will be defined by a unanimous decision from the Council of State Secretaries of Finance (Confaz), so that there is no increase in the proportional weight of the tax in the final value to the consumer. The basis for calculating the current diesel rate will be the moving average of the average prices charged to the final consumer in the 60 months prior to its establishment. This transitional rule will be in force until December 31, 2022.

Source: Jornal Cana (*Translated by la Niani)

CHINA'S IMPORTS OF BRAZILIAN SOYBEANS INCREASED IN THE FIRST QUARTER

Chinese soybean imports from Brazil increased significantly in the first two months of 2022 compared to the same period last year, according to customs data released on the 22nd. According to data from the General Customs Administration, China, the world's largest soybean buyer, purchased 3.51 million tonnes of the oilseed from Brazil in this two-month period, up 241% from the 1.03 million tonnes last year. Last year, severe rainfall delayed the harvesting process in Brazil and, subsequently, exports as well. Brazil is China's largest supplier of soybeans. This year, drought has slowed down harvesting and shipments, squeezing the supplies in China and forcing crushers to halt operations and push bran prices to record levels. Despite all the circumstances, soybean arrivals were still higher than before. China also brought in 10.04 million tonnes of soybeans from the United States in the first two months of 2022, down 16% from 11.9 million tonnes a year ago, according to customs data.

Sources: Money Times/Datamar News

VESSELS CARRYING BRAZILIAN SUGAR HEAD TO RUSSIA, WHICH DEALS WITH EMPTY SHELVES

At least five ships head to Russia with nearly 200,000 tonnes of raw Brazilian sugar sold by European traders, which is roughly double of Russia's annual purchases of the product, according to shipping data

consulted by Reuters. Sanctions imposed on Russia after its invasion of Ukraine have increased the demand for sugar and other staple products while supermarket shelves are being emptied due to food stockpiling. However, sanctions can also make it more difficult for carriers to get paid for their services. The volume of sugar shipped is unusually high, noting that Russia tends to import around 100,000 tonnes of sugar a year. Russia is not a notable importer or exporter of sugar, but Russians have started hoarding the sweetener. While sugar sales are not sanctioned, financial transactions are. In addition, analysts point out that security issues in the Black Sea could hamper the operation of vessels there.

Sources: Reuters/Money Times/Datamar News

RICE EXPORTS GREW 65% IN FEBRUARY

Brazilian exports of rice (husk base) totaled 135.3 thousand tons in February, up 65% from the same month last year, when foreign sales totaled 81.9 thousand tons, according to Abiarroz (Brazilian Rice Association), based on data from the Ministry of Economy. Venezuela ranked first among buyers of Brazilian rice after purchasing 53,100 tons. The revenue generated by shipments last month went just over US\$ 40 million, up from US\$ 22.7 million in the same month of 2021. Cuba, Peru, the United States and Cabo Verde also stood out as product buyers. Brazilian rice imports in February totaled 70,200 ton, corresponding to US\$ 17.2 million. In the same month of 2021, Brazil imported 82.1 thousand tons (US\$ 26.2 million). "The sector's trade balance shows a surplus of nearly US\$ 60 million, compared to a deficit of US\$ 40 million in 2021", says Abiarroz's Export manager, Carolina Matos.

Source: Canal Rural (*Translated by la Niani)

BRAZIL RAISES CORN EXPORTS AMID CRISIS IN UKRAINE, AGROCONSULT SAYS

Agroconsult has foreseen opportunities for Brazilian corn amid crisis in Ukraine. Corn shipments are expected to reach 41.6 million tons this year. "The big question on the corn market is how much Ukraine will produce. The country produces more than 40 million tons of corn and exports exceed 30 million tons", said the president of Agroconsult, André Pessôa, in a videoconference. "Corn prices will be extremely high and could rise even more because of the war, as a result we have seen cautions from producers. They are waiting for the harvest in order to ensure how much corn there will be", he added. He said that the tendency is for corn in Brazil to be even more demanded in the international market.

