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Prepared By: Camila Aquino

Approved By: Frederick Giles

Report Highlights:

Brazil is the second-largest chicken meat producer in the world after the United States and the largest chicken meat exporter in the world. Post forecasts chicken meat production will increase two percent in 2025 due to strong external demand, devalued Brazilian currency, socio-economic performance, production costs, and increased domestic consumption. Brazil continues to maintain its status as free from Highly Pathogenic Avian Influenza (HPAI) in commercial plants. This report considers current status quo for its estimates. Post estimates domestic consumption to increase one percent in 2025. Chicken meat exports are forecast to increase five percent in 2025, as Brazil opens new markets and consolidates and diversifies exports to existing markets. Brazil is diligently negotiating regionalization clauses to its current health certificates, with the objective of protecting its exports in case of HPAI or additional Newcastle Disease outbreaks.

EXECUTIVE SUMMARY

Production

Brazil is the second-largest chicken meat producer in the world after the United States. Chicken meat production in 2025 is estimated at 15.35 million metric tons (MMT), a two percent increase from 2024. This is a record high for Brazil and the estimate is based on strong external demand, socio-economic performance, and improved domestic consumption. Brazil's commercial plants continue free from Highly Pathogenic Avian Influenza (HPAI) and reflected in this report.

Consumption

Post estimates domestic chicken consumption in 2025 at 10.1 MMT, a one percent increase from 2024, as decreased consumption of other animal protein sources is expected. Post anticipates approximately 66 percent of the Brazilian chicken production will be consumed domestically in 2025.

Trade

Brazil is expected to remain the world's largest exporter of chicken meat in 2025 and is estimated to export 5.2 MMT, an increase of five percent. These values do not include chicken paws. The government of Brazil is working to open new markets, increase product diversity in existing markets, and negotiate regionalization clauses to its current health certificates to avoid market closure should HPAI and Newcastle Disease hit a commercial operation. Brazil continues to focus on halal markets for exports. Post forecasts chicken meat imports at 5,000 MT in 2025, coming from Argentina and Chile.

Figure 1

Chicken Meat Production, Supply, and Distribution

Meat, Chicken	2023		2024		2025	
Market Year Begins	Jan 2023		Jan 2024		Jan 2025	
Brazil	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	14900	14900	15000	15000	15100	15350
Total Imports (1000 MT)	2	2	5	5	5	5
Total Supply (1000 MT)	14902	14902	15005	15005	15105	15355
Total Exports (1000 MT)	4767	4767	4900	4996	5000	5245
Human Consumption (1000 MT)	10135	10135	10105	10009	10105	10110
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	10135	10135	10105	10009	10105	10110
Total Use (1000 MT)	14902	14902	15005	15005	15105	15355
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	14902	14902	15005	15005	15105	15355
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query]						

Source: Not Official USDA Data

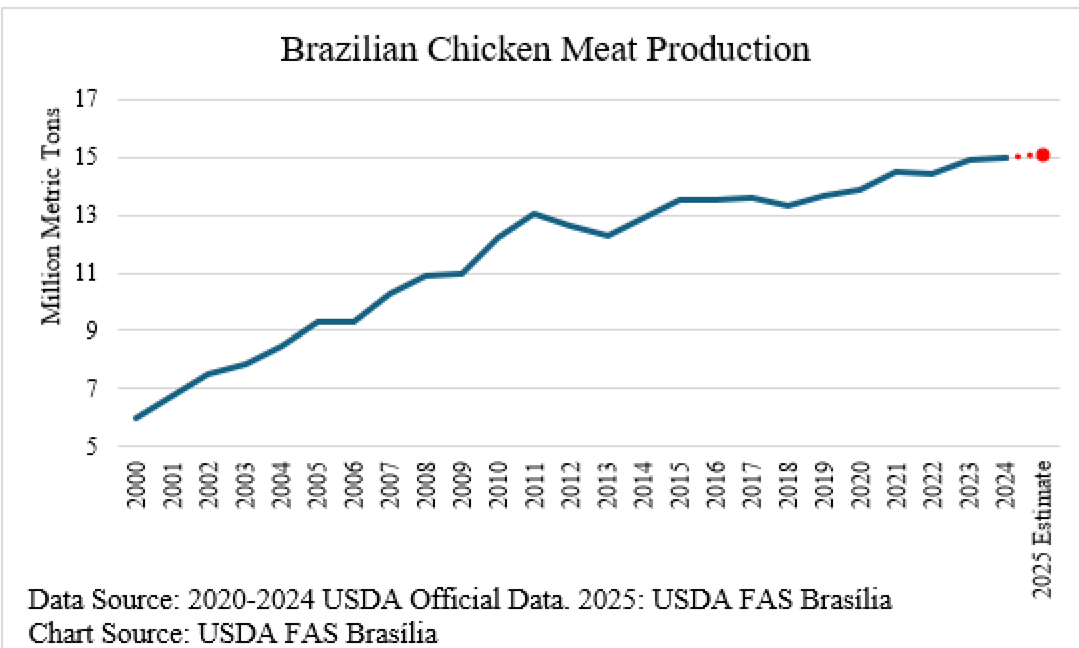
POULTRY

1. Production

Brazil is the second-largest chicken meat producer in the world, behind the United States, per official USDA data. Post estimates chicken meat production in 2025 to increase two percent from 2024, reaching 15.35 million metric tons (MMT). Post estimate is based on strong external demand, devalued Brazilian currency, socio-economic performance expected for the country, production costs, and increased domestic consumption. Post forecasts that production in 2025 will reach record levels, as presented in Figure 2.

Figure 2

Brazilian Chicken Meat Production, 2000-2024 and Estimate for 2025



1.1. Socio-Economic Factors to Weigh on Production

The Brazilian Central Bank (BCB) estimates a relatively sluggish economy in 2025, with GDP to grow 1.99 percent in 2025, down from 3.40 percent growth in 2024. Furthermore, BCB estimates 2026 growth at 1.60 percent. The Central Bank Focus Survey published on March 14th anticipates inflation at 5.66 percent for 2025 and 4.48 percent in 2026.

The exchange rate for the Brazilian currency real to U.S. dollars is forecasted at R$5.98 to USD1.00 in 2025 and R$ 6.00 to every dollar in 2026. The real has continued to lose value, impacting production and exports.

