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Brazil

Exporter Guide

2006

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Report Highlights:
This report provides information on the economic climate in Brazil, procedures related to the importation of food and beverage products and also presents the market structure and trade data.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Sao Paulo [BR3]
[BR]

I. Market Overview

The performance of the Brazilian economy in 2005 was viewed positively by analysts, even though GDP growth was below expectations and the political environment was turbulent due to claims of corruption within the government. Important economic results included: reduction of the public debt (in percent of the GDP) from 57.2 in 2002 to 51.6 percent in 2005; generation of a trade surplus of a record US$44.8; and continuing growth of international reserves. Moreover, the Government of Brazil (GoB) was able to achieve a primary fiscal surplus above the target. These achievements combined to prompt and improvement of Brazil's sovereign credit rating.

Among the resultant benefits were heavy increases in income tax revenues and high budget surpluses achieved by many public sector companies. Meanwhile, the Brazilian Central Bank (BACEN) maintained a tight monetary policy, holding inflation within the officially targeted range. Despite the appreciation of the Real, Brazilian exports continued to expand. The balance of payment has benefited from the high prices of many commodities and the overall growth in the global economy. Private capital inflows have remained vital to the Brazilian economy, with foreign direct investments increasing, aided by improved ratings from risk management agencies.

While authorities continued their efforts to meet official macroeconomic targets, the political situation delayed planned governmental reforms. In addition, with the presidential elections taking place in October 2006, expectations are that there will be no major initiatives impacting the business climate (such as the state tax system and public private partnerships on infrastructure projects) in the immediate future.

ECONOMIC INDICATORS

	2002	2003	2004	2005	2006*
GDP Growth (%)	1.9	-0.2	4.9	2.3	3.5
Inflation-IPCA (%)	12.5	9.3	7.6	5.7	4.5
Interest Rate-Selic (%)	25.0	16.5	18.75	18.0	15.25
Total Exports (US$ billion)	60.4	73.1	96.5	118.3	132.0
Total Imports (US$ billion)	47.3	48.3	62.8	73.5	85.0
Trade Balance (US$ billion)	13.1	24.8	33.7	44.8	45.0
Average Exchange Rate (R$-US$)	3.54	2.90	2.93	2.43	2.20

Source: Brazilian Institute of Geography and Statistics (IBGE), Brazilian Central Bank, Secretariat of Foreign Trade (SECEX), Getulio Vargas Foundation (FGV), Research Institute for Applied Economics (IPEA)
(1) IPCA is calculated by the Brazilian Institute of Geography and Statistics (IBGE). It is the Government of Brazil's target measure of inflation and measures price variation for products and services consumed by families with earnings from 1 to 40 minimum wage salaries in metropolitan areas of Porto Alegre, Belo Horizonte, Recife, Sao Paulo, Belem, Fortaleza, Salvador, Curitiba, Distrito Federal and Goiania.
(2) SELIC refers to the Brazilian Central Bank interest rate.
(*) Forecast

The economy was heavily affected in 2005 by the appreciation of the local currency, the Real. Nonetheless, Brazil's exports increased more than 30 percent, while imports registered growth of 17 percent. According to analysts, the trade surplus remained stable due to overall growth in world trade.

Given the economic climate, there are many challenges and advantages to be considered when planning a strategy to enter the Brazilian market, such as:

ADVANTAGES	CHALLENGES
The appreciation of the local currency offers opportunities for importers to sell foreign items at reduced cost.	Brazil is self-sufficient in food supply, though an imported product becomes a luxury item. Retailers offer foreign goods to differentiate themselves and develop new niche markets.
Price is not always the most important purchase criteria for high-end consumers.	High-end consumers are more demanding regarding other aspects of products such as innovation, packaging, status, new trends, etc.
The US food industry is able to respond to consumers' demand promptly, regardless of the segment of products.	Brazilian consumers/importers have limited trade relations with the US. There is room to develop. US exporters may start selling small volumes but in the long run there are possibilities to establish a plant in Brazil.

