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BRAZIL'S POLICY TOWARDS MERCOSUR: CURRENT PRIORITIES AND MECHANISMS FOR REGIONAL COOPERATION

Iryna Cheban[1]

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The current phase of Brazil's policy within MERCOSUR is characterised by a desire to combine economic integration with issues relating to energy, technology, security and social development. A key development in this context was Brazil's presidency of MERCOSUR in the second half of 2025. At the start of his presidency, President Luís Inácio Lula da Silva identified five priority areas: strengthening internal trade; the energy transition and combating climate change; technological development; the fight against organised crime; and the protection of the rights of citizens of MERCOSUR member states [4].

Brazil participates in all the main institutional mechanisms of MERCOSUR, in keeping with the intergovernmental nature of the organisation. MERCOSUR's governance structure comprises three bodies with decision-making powers: the Common Market Council (CMC), the Common Market Group (GMC) and the MERCOSUR Trade Commission (CCM) [5]. In each of them, member states have one vote each, and decisions are taken by consensus.

Brazil's current approach to MERCOSUR involves broadening the bloc's agenda beyond traditional trade integration. The Brazilian side views MERCOSUR as a mechanism through which it is possible to simultaneously deepen economic ties, develop infrastructure, ensure energy cooperation and coordinate member states' responses to cross-border threats.

One of the key priorities remains the deepening of intra-regional trade. For Brazil, this involves increasing trade volumes and removing administrative and customs barriers that hinder the movement of goods between MERCOSUR member states. During Brazil's chairmanship in the second half of 2025, the MERCOSUR Trade Commission considered issues relating to tariff regulation, the functioning of integrated control zones, intra-zone trade and the exchange of statistical information [1].

The second area of focus is the development of transport and border infrastructure. This includes road and rail links, bridges, border crossings,

[1] Taras Shevchenko National University of Kyiv, Ukraine

logistics centres and other facilities that facilitate the movement of goods and people. Brazil is developing the “Rotas de Integração Sul-Americana” system, which comprises five routes and around 190 infrastructure projects. Their implementation is intended to improve road, rail, port and border connections, reduce logistical barriers and create new opportunities for trade with South American countries [7].

The third area is energy cooperation. Brazil is keen to establish a more integrated energy market in South America, as energy interdependence between states is directly linked to the region’s economic stability. During the MERCOSUR summit in July 2025, the presidents of the member states emphasised the need to deepen integration in the electricity and gas sectors, develop cross-border infrastructure and utilise renewable energy sources [3].

For Brazil, the energy sector combines several objectives: ensuring a stable energy supply, expanding cross-border electricity grids, utilising gas infrastructure and gradually shifting the energy mix. A joint declaration by the MERCOSUR member states emphasised that existing cross-border gas pipelines, electricity grids and energy facilities form the basis for the regular exchange of energy and for responding to seasonal fluctuations in demand or emergencies.

The fourth priority area is combating cross-border organised crime. For Brazil, this issue is directly linked to the security of land borders, the illicit trafficking of drugs, weapons and people, and other forms of criminal activity of a cross-border nature. During Brazil’s presidency, the fight against organised crime was identified as one of MERCOSUR’s central areas of work, involving the exchange of information, the coordination of investigations and the organisation of joint operations between member states. The effectiveness of controls on one side of the border depends to a large extent on the actions of the neighbouring state, as criminal networks use border areas to move goods, financial resources and people. MERCOSUR serves as a platform for developing joint approaches to security and coordinating the activities of the relevant state agencies [6].

The implementation of Brazil’s policy within MERCOSUR faces a number of constraints linked to differences in the economic interests of member states, political changes, the institutional characteristics of the bloc, and the uneven development of its members. One of the main problems remains the divergence of economic interests amongst member states. Differences in the size of their economies, the structure of their production and their dependence on specific sectors lead to differing views on the organisation’s trade policy.

Economic asymmetries also have a territorial dimension. The MERCOSUR member states differ in terms of their level of infrastructure development and their capacity to finance major regional projects. At the MERCOSUR summit

in June 2026, the presidents of the member states separately emphasised the need to adapt the MERCOSUR Structural Development Convergence Fund (FOCEM) to current conditions in order to overcome existing disparities. The Fund is regarded as a tool for supporting the bloc's less developed economies and regions [2].

A second constraint is the political heterogeneity of South American states. Changes in government influence attitudes towards the pace of economic integration, state regulation, trade policy and MERCOSUR's priorities.

An additional challenge for Brazil is the limited institutional capacity of MERCOSUR itself. The organisation is intergovernmental in nature, and its rules often need to be transposed into the domestic legal systems of member states, which lengthens the time between the adoption of a regional decision and its practical implementation.

Another constraint is the financial capacity to implement regional projects. Transport, energy and digital integration require significant long-term investment, whilst the financial resources of regional mechanisms remain limited. This creates a gap between the number of projects that states consider necessary for integration and their ability to secure funding for them.

The analysis therefore shows that Brazil's policy within MERCOSUR for 2024-2026 was aimed at deepening regional economic cooperation, developing intra-regional trade, transport and energy infrastructure, strengthening security cooperation, combating cross-border organised crime and expanding technological cooperation between the countries of South America. The implementation of this policy depends on economic asymmetries between the member states, differences in their political and economic interests, divergent visions for the future of MERCOSUR, limited financial resources and difficulties in implementing joint decisions. Consequently, whilst Brazil possesses the greatest economic, institutional and resource capabilities amongst the MERCOSUR states, its ability to influence the bloc's development is determined not only by its own capabilities but also by its partners' willingness to coordinate and jointly implement regional initiatives.

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