Figure 3
Average Monthly Exchange Rate – January 2020 to February 2025

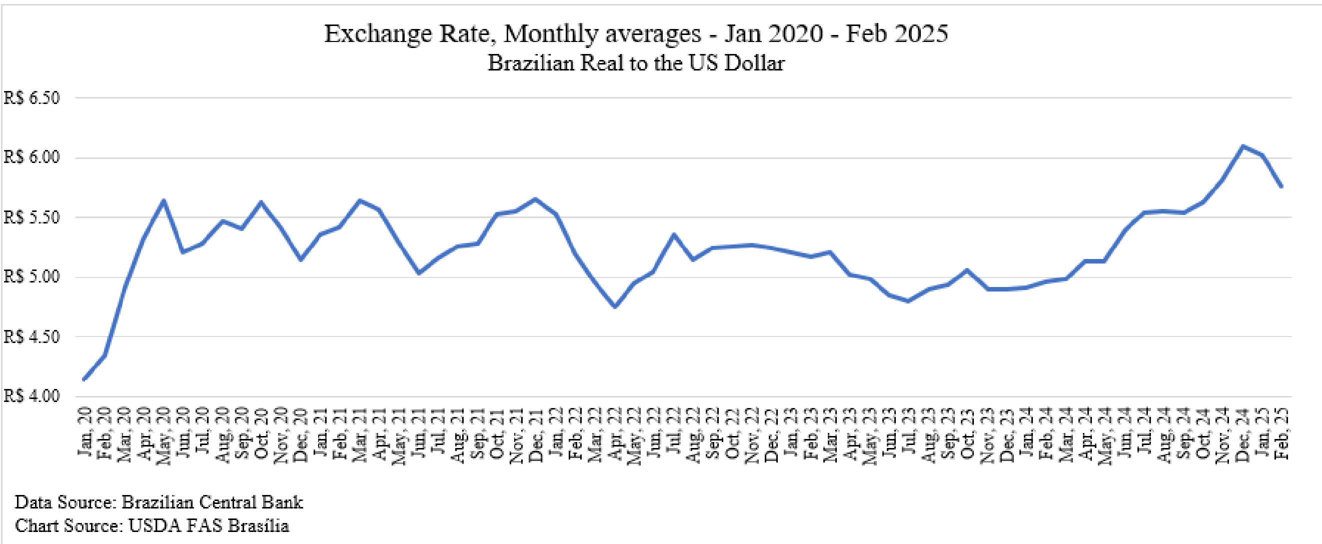
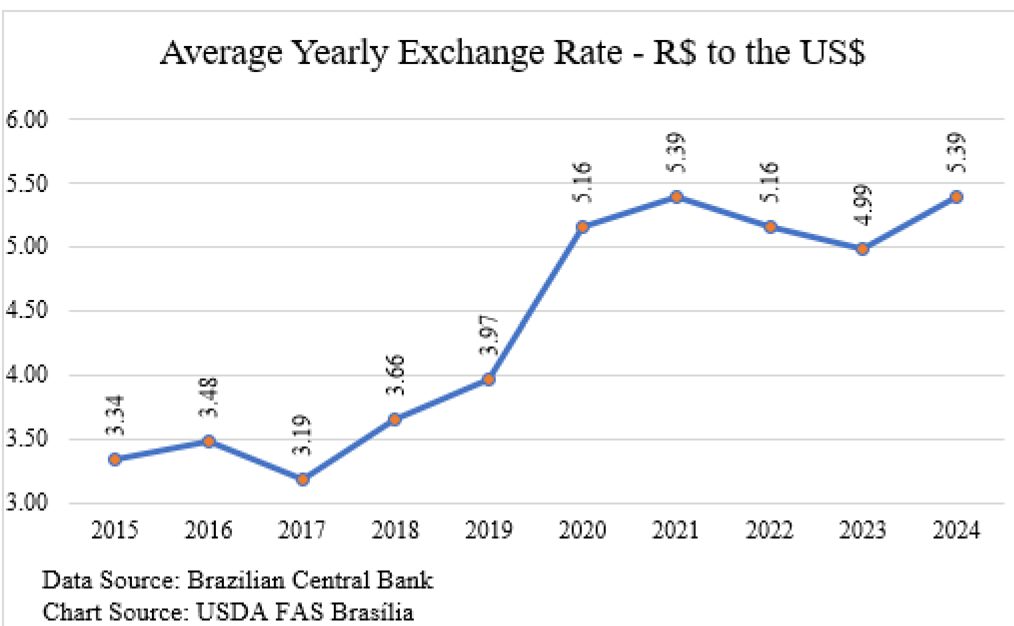


Figure 4
Average Yearly Exchange Rate – 2015-2024



The latest data from the Institute of Geography and Statistics (IBGE) reports that Brazil had 6.8 million unemployed people in 2024, representing a 6.2 percent unemployment rate. However, there are an additional 3.0 million people that have stopped looking for work. The total underutilized rate for 2024 is 15.2 percent.

Brazilian Tax Reform and Implications to the Agricultural Sector

On July 7th, 2023, the Brazilian Chamber of Deputies approved a major tax reform in an attempt to simplify the federal and state tax codes. The idea is that the federal, state, and local taxes – which often overlap – will be replaced by simplified value added taxes (VAT). The bill was signed into law on December 21, 2023, and the government has to prepare bills to fully implement the reform.

On July 10, 2024, a year following the initial approval of the tax reform, Congress approved an initial implementation bill. One of the main changes brought by the reform was the elimination of the cumulative PIS and Cofins taxes, which had encompassed a tax on the raw material, then on the store, and then again on the consumer). The changes will be implemented slowly, and the full reform is expected by 2033. During the same voting session, the rapporteur of the bill was able to negotiate with his peers and add all animal proteins to the tax exemption list.

On January 16, 2025, Complementary law 214/2025, was signed into law, implementing the Tax on Goods and Services (IBS), the Social Contribution on Goods and Services (CBS), and the Selective Tax (IS), all acronyms in Portuguese. The law defines several points that still needed regulation after the tax reform had been sanctioned by Congress on December 19, 2024. A trial phase will begin in 2026 with test rates for the CBS and the IBS. From 2027 to 2033, the rates will gradually rise, as the existing taxes will gradually change into the newly-stated ones. The VAT is expected to be at 26.5 percent and considered one of the highest in the world. The complementary law also formalized which products compose the food basket, and the percentages of tax exemptions for different commodities and goods. Taxes on beef, pork, poultry, sheep and goat meat, and animal-origin products – except for *foie gras* – have been completely zeroed. Some fish and certain fish meats have also been zeroed. Several agricultural inputs such as fertilizers and specific genetics have been reduced by 60 percent. A list of the HS Codes relevant to this report that have been exempted is in Annex 1.

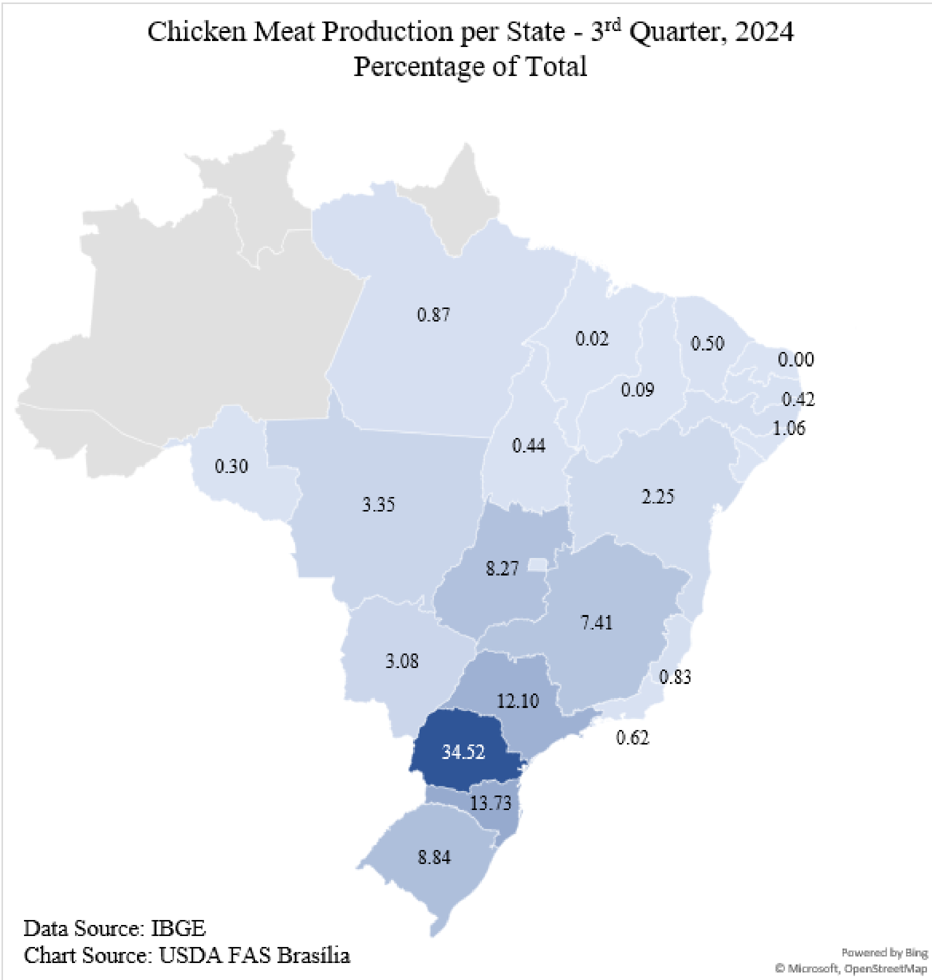
Other points, such as the high interest rate and tariffs, fiscal uncertainties, and regulatory issues, all weigh in on producers' capacity to make investments, take on risks, and make decisions on production levels.