II. Exporter Business Tips

Several different ministries/branches of the Brazilian federal government regulate import procedures by issuing laws, decrees and resolutions. The legislative basis for foreign trade is found in Decree nº 4543 - December 26th, 2002, also known as the "Customs Regulation", which replaced Decree nº 91030/85.

The import process in Brazil can be divided into 3 phases:

a) Administrative procedures: Regulate all import actions, clearance and paperwork. Includes procedures established by the Secretariat of Foreign Trade (SECEX) and any other government department in charge of releasing import authorization or clearing goods. The main Brazilian Government agencies involved in import of food and beverage products are: the Ministry of Agriculture, Livestock and Food Supply (MAPA) and the Ministry of Health (MS) through their agency called National Agency of Sanitary Surveillance (ANVISA).

b) Currency operations: Include monetary transfers to/from other countries, which are controlled by the Brazilian Central Bank (BACEN) and processed through private banks under BACEN authorization.

c) Fiscal operations: Include payment of taxes and tariffs and are under the jurisdiction of the Secretariat of Federal Revenue (SRF)

To allow the government flexibility to minimize trade deficits, combat fraud and better control tax payment, an administrative software program was created and implemented in 1997 - the Integrated Foreign Trade System (SISCOMEX). Through SISCOMEX all import and export operations (including Administrative, currency and fiscal operations) are monitored by the federal government. In order to start the import process, a local company (e.g. the importer of exporter's legal representative) must request a permit on the online registration system. Once the company is issued the permit, eligibility to import is also granted. After that, a series of administrative actions will take place which are generally the importer's responsibility. However, it is important for the exporter to also understand these steps and Brazilian legislative requirements. For a more detailed description of import procedures, please refer to the "Food and Agricultural Import Regulations and Procedures" report, BR6011, July, 2006. Major steps include:

REGISTRATION

The registration process must be before a product can be sold to any Brazilian importer. For products of animal origin (under MAPA's control), the processing plant must be registered and approved by the Brazilian government. Brazilian importers must also pre-register the labels of processed meats and dairy products.

ANVISA is responsible for registration of a great variety of processed food products. Before placing a food product in the market importers must obtain a registration number, which must appear on the product label. Specific registration requirements vary by product type, however in all cases the importer must complete this procedure.

CLASSIFICATION

The international methodology of goods classification, based on an arrangement of codes and descriptions is called the Harmonized Commodity Description and Coding System or simply the Harmonized System (HS). The code composition of the HS, formed by six digits, allows product specifications to be detailed, such as: origin, constitution and application, in a logical ascending numeric order, according to its level of complexity.

Brazil, Argentina, Paraguay and Uruguay have adopted the Mercosul Common Nomenclature (NCM), which has the HS as its base. Out of the eight digits that form the NCM, the HS forms the first six digits, while the seventh and the eighth digits correspond to specifications specific to the Mercosul. Through the NCM it is possible to define the amount and type of taxes to be paid and which government office will release import authorization. When importing, a separate import license is required for every different NCM code included in a shipment. Therefore invoices for a variety of different products with different classifications will need to be accompanied by separate import licenses for each product code.

ADMINISTRATIVE PROCESS (accompanying shipment)

- Before shipment, a *Pro forma* invoice should be sent to the Brazilian exporter. This document starts up the entire process, therefore it is extremely important that exporters fill out this document properly, otherwise the Brazilian importer will not be able to file the application.
- The importer requests an import permit also called Import License (LI), which ought to be obtained before shipping. All food and beverage products fall within the "non-automatic clearance" import category; meaning that shipments must have prior approval from MAPA and MS. In general, the authorization is granted within a week. It is not uncommon for importers to contact the pertinent ministry to follow up and enquire whether more documentation or analysis is needed, in the hope of speeding up the process.

Note: MAPA regulates bulk commodities, meat, dairy, fisheries, wine and fruit/vegetable juices, feed/fodders/pet food, fruits, vegetables, seeds and plants and ANVISA regulates the majority of processed food products, food ingredients, tobacco and tobacco products.

