



Foreign Agricultural Service

GAIN Report

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Brazil

Citrus

SECEX Official Orange Juice Export Classification

2001

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Report Highlights:

The report describes some procedures and statistics adopted by the Brazilian Secretariat of Foreign Trade (SECEX) for orange juice exports.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
São Paulo [BR3], BR

Trade

On December 10, 1996, the Mercosul Common Nomenclature (NCM) became the official Brazilian Goods Nomenclature based on the Harmonized System. Accordingly the nomenclature, codes for orange juice are:

- NCM 2009.11.00 - Orange Juice, Frozen
- NCM 2009.19.00 - Orange Juice, Others

According to information provided by the Brazilian Secretariat of Foreign Trade (SECEX), all different types of brix are included within each of the respective codes. Thus frozen orange juice, either 11-12 degree brix or 65-66 degree brix, is included within the NCM 2009.11.00. SECEX does not provide a breakdown by brix but, as explained by SECEX analysts, over 90 percent of the reported export volume is 65-66 degree brix.

SECEX maintains monthly price statistics for both orange juice codes based on FOB export prices. However, the reported price does not reflect actual price since it is weighted average for all volumes and brix for that particular code. Prior to August 1996, the Brazilian Government applied the value added tax on exports of agricultural processed products based on the reported FOB export price.

As of 1998, SECEX started to require the Selling Register ("Registro de Venda" - RV) from orange juice exporters. According to the procedure, orange juice exporters are not allowed to sell their products below a minimum reference price. Although SECEX did not divulge the formula used to calculate the price, it has reportedly been set on a daily basis, based on the minimum selling price on the New York Exchange minus some discounts which include the U.S. orange juice import duty, freight, custom costs, taxes, etc. According to information provided, SECEX is planning to remove the minimum price reference requirement very soon. The monitoring of export operations would be conducted "a posteriori", based on the range of export prices actually received by orange juice exporters for a particular period.

Note that as of July 2000, the Brazilian Association of Citrus Exporters (ABECITRUS) stopped reporting orange juice export figures by country of destination, leaving SECEX as the only source.