1.2. Production by States

Figure 5 shows chicken meat production across Brazil for the third quarter of 2024, the latest official IBGE final data available. States marked in gray mean there was no chicken meat production in that quarter. IBGE did not publish data for the states of Amapá and Roraima. The South region of Brazil – composed of the states of Paraná, Santa Catarina, and Rio Grande do Sul – continue to lead the country in chicken production, representing over 57 percent of the national production. Paraná state is the single largest producer, responsible for 34.5 percent of total chicken meat coming out of Brazil in the third quarter of 2024, followed by Santa Catarina, São Paulo, Rio Grande do Sul, and Goiás states.

Figure 5

Brazilian Chicken Meat Production by State – Third Quarter of 2024 – Percentage of Total



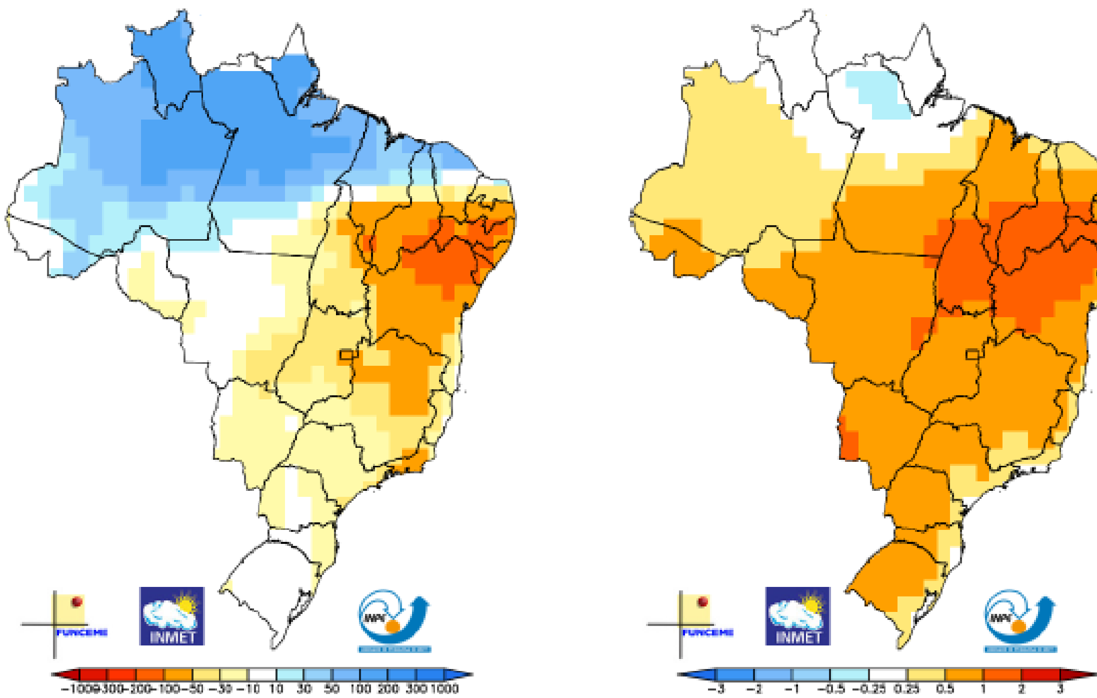
Weather Conditions

Climate is an important factor in chicken production. The ideal temperature for chicken production varies between 18°C to 24°C (64° to 75°F). Temperatures outside of this range impact the chickens' thermal balance. Subject to higher temperatures, chickens tend to drink more water and eat less feed – hence gaining less weight and producing fewer eggs. Subject to lower temperatures, the chickens tend to pile up, not eating or drinking enough to gain adequate weight for slaughter and becoming more susceptible to respiratory diseases. Poultry house humidity also impacts the chicken comfort and production, with ideal ranges of humidity from 40 to 70 percent.

Forecasts from the National Meteorology Institute (INMET) show that in the months of February, March, and April 2025 rainfall will be below average in Paraná and east of Santa Catarina states, and close to the average in the west of Santa Catarina and in Rio Grande do Sul states. Temperatures are also forecasted above average for the period in most of the southern region of Brazil. Since these states are the largest poultry producers in Brazil, it is important to carefully monitor temperature changes due to the potential impacts mentioned above. The maps in Figure 4 show, to the left, the forecast of rainfall abnormalities in the country; and to the right, temperature abnormalities in the quarter.

Figure 6

Rainfall (L) and Temperature (R) Abnormalities Forecast – February to April, 2025.



Data Source: INMET Monthly Agri Climatological Report February 2025.

The National Oceanic and Atmospheric Administration (NOAA) predicts weak La Niña conditions through February-April 2025. La Niña normally impacts producers in the South of Brazil, producing droughts that can compromise crops – and hence, the availability of feed. This scenario has the potential to impact producers with increased deaths due to the weather and increased expenditures for electricity to guarantee the thermal comfort of the animals.