SHIPPING

- After obtaining the Import License, the importer may authorize shipment of goods to Brazil.

- Following embarkation, the exporter must send the documentation that will allow the importer to release goods from Brazilian customs. Documentation required includes: shipping information (bill of lading or AWB), commercial invoice (including details of agreed payment method), certificate of origin (for products falling under international agreements) and phytosanitary or lab certificate (when required by Brazilian law).

PAYMENT

Overseas payments may be made in advance, by collection or by letter of credit (cash or installments). A foreign exchange contract, according to the standards and regulations established by the Brazilian Central Bank, is required for buying and selling of foreign currency. The exchange transactions may be made for immediate or delayed payment. The time between signing the contract and payment of the transactions must not exceed 360 days.

CLEARANCE

Starts when goods arrive in Brazil. The importer or a contracted customs broker, officially representing the importer, will prepare the Import Declaration (DI). Documentiation necessary to prepare the DI includes: commercial invoice, shipping information and the LI. In addition, to registering the DI, the importer needs to pay Import Tax (II) and Tax on Manufacture (IPI). Other documents may be required depending on the specific product and/or transaction type.

Clearance from customs consists of a series of acts carried out by a customs official who will authorize the release of the goods to the importer after the verification of: classification of the merchandise, compliance with tax laws and importer's identity. The SRF will release an Import Warrant (CI) via SISCOMEX to confirm customs clearance. The system will then automatically select inspections/verification method to be applied. They are:

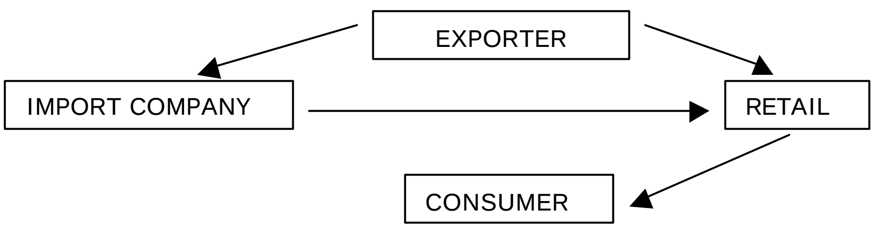
- GREEN: customs clearance authorization is automatically issued.
- YELLOW: mandatory inspection of documentation is required and, if no evidence of irregularities is found, customs clearance authorization is issued.
- RED: mandatory inspection of documentation and of merchandise is required before customs clearance authorization is issued.
- GREY: mandatory inspection of documents, merchandise, and taxable basis of Import Tax is required before customs clearance authorization is issued. Customs clearance authorization can be arranged before conclusion of the inspection of customs value, by using a guarantee issued by the importer.

Except for the green option, all documents including the receipt of the Import Declaration printed by SISCOMEX and proof of payment or a waiver of the Interstate Movement Tax on Sales and Services (ICMS), will have to be presented by the importer to the Federal Revenue Office. For goods assigned the grey option, a Declaration of Customs Value (DVA) must be made and transmitted via SISCOMEX to justify the product price and commercial aspects of the transaction. Any corrections to the information presented in the DI, changes in the calculation and additional tax or fines required by law, must be carried out in accordance with SISCOMEX procedures.

III. Market Sector Structure and Trends

In Brazil approximately 80 percent of food and beverage products are sold through supermarkets, while about 40 percent of the sector revenue is shared among 10 companies. Leading retailers include Cia. Brasileira de Distribuicao, also known as Pao de Acucar; Carrefour; Wal-Mart; Zaffari and G. Barbosa (please refer to Retail Food Sector Report, BR 6014, September 2006). Major retailers exert an enormous amount of influence over the food industry, guaranteeing visibility to products and countrywide distribution. As with any domestic food company, local importers are very dependent on these major retailers for distribution of their goods. At the same time, retailers usually rely on importers to conduct import operations until they begin to regularly import large volumes of a product. Another possible distribution channel for distributors of imported food and beverage are high-end bars, restaurants and specialty food stores. However, they represent less than 20 percent of overall sales on average.