Source: Reuters (*Translated by la Niani)

CANADIAN FIRM INTENDS TO INCREASE POTASH SALES TO BRAZIL

Canpotex, which exports potash from Canada's two largest mining companies, informed Agriculture Minister Tereza Cristina on Tuesday (15) that it intends to increase its sales to Brazil beyond the current volume of 4 million tons per year. The Brazilian minister is in Canada to ensure greater supply to Brazil, the world's largest importer of fertilizers. The mission takes place against the backdrop of the war in Ukraine and economic sanctions against key producers, such as Belarus and Russia, major exporters of potash and other inputs to Brazil. "We continue talking with several suppliers so that our agro continues to guarantee food security for Brazil and the world", said the minister. According to a statement, Tereza Cristina also met with the presidents of the companies Brasil Potash, Gensource, Nutrien and Fertilizer Canada, and with the Canadian Deputy Minister of Agriculture, Paul Samson.

Source: Moneytimes/Global Fert (*Translated by la Niani)

JBS WILL INVEST BRL 134 MILLION TO PRODUCE FERTILIZERS

JBS announced on Friday (18) it will start a 100%-national fertilizer production through the unit Campo Forte Fertilizantes, which has already started operating in the city of Guaíçara - SP. Campo Forte required an initial investment of BRL 134 million and will have the capacity to manufacture 150,000 tons per year. The company is in line



with the Net Zero 2040 commitment, and it aims to bring net balance of greenhouse gas emissions to zero by 2040. Campo Forte will produce organic fertilizers using waste and raw materials. The operation will serve both companies (B2B) and final consumers (B2C), with a sale proposal supported by laboratory analyzes. In the beginning, the company will prioritize sales of soybean, corn, coffee, sugarcane, fruit and vegetables, in addition to pastures and forests.

Sources: Globo Rural Magazine/Estadão (*Translated by la Niani)

WHEAT: BRAZIL KEEPS HIGH PRICES DESPITE STOCK MARKET CORRECTION

Wheat prices are still quite high in Brazil and keep historical high levels as business finds room to become effective. The director at Baco Corretora, Rita De Baco, said that "any other industry can adjust its costs, however in the crushing market there is no other product but wheat". The Brazilian wheat market week is coming to an end with price levels averaging between R\$ 1900.00 and R\$ 1950.00 per ton FOB in the countryside of the state of Rio Grande do Sul. "Last week, we had prices of up to R\$ 2,150.00 a ton at Rio Grande", said Rita De Baco. Also, according to the director, "until last week, prices were reaching levels never seen before, the domestic market had to change its indications, as they were losing the only product that makes wheat flour". Thus, the picture is still quite favorable for Brazilian wheat. With exports flowing better, prices are reaching better levels even in the domestic market. Even though, the producer must stay up to date on all current opportunities.

Source: Notícias Agrícolas (*Translated by la Niani)

BRAZIL: TRANSIT REGISTRATION OF SOYBEAN WILL BE REQUIRED IN RIO GRANDE DO SUL

With the drought and its impacts on the crop of Rio Grande do Sul, the soy entrance from other Federation Units is likely to increase in the coming months. The State Revenue will require the Transit Registration in the interstate entries due to the high amount of ICMS tax credits from other states for purchases of soybean. The measure aims to prevent fraud and to protect producers as well as the economy of the state. The new requirement for the sector is in the Normative Instruction RE No. 014/22 and will take effect as of April 1, 2022. In this way, the tax document without a Transit Registration at a Tax Post in Rio Grande do Sul will be declared disreputable. The measure also aims to curb a common scheme from the "bill of sale companies," which exist with the purpose of issuing false bills of sale to generate credits to other companies in fake operations.