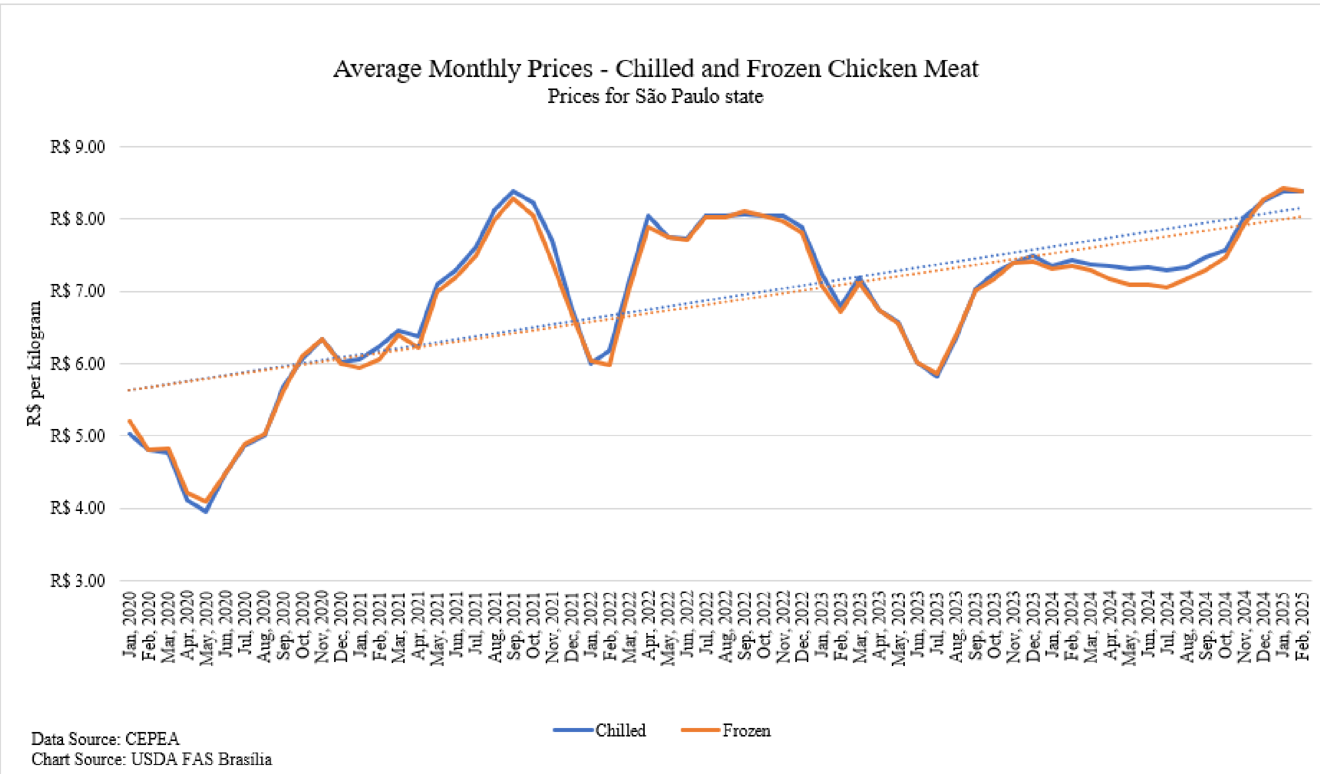
1.3. Price and Profitability Outlook

Post estimates poultry prices will be higher than those experienced in 2024 due to firm demand. The forecast is based on overall decreased input costs – such as sanitary, labor, and transportation costs, domestic inflation, and external demand. The average price per kilogram of chilled chicken meat in 2024 was R$7.50 (USD1.39), and frozen chicken was sold at an average price of R$7.36 (USD1.36). In comparison in the period of January to mid-February, 2025, the average prices for frozen and chilled chicken were 12 to 13 percent higher than the previous year average.

The graph in Figure 7 shows the average monthly prices for chilled and frozen chicken since January 2020. The graph demonstrates a recovery in prices, a response to demand, as well as a production adjustment to force an increase in prices paid to the producers.

Figure 7

Average Monthly Prices – Chilled and Frozen Chicken Meat



In 2024, producers adjusted their production levels, which subsequently increased their profitability. Given the short lifecycle of chickens, producers balance demand and production levels more quickly than other animal protein producers – such as cattle and swine, whose lifecycles are much longer than that of chickens.

1.4. Production Costs

1.4.1. Cost of Feed

The National Union for Animal Feed Industry (Sindirações) forecasts a 2.3 percent growth for 2025. This forecast follows a three percent increase in feed production in Brazil in 2024, which was 25 percent higher than Sindirações' initial forecast for the year. In total, Sindirações estimates that the feed industry produced 96.4 million tons in 2024 For broilers the feed production growth in 2024 was 2.7 percent, and for layers it was 2.4 percent. Broiler feed production reached 45.6 million tons and layers feed reached 7.7 million tons in 2024 in Brazil.

For both broilers and layers the top macro ingredient used for feed is corn, followed by soybean meal. The feed industry is highly dependent on the animal protein sector – especially poultry and swine production. It is important to note that sources point to idle capacity in the feed industry, meaning they could ramp production up if needed.

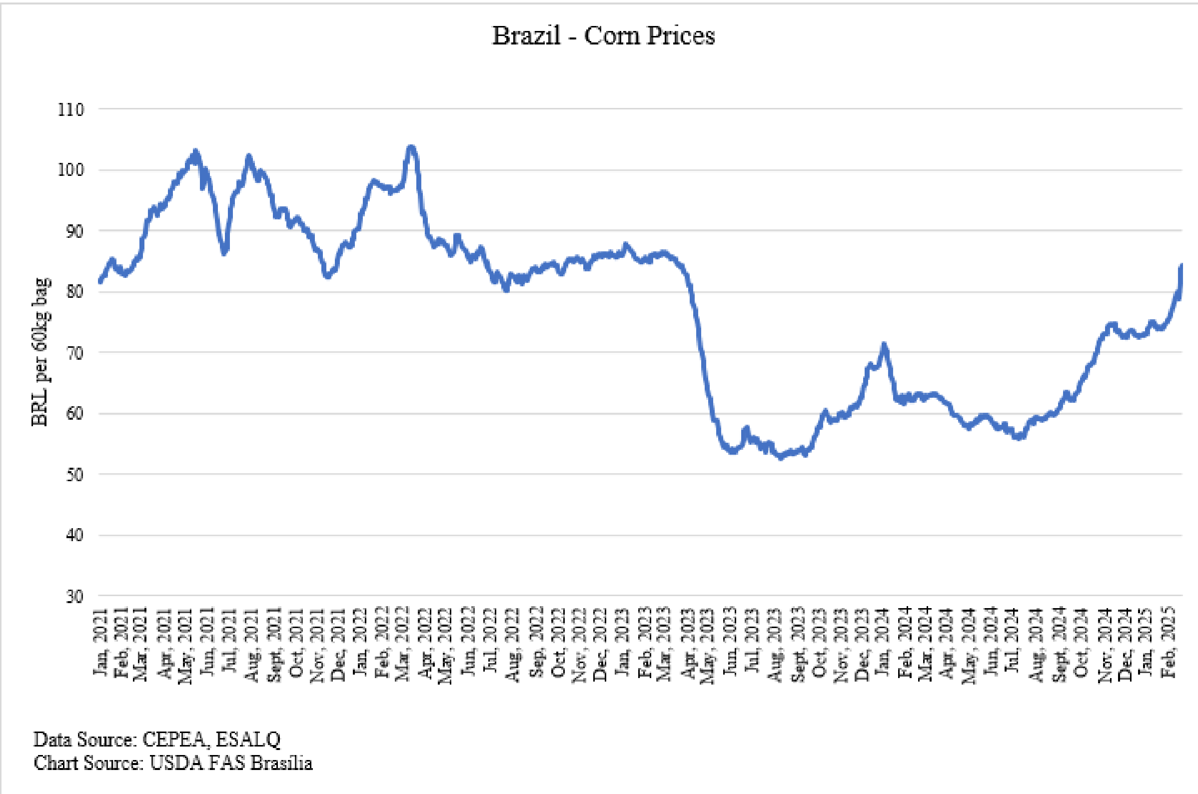
As a major producer of both corn and soybean meal, Brazil has a competitive advantage when producing animals for subsequent slaughter, decreasing the cost of feed. For crop season 2024/2025, USDA forecasts increased crops from the previous harvest.

Corn

The USDA World Agricultural Supply and Demand Estimates (WASDE) forecasts corn production for MY 2024/25, as of February11th, at 127 MMT. Brazil is expected to remain the third-largest corn producer in the world, behind the United States and the People`s Republic of China (PRC). Corn prices have improved for producers in the second half of 2024, compared to the beginning of 2024, as seen in Figure 8.