MARKET STRUCTURE FOR IMPORTED PRODUCTS



In 2005, imports of consumer-oriented products expanded as a result of the appreciation of the Brazilian currency, the Real. Sales to Brazil from non-Mercosul, countries increased 20.8 percent, while total imports increased 22.5 percent.

The market for imports can be divided into 2 categories: products coming from Mercosul (which compete with the local industry and focus on average consumers) and products from non-Mercosul members goods, more restricted to affluent consumers). Mercosul exporters, besides duty-free access also have advantages due to their proximity and ability to respond to short notice requests.

The major competitors for US companies are EU exporters. The EU is the second largest exporter to Brazil, with the advantage that upper-class Brazilian eating habits are strongly influenced by European tastes. EU products are viewed as being traditional and sophisticated. As a result, EU-origin products are often preferred for high-end product categories. Despite EU's favorable position, US companies are able to offer the same quality standards and should be able to increase market share.

CONSUMER-ORIENTED AGRICULTURAL TOTAL January - December (Millions of US Dollars)

	2000	%	2001	%	2002	%	2003	%	2004	%	2005	%
World	1,580.35	100	1,143.21	100.0	1,110.30	100.0	994.88	100.0	1,122.13	100.0	1,374.19	100.0
Mercosul-6*	1,003.94	63.5	635.46	55.6	649.75	58.5	602.87	60.6	644.12	57.4	796.47	58.0
EU-15	303.72	19.2	263.91	23.1	232.72	21.0	205.09	20.6	231.75	20.6	283.72	20.6
US	104.29	6.6	92.1	8.0	82.61	7.4	72.4	7.3	101.62	9.1	114.12	8.3
Others	168.40	10.7	151.74	13.3	145.22	13.1	114.52	11.5	144.64	12.9	179.88	13.1

Note: From 2004 Mercosul data includes Chile and Bolivia.

Consumer-Oriented Imports from the World	2000	2001	2002	2003	2004	2005
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1,580.35	1,143.21	1,110.30	994.88	1,122.13	1,374.19
SNACK FOODS	333.78	188.37	139.72	155.17	134.21	179.51
BREAKFAST CEREALS & PANCAKE MIX	5.05	6.49	23.70	54.50	40.63	45.44
RED MEATS, FRESH/CHILLED/FROZEN	149.23	89.45	101.87	95.67	116.72	132.63
RED MEATS, PREPARED/PRESERVED	4.02	3.11	2.17	1.48	1.84	2.49
POULTRY MEAT	1.24	0.72	1.28	0.70	0.61	1.04
DAIRY PRODUCTS	415.92	226.25	287.24	151.09	137.46	183.56
EGGS & PRODUCTS	6.04	5.74	10.98	9.77	14.03	19.17
FRESH FRUIT	114.41	112.93	84.10	68.33	81.59	125.88
FRESH VEGETABLES	72.91	72.84	60.49	66.39	78.83	100.41
PROCESSED FRUIT & VEGETABLES	305.03	257.63	236.34	203.62	260.85	298.40
FRUIT & VEGETABLE JUICES	83.00	73.77	73.50	55.45	68.10	83.04
TREE NUTS	41.56	31.25	23.16	23.26	36.40	53.82
WINE AND BEER	79.56	75.62	61.95	70.22	90.93	103.14
NURSERY PRODUCTS	6.41	7.09	8.21	6.87	6.74	5.62
PET FOODS (DOG & CAT FOOD)	35.46	39.56	52.72	55.58	71.11	80.43
OTHER CONSUMER ORIENTED	191.96	182.74	171.90	153.46	182.60	199.38

