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Brazil's 2011 Trade Successes and 2012 Trade Priorities

Report Categories:

Agriculture in the Economy

Competitor

Market Promotion/Competition

Trade Policy Monitoring

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Report Highlights:

Brazil's recently-released 2012 Message to the National Congress sheds light on what Brazil considers its greatest trade successes for 2011 and trade priorities for 2012. For its trade successes in 2011, Brazil lists access to the U.S. fresh pork market, gains in market access for its fresh beef around the world, and the strengthening of its agricultural trade relationship with China, along with the resolution of various other sanitary and phytosanitary (SPS) trade barriers with trading partners around the world. For 2012, Brazil plans to continue trade promotion in select countries, particularly by branding its public image and adding value to Brazilian agricultural exports. Brazil is poised to continue gaining market share, especially in its key agricultural exports.

The 2012 Message to the National Congress: Each year, at the opening of the Brazilian National Congress's legislative work year, the President of Brazil addresses the National Congress to apprise it of the Executive Branch's principal initiatives over the last year and to present expectations for the upcoming year. This address is known as the *Message to the National Congress*. President Dilma Rousseff delivered the 2012 Message to the National Congress on February 2, 2012, at the opening of the 1st Ordinary Legislative Session of the 54th Legislature. The 468-page document ([link to the Portuguese-language text in its entirety](#)) highlights the actions and successes of the Executive Branch in 2011 and briefly describes the actions the Executive Branch plans to take in 2012.

Some sections of the *2012 Message to the National Congress* are particularly germane to the area of agricultural exports. As Brazil is the third-largest agricultural exporter in the world, after the United States and the European Union, it is worthwhile to provide informal translations of the most relevant sections. For those who have closely followed the Brazilian export market, there may be nothing new to note. However, the holistic character of this report in presenting Brazil's 2011 trade success and 2012 trade plans paints a picture of Brazil's agricultural export strategy and priorities.

The following are select highlights:

- **Section I.2.E.1. International Negotiations: Bilateral and Multilateral:**

“The entry of the Russian Federation into the WTO, approved at the 8th Ministerial Conference of the WTO (Geneva, 2011) permitted Russian market access for Brazilian-origin beef, pork, and poultry, by means of tariffs in quantities that were considered satisfactory by the Brazilian Government and by Brazil's export private sector.

“Concerning the negotiations to open and maintain markets, related to SPS matters, the following advances are highlighted for opening market access for Brazilian products: China, Japan, South Korea, the Russian Federation, Canada, the United States, the European Union, South Africa, Malaysia and Indonesia, among other countries. The referenced activities resulted in opening market access for Brazilian agriculture/livestock products, such as fresh beef, pork and poultry, thermo-processed meat products, dairy products, genetic materials, honey, gelatin, animal feed, and vegetable products.

“Relevant facts to highlight for 2011 were (i) the conclusion of negotiations for the entry of fresh pork to the U.S. market; (ii) advances in the opening the export market for fresh beef; (iii) the growth and robust evolution of Brazil's negotiations with China in the area of increasing agriculture/livestock exports.”

- **I.2.E.2. Agribusiness Trade Promotion:**

“In 2011, the strategy to promote Brazilian exports through a diversification of markets was maintained. With this objective trade actions were undertaken in Japan, China, the United States, South Africa, Peru, the Netherlands, Germany, France, and Italy.

“For 2012, the preliminary calendar of actions to promote international agribusiness trade

foresees work in the following markets: Japan, China, the Russian Federation, South Africa, the United States, the United Kingdom, France, Germany, Turkey, and Peru. Once again, public image campaigns will be prioritized to add value to Brazilian products in markets such as Europe, the United States, and Japan.”

- Highlights in Numbers, using Brazil’s statistics as reported in the 2012 Message to the National Congress:
 - Brazil’s 2011 agricultural exports expanded by 23.7 percent from 2010, reaching a record US\$94.6 billion.
 - Brazil’s 2011 agricultural imports also shot by up 27.6 percent, reaching US\$17.1 billion.
 - Brazil’s 2011 agricultural exports to China increased 50 percent from 2010, totaling US\$17.5 billion, corresponding to roughly 17.5 percent of all exports.
 - Brazil’s 2011 agricultural exports to other countries grew significantly as well:

Export Market	2011 Export Value (unit: billions)	Growth from 2010
Algeria	US\$1.42	81 percent growth
Egypt	US\$1.91	42 percent growth
Spain	US\$2.48	41 percent growth
Japan	US\$3.52	55 percent growth
Hong Kong	US\$1.99	28 percent growth
United Arab Emirates	US\$1.51	25 percent growth

- A third of all 2011 Brazilian agricultural exports went to the Asian region.
- The European Union as an export market for Brazil is shrinking, but it continues to account for 25 percent of 2011 Brazilian agricultural exports.
- Brazil’s primary agricultural exports in 2011, by sector:

Commodity	2011 Export Value (unit: billions)	Percentage of Total Ag Export Value
Soy complex	US\$24.1	25.5 percent
Sugar and ethanol	US\$16.2	17.1 percent
Meat	US\$16	16 percent
Forestry products	US\$9.64	10 percent
Coffee	US\$8.73	9 percent

These five commodities accounted for 78 percent of all agricultural exports in 2011.