Figure 8

Brazil – Corn Prices

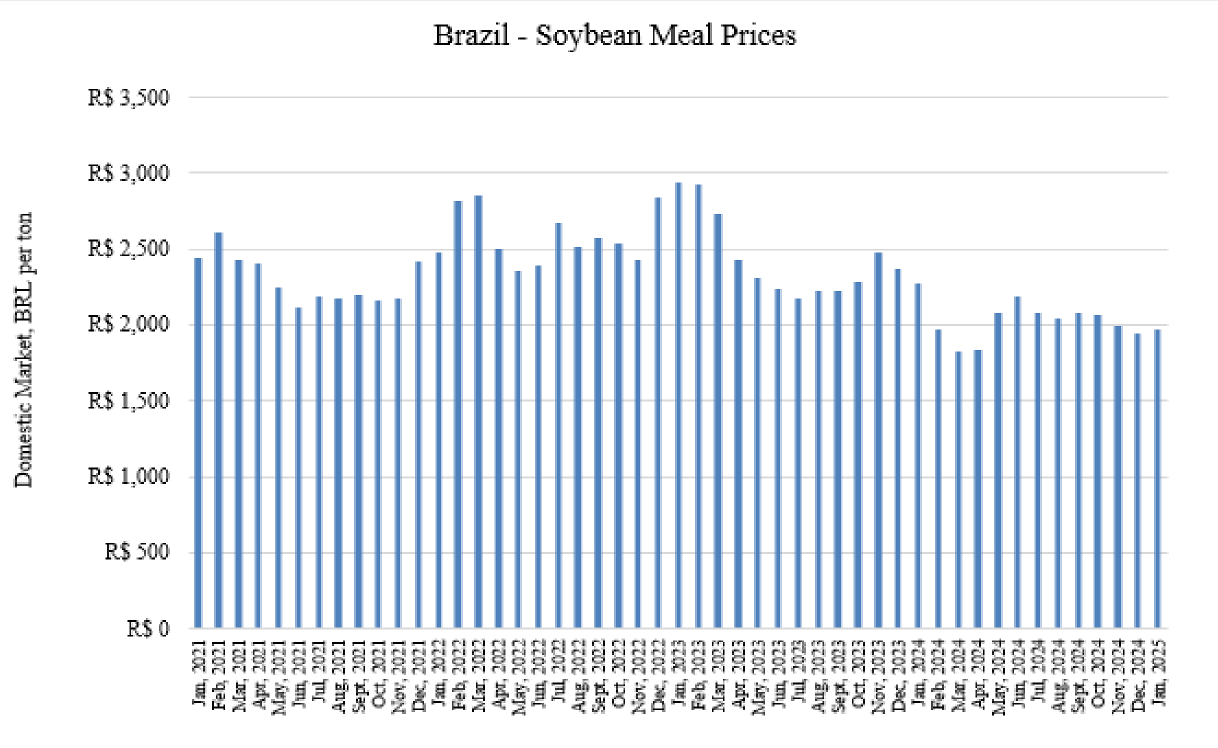


Soybean Meal

As of February 11th, the WASDE forecasts Brazil's soybean production at 169 MMT for MY 2024/25, due to higher-than-expected planted area and better than average early rainfall. Most of the major soybean producing areas received favorable rain in November, which encouraged the development and implementation of the crop. Brazil remains the world's largest soybean producer.

Figure 9

Brazil – Soybean Meal Prices



Data Source: ABIOVE, Brazilian Association of Oilseed Industries
Chart Source: USDA FAS Brasilia

Impact of Feed Costs on Production

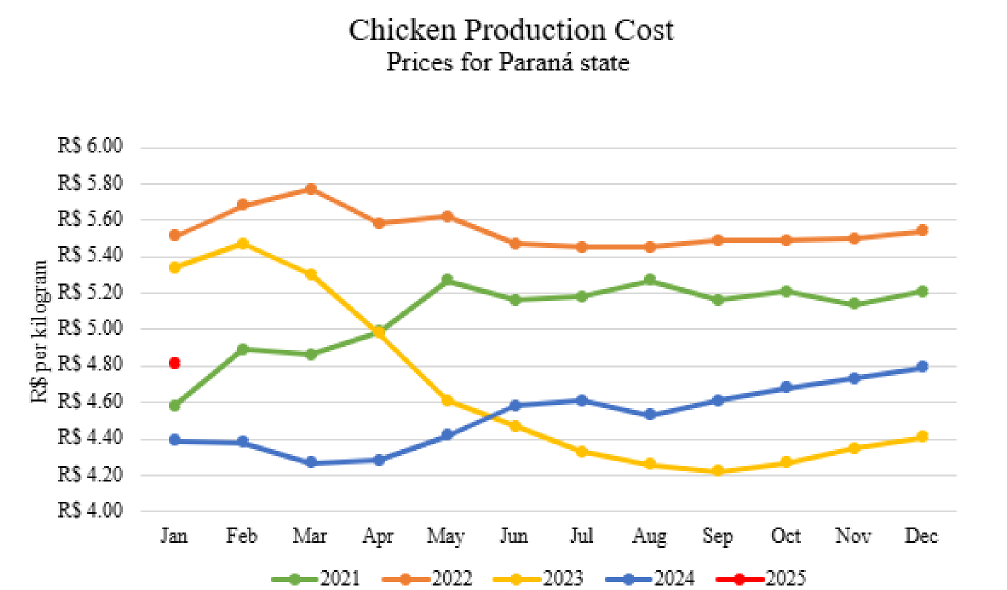
In January 2025, feed prices for chickens increased 8.90 percent over the past 12-months. For 2025, Post estimates that the large corn and soybean crops will continue to positively impact the poultry industry, lowering feed costs and making it easier for producers to balance other production costs, as seen in the following subsection.

1.5.2. Other Production Costs

The state of Paraná serves as a national reference for poultry costs, due to the size of its operations, as noted above in subsection 1.2 Production by States. The table in Figure 10 shows Paraná producers experienced the lowest production costs in the past four years in 2024, averaging R$ 4.52 (USD 0.84) per kilogram. In the first month of 2025, production costs were R$ 4.81 (USD 0,80) - See more details in Figure 9 Poultry Production Costs. For 2025, Post estimates production costs to stay relatively stable from 2024, as improvements are forecasted in the corn and soybean crops. Firm international demand and the devalued Brazilian currency will also favor production, which is estimated to reach 15.35 MMT in 2025.

Figure 10

Chicken Production Cost for Paraná State



Data Source: EMBRAPA Avian and Swine Central Intelligence
Chart Source: USDA FAS Brasília

The Brazilian Company of Agricultural Research (EMBRAPA) compiles an index for poultry production costs, called *ICPFrango*. In January 2025, feed costs accounted for over two thirds of total production costs in the state of Paraná. Other expenses including investments in genetics, cost of labor, electricity, bedding, heating, and transportation also compose production costs. The table in Figure 11 shows that, in January 2025, the largest increase in costs for the sector was for maintenance and insurance.

As highlighted in Post's Poultry Annual report BR2024-0028, the price of electricity in Brazil increased production costs in 2024. The Brazilian Electric Energy Agency increased the cost of a kilowatt of energy. As of January 2025, electricity/bed/heating costs increased by five percent. If this situation persists throughout the year, overall cost of production may further increase.

Figure 11

Poultry Production Costs

Poultry Production Costs - January, 2025			
Item	Value difference in the year	Value difference compared to previous 12 months	Percentage of total
Feed	+1.43%	+8.90%	67.80%
Genetics	-3.48%	+15.23%	15.55%
Labor	-0.99%	+13.70%	4.34%
Sanitary	0.00%	0.00%	0.81%
Electric Energy/ Bed/ Heating	+5.53%	+5.14%	2.42%
Maintenance/ Insurance	+8.94%	0.00%	0.68%
Transportation	-8.24%	0.00%	1.43%
Funrural - Assistance Fund for Rural Workers	+5.81%	+22.97%	0.19%
Others	+0.93%	+5.83%	0.23%
Depreciation	0.00%	+8.12%	2.57%
Capital Cost	+0.21%	+8.43%	3.98%
Total	**+0.50%**	**+9.55%**	**100%**

Data Source: EMBRAPA Swine and Poultry, ICPFrango
Chart Source: USDA FAS Brasilia

Figure 12 table presents the prices of live chickens, soybean meal, and corn for Paraná state from January 2022 to February 2025. As shown in the table, the average price of live chickens for January 2025 was the lowest when compared to those experienced in the previous four years. February prices show a recovery in prices.