Consumer-Oriented Imports from Mercosul	2000	2001	2002	2003	2004	2005
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1,003.94	635.46	649.75	602.87	644.12	796.47
SNACK FOODS	219.59	84.41	57.55	93.52	59.09	91.57
BREAKFAST CEREALS & PANCAKE MIX	1.56	2.82	22.55	53.86	39.94	44.66
RED MEATS, FRESH/CHILLED/FROZEN	122.54	66.36	77.96	71.50	85.16	99.14
RED MEATS, PREPARED/PRESERVED	0.27	0.15	0.01	0.20	0.22	0.70
POULTRY MEAT	0.59	0.31	0.88	0.47	0.30	0.77
DAIRY PRODUCTS	310.90	136.98	208.03	103.42	92.86	123.91
EGGS & PRODUCTS	1.05	2.22	2.76	1.97	1.68	2.32
FRESH FRUIT	92.14	99.74	72.98	57.05	68.80	101.15
FRESH VEGETABLES	51.26	58.97	38.04	52.77	62.27	64.19
PROCESSED FRUIT & VEGETABLES	164.64	135.95	130.60	117.73	154.93	174.89
FRUIT & VEGETABLE JUICES	14.25	9.09	11.74	6.32	8.31	10.51
TREE NUTS	9.87	11.96	8.87	9.00	10.12	16.37
WINE AND BEER	23.14	21.19	20.88	27.92	44.14	52.14
NURSERY PRODUCTS	0.31	0.40	0.70	0.58	0.65	0.83
PET FOODS (DOG & CAT FOOD)	1.11	1.97	2.10	4.75	6.50	4.96
OTHER CONSUMER ORIENTED	42.78	32.41	31.52	31.21	35.77	40.66

Consumer-Oriented Imports from EU-15	2000	2001	2002	2003	2004	2005
CONSUMER-ORIENTED AGRICULTURAL TOTAL	303.72	263.91	232.72	205.09	231.75	283.72
SNACK FOODS	37.38	31.06	25.41	17.88	27.24	31.53
BREAKFAST CEREALS & PANCAKE MIX	0.63	0.42	0.38	0.34	0.36	0.45
RED MEATS, FRESH/CHILLED/FROZEN	20.02	17.32	16.67	15.40	14.23	12.37
RED MEATS, PREPARED/PRESERVED	2.02	1.65	1.14	0.88	1.21	1.46
POULTRY MEAT	0.58	0.41	0.39	0.24	0.31	0.27
DAIRY PRODUCTS	62.65	48.34	37.15	29.26	28.24	35.20
EGGS & PRODUCTS	0.96	0.70	1.23	1.68	0.89	5.03

FRESH FRUIT	16.82	11.03	10.14	7.60	8.93	20.59
FRESH VEGETABLES	11.65	4.16	4.51	2.16	4.56	3.70
PROCESSED FRUIT & VEGETABLES	58.76	56.18	48.10	33.39	40.41	48.92
FRUIT & VEGETABLE JUICES	25.78	26.29	26.36	17.40	26.75	29.95
TREE NUTS	7.52	5.53	4.06	3.24	5.50	9.03
WINE AND BEER	53.18	51.10	38.93	40.14	44.72	48.18
NURSERY PRODUCTS	3.41	4.02	5.06	4.89	4.81	3.09
PET FOODS (DOG & CAT FOOD)	14.47	15.51	22.80	23.45	27.85	41.23
OTHER CONSUMER ORIENTED	64.24	65.52	65.29	56.70	72.19	81.75

