Supply chain warning over Brazilian port bottlenecks

Brazil's port infrastructure is operating at full a capacity and impacting the supply chains of major businesses and exporters.

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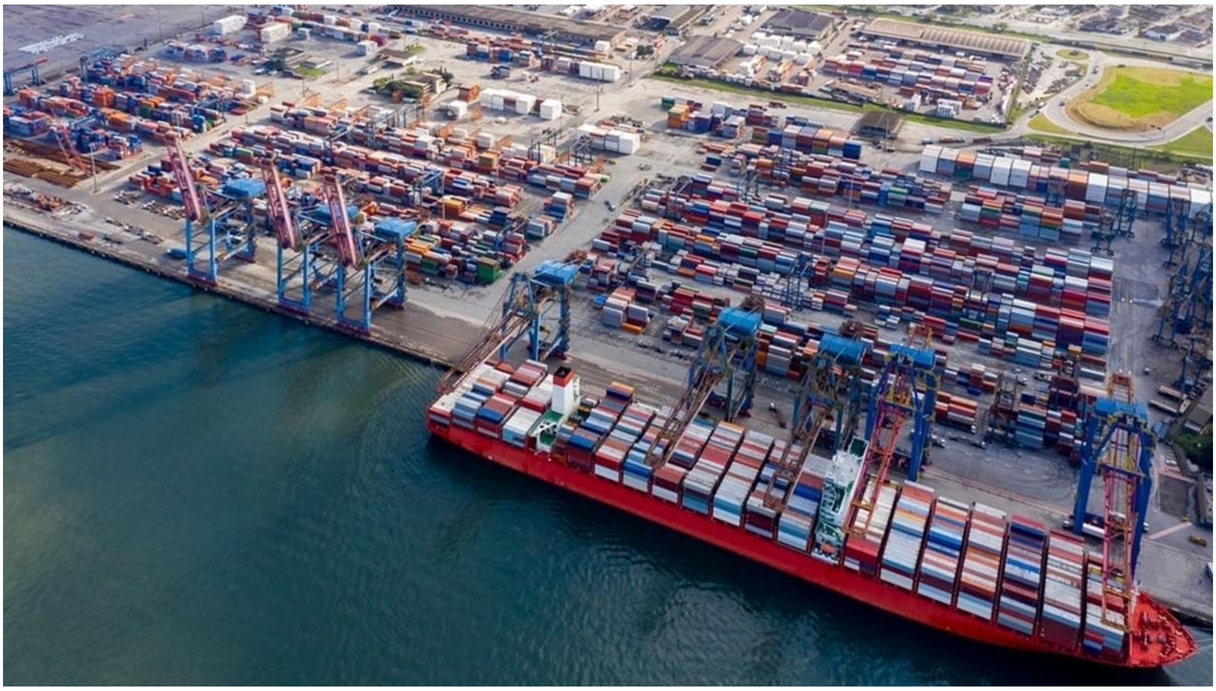

Port of Santos, BrazilCredit: MTM Logix

The state of the country's ports has become a critical obstacle for the agribusiness sector, directly impacting key supply chains of major industries and commodities exports according to Mario Veraldo, CEO of global logistics company MTM Logix.

Veraldo said the issues are no longer isolated incident and have become systemic. "Brazilian ports are operating at full capacity - outdated equipment, lack of maintenance, and underinvestment have created an unsustainable situation."

According to Veraldo, Brazil invested only 2.2% of its GDP in infrastructure in 2024, when nearly double that—around 4.3%—would be required to meet projected demand over the next three decades. This shortfall comes at a time when agribusiness exports are booming, reaching $164.4 billion last year—nearly half (48.9%) of the country's total exports.

In March 2025, Brazil failed to ship more than 600,000 bags of coffee—equivalent to approximately 1,932 containers—due to logistical bottlenecks. This resulted in a loss of around $1.57 million, according to the Brazilian Coffee Exporters Council (Cecafé). Since June 2024, inefficiencies at major coffee-exporting ports have led to an additional $11.72 million in extra costs.

The *Detention Zero Bulletin* (DTZ), published by startup ElloX Digital, reported that 55% of vessels—179 out of 325—experienced delays or had their schedules altered at Brazil's main ports in March 2025. The average container dwell time can exceed 40 hours and, in some cases—particularly at the Port of Santos—reach up to 10 days.

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"There is an urgent need to expand and modernise Brazil's ports, streamline bureaucratic processes, and invest in technology and alternative logistics solutions—such as the Northern Arc ports, which are emerging as strategic routes for exporting Brazilian agricultural products," commented Veraldo.

Rodrigo Reis, Logistics Manager at the Cerrado Coffee Growers Cooperative (Expocacer), said the bottlenecks are impacting everything from operational planning to the income of cooperative members. "These added operational costs could be used to increase the value of the coffee. Instead, we are spending with infrastructure failures."

Reis explained that Expocacer takes a proactive approach, using early-stage logistics planning and carefully selecting shipping lines. Still, the cooperative faces recurring issues like container shortages, sudden changes to vessel deadlines, and high toll costs on single-lane highways.

This situation calls for coordinated action among the government, private sector, and producers. Without it, Brazil risks losing its global competitiveness to a logistics system that can no longer keep up with its potential, according to MTM Logix.

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"Digitisation and automation are emerging as strategic tools to transform Brazil's port logistics, which are currently plagued by inefficiencies and high costs. Smart technologies can speed up processes, reduce operational errors, and improve information management across the entire supply chain. Automated systems streamline everything from cargo clearance to inventory management, cutting wait times and boosting terminal productivity," said Veraldo.

The Brazilian government's intention to auction Port of Santos' Tecon 10 [STS10] the new mega container terminal at Latin America's largest port, in this year's last quarter, has drawn considerable international interest, especially from global terminal operators, shipping lines and Asian port infrastructure funds. The date may still depend on regulatory reviews and final approval from TCU (Brazil's Federal Audit Court).

The estimated investment over the 25-year concession period is around $450 million and a significant portion—close to $150–200 million —is expected in the initial years for infrastructure modernisation and capacity expansion.