Figure 12

Prices for Paraná State

Prices for Paraná state - R$/kilogram													
	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Live Chicken	2022	5.08	5.09	5.36	5.69	5.58	5.58	5.53	5.47	5.39	5.23	5.19	5.14
	2023	5.00	4.98	4.91	4.86	4.77	4.54	4.40	4.48	4.46	4.47	4.53	4.63
	2024	4.59	4.55	4.53	4.46	4.45	4.32	4.45	4.64	4.66	4.56	4.63	4.61
	2025	4.46	4.64										
Soybean Meal	2022	2.73	3.00	3.18	2.79	2.59	2.54	2.73	2.66	2.78	2.85	2.81	3.03
	2023	3.15	3.09	2.88	2.57	2.41	2.32	2.44	2.41	2.40	2.40	2.63	2.51
	2024	2.28	2.12	1.98	2.01	2.28	2.31	2.24	2.15	2.25	2.26	2.19	2.13
	2025	2.08	2.02										
Corn	2022	1.64	1.68	1.67	1.46	1.51	1.48	1.38	1.40	1.41	1.42	1.43	1.40
	2023	1.44	1.42	1.38	1.21	0.96	0.92	0.91	0.88	0.85	0.88	0.90	0.98
	2024	0.99	0.96	0.94	0.96	0.97	0.97	0.96	0.98	1.00	1.09	1.16	1.16
	2025	1.18	1.22										

Data Sources: EMBRAPA Avian and Swine Central Intelligence and Paraná Secretariat of Agriculture and Food Supply - DERAL
Chart Source: USDA FAS Brasilia

Throughout the year of 2024 the industry worked to adjust production by decreasing placement when needed. The intention was to increase profitability margins for producers – a successful move that can be observed in the prices of chicken. Post contacts also note that during the pandemic, the poultry industry made substantial investment to increase production. These investments point to idle capacity in production, which can be utilized if profit margins increase for producers.

For 2025, Post forecasts Brazil will have two percent growth in production. As idle capacity is available, producers will continue to balance placement levels, international and domestic demand to production levels. Furthermore, the forecasts in this report assume continuation of Brazil's sanitary status and any related policies as of March 18, 2025.

1.5. Sanitary Status

1.5.1. Avian Influenza

On May 15, 2023, Brazil reported the first discovery of infected wild birds to the World Organization for Animal Health (WOAH), in the state of Espírito Santo. From there, the disease has spread and reached seven other states: Bahia, Mato Grosso do Sul, Paraná, Rio de Janeiro, Rio Grande do Sul, Santa Catarina, and São Paulo.

As of March 10th, Brazil had 166 cases of Highly Pathogenic Avian Influenza (HPAI), three in backyard flocks and the rest in wild birds, and none in commercial plants – which assures Brazil`s sanitary status as free of HPAI for commercial purposes. The map in Figure 13, prepared by the Ministry of Agriculture and Livestock (MAPA), shows the locations (white circle with red border) where HPAI cases have been confirmed. Gray circles are cases where laboratory testing dismissed possible cases and yellow circles are active investigations. MAPA has prepared a complete public-facing dashboard to provide additional details for HPAI cases.

For further information on details regarding the discovery of the disease in Brazil and measures taken by the Government of Brazil in response to the discovery and planning future actions, please refer to Post's previous **Error! Hyperlink reference not valid.** BR2023-0022, BR2024-0002, and BR2024-0028.

Figure 13

Brazil HPAI Cases – As of March 10, 2025.

Data Source: Brazilian Ministry of Agriculture and Livestock, Poultry Respiratory and Nervous Syndrome Dashboard.

The majority of cases were on, or close to, shorelines. This corresponds with the migratory routes of wild birds that pass through Brazil. Although the disease has not reached commercial plants at this point, the industry and the government together have implemented crisis management protocols which have proven to be effective. Monitoring and biosafety measures have been strengthened at all levels, from government measures to industry investments and media campaigns to inform the general public.

1.5.2. Newcastle Disease

On July 17th, 2024, MAPA confirmed an outbreak of Newcastle Disease (NCD) in a commercial poultry plant located in Anta Gorda, in the state of Rio Grande do Sul. The last cases of the disease in Brazil were in 2006 in backyard birds in the states of Amazonas, Mato Grosso and Rio Grande do Sul. Post`s contacts have all expressed that it was an isolated case and likely a consequence of hail that broke the ceiling of the poultry house, killing 7,000 animals, and opening the door for disease to spread. After the disease was confirmed, another 7,000 chickens were culled in the plant.

Other Post contacts have mentioned that the unprecedented floods in the state of Rio Grande do Sul earlier in late April-early May, 2024 might have reduced the immune response of the animals, leading to susceptibility to disease. International trade was voluntarily suspended by Brazil on the aftermath of the discovery, but it has been restored to normal levels for most trading partners since.

The government added Newcastle Disease tracking to the dashboard, now called Poultry Respiratory and Nervous Syndrome dashboard. For more details on the government measures taken on the outset of the outbreak, please consult Post`s Poultry and Products Annual Report BR2024-0028.

2. Consumption

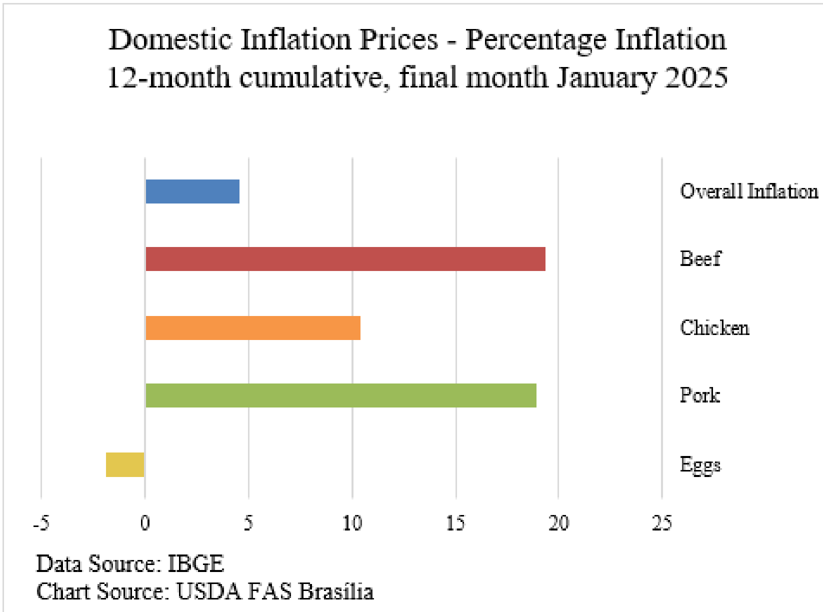
Post estimates domestic chicken consumption in 2025 at 10.1 MMT RTC. Post anticipates that 66 percent of the Brazilian chicken production will be destined for the domestic market in 2025.

The Brazilian Central Bank (BCB) forecasts moderate economic performance in 2025, with GDP growth at 1.99 percent, per the latest data available from the BCB Focus Bulletin. The inflation rate is forecasted at 5.66 percent in 2025. Domestic consumption can potentially benefit from social aid programs to the population in most need, as well as from an increased minimum wage. The Institute of Geography and Statistics (IBGE) reports 6.8 million unemployed people in 2024 and an additional three million people who have stopped looking for a job. These factors may negatively impact households' purchasing power and thus consumption.

Chicken remains the most widely consumed animal protein in Brazil, as it is commonly the substitute for preferred, but more expensive, beef. As seen in Figure 14, inflation in the domestic retail market for chicken increased in the past 12-month cumulative, per official IBGE data.