Consumer-Oriented Imports from US	2000	2001	2002	2003	2004	2005
CONSUMER-ORIENTED AGRICULTURAL TOTAL	104.29	92.10	82.61	72.40	101.62	114.12
SNACK FOODS	43.88	35.27	28.40	25.28	28.86	35.09
BREAKFAST CEREALS & PANCAKE MIX	0.74	0.24	0.49	0.10	0.09	0.09
RED MEATS, FRESH/CHILLED/FROZEN	2.58	3.87	3.85	5.11	13.44	16.04
RED MEATS, PREPARED/PRESERVED	1.70	1.31	1.01	0.40	0.39	0.32
POULTRY MEAT	0.00	0.00	0.00	0.00	0.00	0.00
DAIRY PRODUCTS	6.03	7.29	6.44	3.03	2.48	8.43
EGGS & PRODUCTS	2.10	2.25	6.07	4.94	10.62	10.91
FRESH FRUIT	5.10	2.08	0.93	3.61	3.79	4.05
FRESH VEGETABLES	0.23	1.19	0.10	0.03	0.03	0.16
PROCESSED FRUIT & VEGETABLES	43.72	34.38	31.89	25.07	29.56	35.88
FRUIT & VEGETABLE JUICES	33.35	26.80	25.96	22.36	27.36	36.04
TREE NUTS	3.67	2.92	1.57	2.03	5.70	4.52
WINE AND BEER	1.29	1.37	0.56	0.62	0.37	0.47
NURSERY PRODUCTS	0.08	0.04	0.03	0.02	0.02	0.09
PET FOODS (DOG & CAT FOOD)	15.39	15.23	18.99	18.16	26.06	20.27
OTHER CONSUMER ORIENTED	47.82	41.17	36.19	28.96	32.58	40.82

Consumer-Oriented Imports from Others	2000	2001	2002	2003	2004	2005
CONSUMER-ORIENTED AGRICULTURAL TOTAL	168.40	151.74	145.23	114.52	144.64	179.88
SNACK FOODS	32.93	37.63	28.35	18.50	19.02	21.31
BREAKFAST CEREALS & PANCAKE MIX	2.12	3.01	0.28	0.20	0.24	0.24
RED MEATS, FRESH/CHILLED/FROZEN	4.08	1.90	3.40	3.66	3.89	5.08
RED MEATS, PREPARED/PRESERVED	0.03	(0.01)	0.01	(0.00)	0.01	0.00
POULTRY MEAT	0.07	(0.00)	0.01	(0.01)	(0.00)	0.00
DAIRY PRODUCTS	36.35	33.65	35.62	15.38	13.88	16.01
EGGS & PRODUCTS	1.93	0.57	0.93	1.17	0.84	0.90
FRESH FRUIT	0.35	0.08	0.05	0.07	0.07	0.09
FRESH VEGETABLES	9.78	8.52	17.84	11.43	11.98	32.36
PROCESSED FRUIT & VEGETABLES	37.91	31.12	25.74	27.44	35.95	38.71
FRUIT & VEGETABLE JUICES	9.62	11.59	9.44	9.37	5.68	6.54
TREE NUTS	20.50	10.83	8.66	8.99	15.08	23.91
WINE AND BEER	1.96	1.95	1.58	1.55	1.70	2.35
NURSERY PRODUCTS	2.62	2.63	2.42	1.38	1.26	1.60
PET FOODS (DOG & CAT FOOD)	4.49	6.85	8.83	9.22	10.70	13.96
OTHER CONSUMER ORIENTED	37.12	43.64	38.90	36.59	42.06	36.15

Source: Secretariat of Foreign Trade (SECEX)

IV. Best High-Value Product Prospects

A. Products present in the market, which have good sales potential

According to ATO analysis, in 2004 and 2005 consumer-oriented food product categories that have demonstrated the highest growth were: fruit/vegetable juices, processed fruit/vegetables, snack food, pet food, red meats fresh/chilled/frozen, dairy products, wine and beer. These categories also represented (for non-mercosul exporters), the most significant sales volumes.

Importers are driven towards brands that are well-known in their home markets and high-end products. In addition Brazilian importers/distributors usually prefer products with a six-month shelf life or more. In addition to the product itself, packaging, status and level of innovation are important attributes. Products that combine these characteristics are more likely to successfully enter the market.