Source: Sec. de Agricultura – RS (*Translated by la Niani)

ITAQUI PORT COMPLEX GAINED NEW FUEL TERMINAL

The Itaqui port area gained, on the 17th, a new fuel distribution base with the inauguration of the Raízen terminal, which has a handling capacity of 1.5 billion fuel liters per year and can store up to 80 million liters of gasoline A, Diesel S10, and S500. The total investment amounts to R\$ 200 million. The new terminal, built on a 140,000 square meter area in the Port of Itaqui's retro-area, is already operational. The Raízen terminal will increase the supply of fuel in the region, mainly to the states of Maranhão, Piauí, Pará, and Tocantins, in addition to serving as a cargo hub for other ports in the North and Northeast regions. The inauguration of the new Raízen terminal is part of the package of public and private investments at the Port of Itaqui, which total around R\$ 2 billion in works. Assets include, in addition to this new fuel terminal, the second phase of the Maranhão Grain Terminal (TEGRAM), the new fertilizer terminal, berth 99, the new pulp terminal, among others.

Source: Datamar News

PORT OF IMBITUBA SEES 18.7% GROWTH IN FEBRUARY

Keeping up with the operational growth trend seen in the last few months, the Port of Imbituba handled 464.7 thousand tonnes in February, up 18.7% from the same period in 2021. Last month's result also stood out as the best February performance ever recorded in the harbor's history. In total, 22 vessels docked at the port, an increase of

15.8%. Year-to-date, the first two months ended with a 42.2% increase in the volume handled compared to the first two months of 2021. Imports drove monthly handlings up, representing 56.2% of the trade flow. Exports, in turn, represented 35.9% and cabotage shipping, 7.9%. Solid bulk products were the majority of transported cargo, with 423.5 thousand tonnes throughout the month, an increase of 47.9% compared to February 2021. Calcined and non-calcined coke was the products most handled, with 180.4 thousand tonnes, followed by iron ore (88.7 thousand tonnes), calcined coke (40.8 thousand tonnes), containers (37.2 thousand tonnes), salt (31.8 thousand tonnes), and malt/barley (31.7 thousand tonnes). The port also transported fertilizers, steel products, soy slurry, and bran.

Source: Datamar News

THE PORT OF SANTOS' NET PROFIT GROWS 63% TO R\$ 329 MILLION IN 2021

The Santos Port Authority (SPA) ended 2021 with the best results in its entire history with a net profit of BRL 329.1 million, up 62.6% from 2020, which had been the company's best year until then. The result will allow SPA to distribute almost R\$308 million in dividends to the Federal Government, a record in the company's history. "This result reflects the structural changes that SPA is undergoing. It was a year of significant accomplishments that will contribute to the Port of Santos's standing as an irreplaceable asset of Brazilian infrastructure," said the SPA's CEO, Fernando Biral. Among such changes, the executive highlighted the auction of STS 08A, won by Petrobras for R\$ 558.3 million. Between 2019 and 2022, 11 different terminals will go through auction at the Port of Santos with estimated investments worth R\$6 billion. Out of this total, five have already taken place and the remaining six will be held this year.

Source: Datamar News

PORTO DO AÇU TO BUILD NEW STORAGE YARD WITH MINAS GUSA

Porto do Açu stated on Wednesday (16) that it will build a new yard to store solid bulk. Minas Gusa will build the 35,000-square-meter facility next to the Multicargo Terminal (T-Mult), with an emphasis on importing solid fuels for the steel and cement industries. Minas Gusa will be in charge of financing and administering the yard, while T-Mult will conduct port operations following the direct discharge model. The contract calls for 300,000 tonnes handled per year for the next ten years, with the yard expected to begin operations in the first half of 2023. "In addition to solid fuel imports, the structure will also be able to conduct export operations of iron ore and semi-finished products, such as pig iron, optimizing the logistics flow in the future", explains João Braz, director of Terminals and Logistics at the Porto do Açu.

Sources: Portos e Navios/Datamar News


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