Figure 14

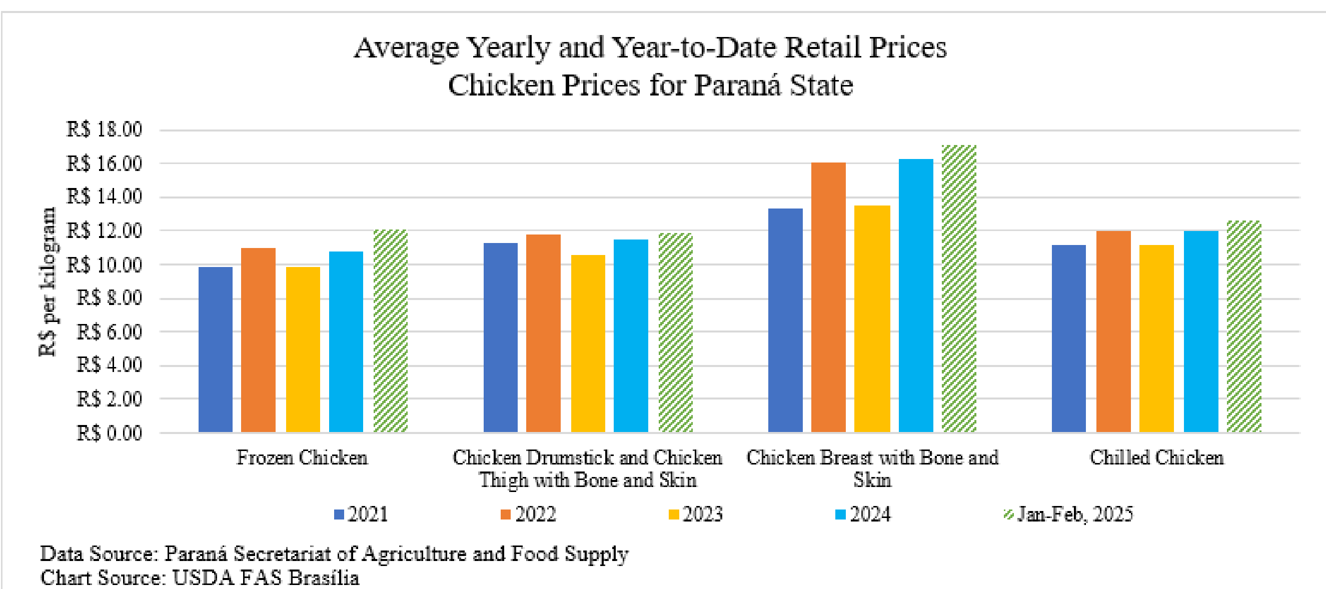
Domestic Retail Prices Percentage Inflation



The state of Paraná serves as the reference for chicken production in Brazil. The state's Secretariat of Agriculture and Supply monitors different cuts compared to IBGE surveys, and their data shows the variation in prices, as demonstrated in Figure 15.

Figure 15

Average Yearly and Year-to-date Retail Prices – Chicken – Paraná state



As seen in Figure 15, 2024 prices increased in every category. In January 2025, retail prices further increased from 2024. Despite increased price to consumers, Post estimates a one percent increase in domestic consumption in 2025, as recovering prices make it more expensive for consumers. Additionally, chicken meat competes with other animal protein sources: beef consumption is estimated down and pork consumption is forecasted stable in 2025. See Post`s Livestock and Products Semi-Annual Report BR2025-0004.

3. Trade

3.1. Exports

Post estimates Brazil will remain the world's largest exporter of chicken meat in 2025. Chicken meat exports are estimated at 5.2 MMT RTC in 2025, which represents a five percent increase from 2024. Post estimates exports will account for 34 percent of all production in Brazil in 2025. Note that Post and official USDA forecasts do not include chicken paws, but official Brazilian statistics do, as Brazil does not currently have an HS Code designated for chicken paws.

These forecasts are based on increased production; estimated exports; high external demand likely boosted by the recent Chinese decision to lift antidumping measures against Brazil; Brazil's sanitary status as free from HPAI in commercial plants; price competitiveness; and, competitor exporters facing challenges with production due to animal disease.

Official Brazilian government data from the Ministry of Development, Industry, Trade, and Services (MDIC) indicate that in January 2025 Brazil exported 9.52 percent more than in the same month of 2024, exporting 418,551 tons of chicken meat (including paws). In the entire year of 2024, Brazil exported 5 MMT (without paws), setting yet again another record year in exports.

The graph in Figure 16 shows the evolution of Brazil`s exports of chicken meat to the world since the beginning of the historical series.

Figure 16

Brazilian Chicken Meat Exports to the World

Post`s 2025 estimate results of high external demand, slightly increased domestic consumption, and devalued – although improving – local currency, which incentivizes producers to export, and hence gain more for the investments they have made in increasing production capacity during the pandemic. Figures 3 and 4 show the fluctuation of the exchange rate in the last few years.

Per USDA data, Brazil will be responsible for over 31 percent of global exports of chicken meat in 2025. Brazil is followed by the United States and the European Union as the top three largest exporters. Together the United States and the EU account for an additional 31 percent of global exports.

Trading Partners

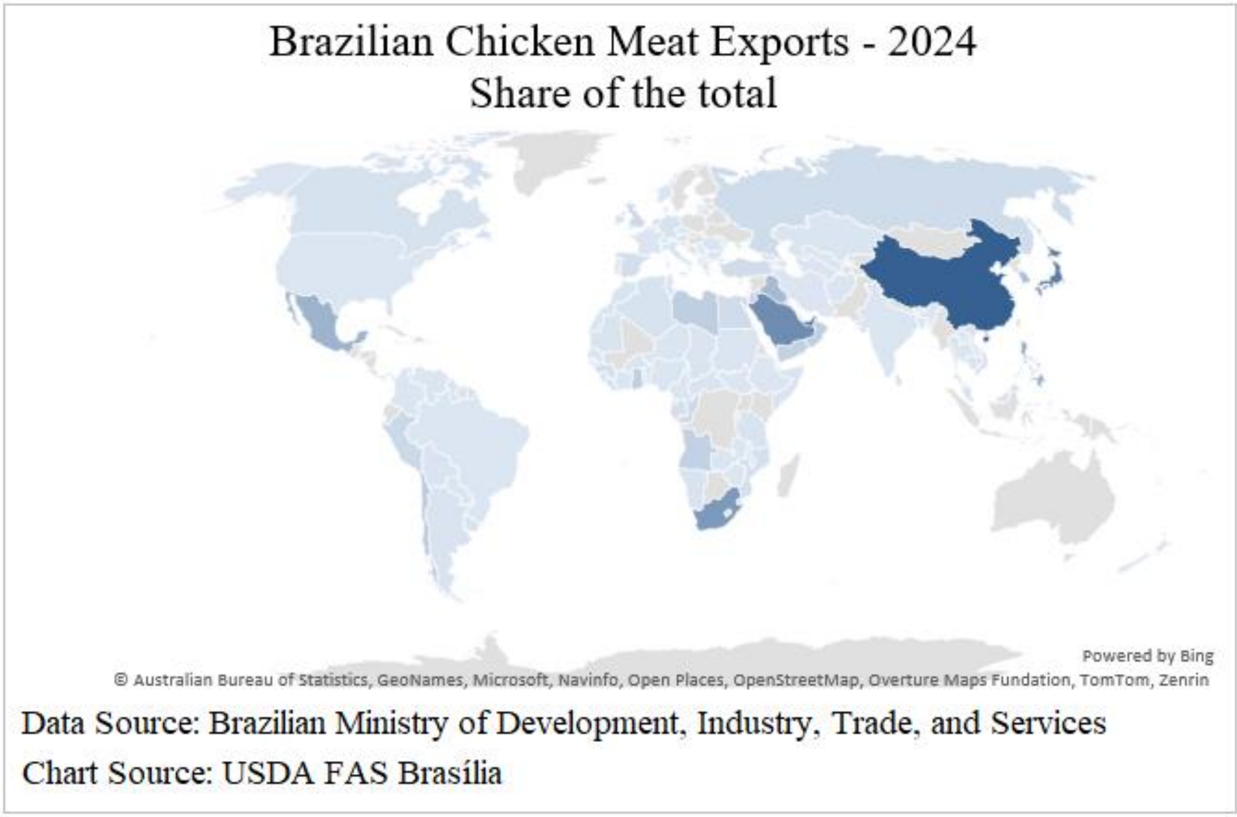
Different from other animal protein where exports are more concentrated in specific countries, Brazil's exports of chicken meat are diversified. In January 2025, Brazil exported over 418,500 tons of chicken meat and chicken products to 139 countries. In the entire year of 2024, Brazilian chicken meat exports reached 160 countries.