B. Products not present in significant quantity but which have good sales potential

Health foods, especially natural and organic products, so far have a limited presence in the Brazilian market. The Brazilian food industry has not developed these segments since the consumer base for them is restricted to a small portion of the Brazilian population. There are limited supplies of these products and, consequently, prices are high or prohibitive. Small and medium-sized companies are responsible for 70 percent of local organic supply. In the local market, prices of health foods, organic and natural products are 40 to 300 percent higher than for similar conventional products. Because the US industry for this segment has already achieved gains in scale and prices for these products are closer to those for conventional equivalents, exporters can find opportunities in the Brazilian market.

C. Products not present because they face significant trade barriers

Brazilian legislation requires all food items to be approved by Ministry of Health (MS) or Ministry of Agriculture, Livestock, and Food Supply (MAPA) prior to shipment. Currently, poultry imports are banned and products containing ingredients derived from biotech commodities face considerable restrictions. Because of the complexity of product approval and registration requirements, we urge prospective exporters to contact a USDA office in Brazil prior to shipping.

V. Post Contact and Further information

Please do not hesitate to contact the offices below for questions or comments regarding this report or require assistance to export processed food products into Brazil:

U.S. Agricultural Trade Office (ATO)
U.S. Consulate General
Rua Henri Dunant, 700
04709-110 Sao Paulo – SP
Tel: (55 11) 5186-7400
Fax: (55 11) 5186-7499
E-mail: atosaopaulo@usda.gov
atobrazil@usdabrazil.org.br

Office of Agricultural Affairs (OAA)
U.S. Embassy
Av. das Nacoes, quadra 801, lote 3
70403-900 Brasilia - DF
Tel: (55 61) 3312-7000
Fax: (55 61) 3312-7659
E-mail: agbrasilia@usda.gov

APPENDIX I. STATISTICS

TABLE A. Key Trade & Demographic Information

Agricultural Imports From All Countries ($Mil) / U.S. Market Share (%)	3,628 / 9.0 % [1]
Consumer Food Imports From All Countries ($Mil) / U.S. Market Share (%)	1,035 / 7.0 % [1]
Edible Fishery Imports From All Countries ($Mil) / U.S. Market Share (%)	268 / 0.36 % [1]
Total Population (Mil) / Annual Growth Rate (%) [2]	180 / 10 % [3]
Urban Population (Mil) / Annual Growth Rate (%) [2]	138 / 0 % [3]
Number of Major Metropolitan Areas [2]	9 [4]
Size of the Middle Class (Mil) / Growth Rate (%) [7]	61.9 / NA
2004 Per Capita Gross Domestic Product (U.S. Dollars) [2]	3,325
Unemployment Rate (%) [2]	10.2 % [5]
Per Capita Food Expenditures (U.S. Dollars) [6]	117
Percent of Female Population Employed [2]	43.0 % [5]
2004 Exchange Rate (US$1=R$ local currency) [8]	2.61

[1] Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office - 2004

[2] Source: Brazilian Geography and Statistics Institutes (IBGE)

[3] IBGE Census 2000, total population is estimated in 185 Millions for 2005

[4] Metropolitan areas used for the 2003 Consumer Expenditure Survey - (POF, IBGE) total 33 metropolitan areas.

[5] 2003 National Household Sample Survey (PNAD, IBGE)

[6] Value based on the annual average expenditures according to the 2003 Consumer Expenditure Survey - (POF, IBGE)

[7] Middle class represents 36% of the total population with income between R$ 1,000 and R$ 5,000 per month

[8] Source: Brazilian Central Bank

Table B. Consumer Food & Edible Fishery Products Imports

Brazil Imports (In Millions of Dollars)	Imports fro 2002	2003	2004	Imports fro 2002	2003	2004	U.S Marke 2002	2003	2004
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1075	828	1035	71	50	68	7	6	7
Snack Foods (Excl. Nuts)	41	30	43	3	2	2	8	7	6
Breakfast Cereals & Pancake Mix	1	1	1	1	1	1	41	13	16
Red Meats, Fresh/Chilled/Frozen	80	71	84	1	1	1	0	0	0
Red Meats, Prepared/Preserved	2	2	2	1	1	1	44	26	20
Poultry Meat	1	1	1	0	0	0	0	0	0
Dairy Products (Excl. Cheese)	248	107	86	6	1	1	2	1	2
Cheese	22	14	12	1	1	1	1	0	0
Eggs & Products	13	12	16	7	5	11	51	44	71
Fresh Fruit	97	69	92	1	4	5	1	5	5
Fresh Vegetables	67	66	91	1	1	1	0	0	0
Processed Fruit & Vegetables	183	145	203	4	2	3	2	2	2
Fruit & Vegetable Juices	6	2	4	1	1	2	13	17	51
Tree Nuts	22	21	35	1	2	5	5	8	15
Wine & Beer	65	70	95	1	1	1	1	1	0
Nursery Products & Cut Flowers	10	7	8	1	1	1	0	0	0
Pet Foods (Dog & Cat Food)	6	4	4	5	1	1	86	32	5
Other Consumer-Oriented Products	211	207	258	42	31	36	20	15	14
FISH & SEAFOOD PRODUCTS	229	203	268	2	3	1	1	1	0
Salmon	21	23	35	1	1	1	0	1	0
Surimi	4	4	4	0	0	0	0	0	0
Crustaceans	1	1	1	0	0	0	0	0	0
Groundfish & Flatfish	61	54	72	1	1	1	0	0	0
Molluscs	1	1	1	1	1	1	3	1	1
Other Fishery Products	141	120	155	2	2	1	1	2	0
AGRICULTURAL PRODUCTS TOTAL	3554	3572	3628	321	349	317	9	10	9
AGRICULTURAL, FISH & FORESTRY TOTAL	3832	3834	3979	328	358	323	9	9	8

Source: FAS'Global Agricultural Trade System using data from the United Nations Statistical Office

TABLE C. Suppliers of Consumer Food & Edible Fishery Products

Brazil - Top 15 Suppliers

CONSUMER-ORIENTED AGRICULTURAL IMPORTS

(1000$)	2002	2003	2004
Argentina	429,657	348,538	464,838
Chile	81,286	68,742	79,189
United States	71,112	49,852	67,552
Uruguay	111,390	66,552	54,676
Italy	38,882	30,739	41,576
Paraguay	25,860	31,469	38,783
France	37,716	36,102	34,241
Netherlands	26,446	19,277	24,182
China (Peoples Republic of)	25,112	15,646	24,052
Portugal	17,338	14,474	20,249
Turkey	11,536	11,854	20,207
Germany	18,885	17,541	19,489
Indonesia	6,079	6,590	17,242
Belgium	12,845	12,805	16,296
Spain	23,205	11,514	14,963
Austria	10,680	7,290	10,331
New Zealand	27,258	11,785	8,867
Switzerland	9,215	8,247	8,119
Denmark	9,695	5,528	7,225
Peru	5,458	4,597	6,046
Rest of World	75,296	49,053	56,454
World	1,074,952	828,221	1,034,581

FISH & SEAFOOD PRODUCTS IMPORTS

(1000$)	2001	2002	2003
Norway	85,132	65,113	98,031
Argentina	49,621	43,307	53,839
Chile	32,965	34,755	50,737
Venezuela	19,111	11,924	18,812
Portugal	8,719	9,895	12,320
Uruguay	11,451	9,553	8,414
Peru	2,956	4,671	4,392
Ecuador	1,248	2,455	3,616
Spain	1,119	864	3,272
Thailand	3,509	4,752	2,805
Morocco	84	2,886	2,542
Taiwan (Estimated)	125	152	1,802
Russian Federation	3,812	5,238	1,269
United States	2,094	2,536	964
Iceland	1,618	274	768
Korea, Republic of	1,128	101	550
Sao Tome and Principe	0	125	429
Togo	25	0	366
Belize	430	248	313
Germany	128	163	266
South Africa	336	110	264
Costa Rica	0	146	259
Rest of World	3,643	3,618	1,684
World	229,258	202,885	267,710

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office