In terms of trading partners, Brazil's main market since 2019 is PRC. Both in the entire year of 2024 and in January 2025, PRC was the destination of 11 percent of all chicken meat and chicken products exports out of Brazil. In 2024, Brazil`s chicken meat exports went to Japan. Japan was followed by the UAE and PRC, both with 10 percent of exports.

The map in Figure 17 shows Brazil's chicken meat exports to the world. The darker the color, the more exports to that country.

Figure 17

Brazilian Chicken Meat Exports – Share of the Total, 2024

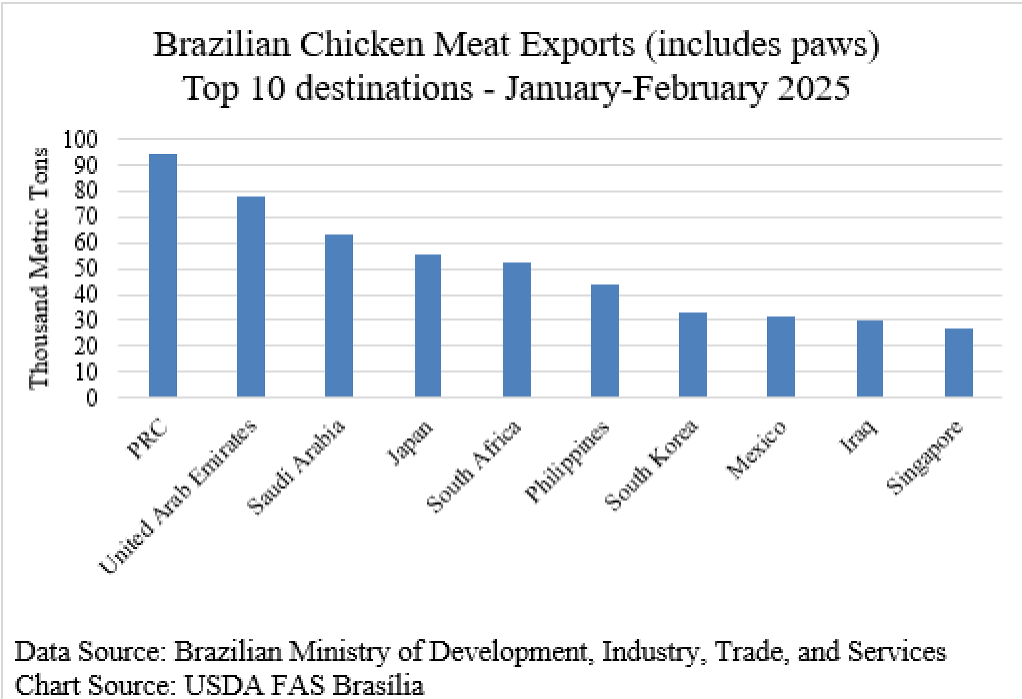


PRC, the United Arab Emirates, Japan, Saudi Arabia, and South Africa compose the top five destinations to which Brazil exported chicken meat in 2024 and in the first month of 2025. Brazil exported 2.15 MMT to these countries in the previous year, accounting for 43 percent of all exports.

The top 10 destinations are seen in Figure 18. The represented countries have been consistent export destinations for Brazil.

Figure 18

Brazilian Chicken Meat Exports – Share of the Total – Top 10 destinations, January and February 2025



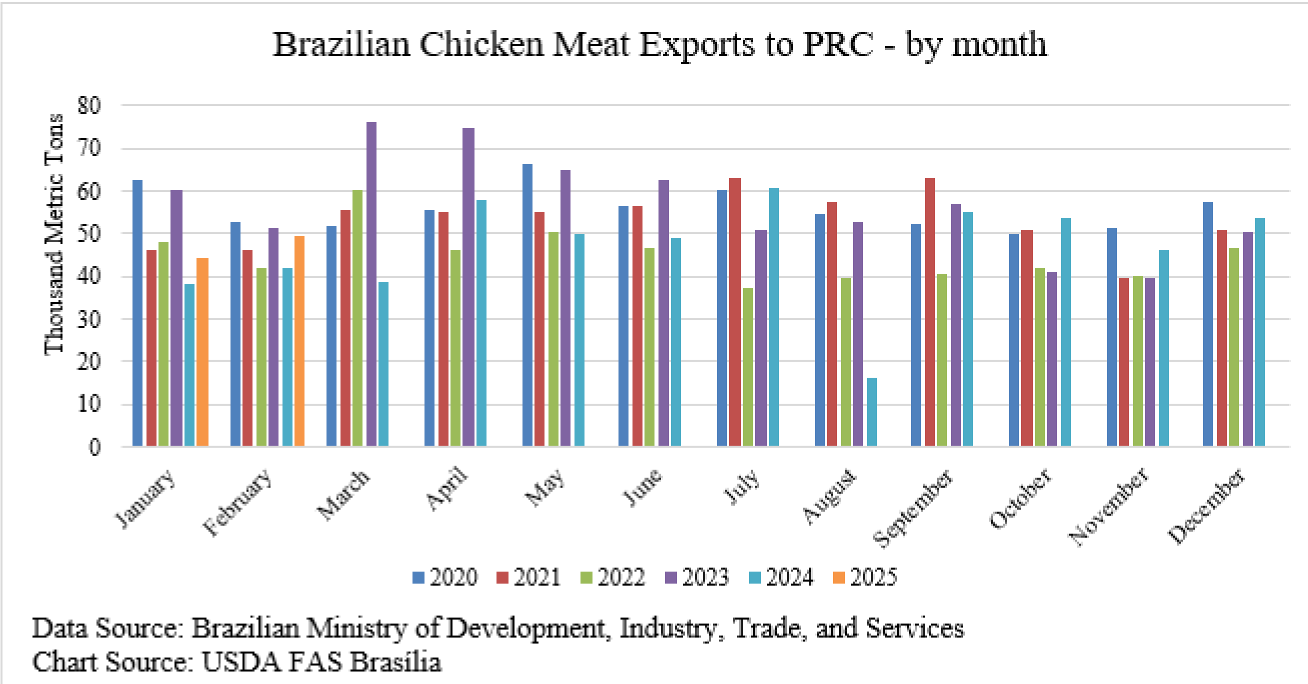
For the remainder of 2025, Post forecasts these countries will likely remain the top destinations for Brazilian chicken meat. Contacts have previously told Post that Brazil is increasing exports, taking advantage of its current sanitary status, whereas its major competitors face challenges with HPAI.

People`s Republic of China (PRC)

In February, 2024, PRC rescinded the antidumping tariffs imposed on Brazilian chicken meat in 2019. The decision was celebrated by Brazilian poultry producers and associations who expected exports to the PRC would likely increase in 2024. For more details on the case, please refer to Post`s Poultry and Products Annual Report BR2024-0028. In 2024, Brazil exported 11 percent of all chicken meat exports to PRC. Figure 19 shows the monthly exports from Brazil to PRC since 2020. In January 2025, Brazilian exports to PRC were 9.5 percent higher than in the same month in 2024.

Figure 19

Brazilian Monthly Chicken Meat Exports to PRC



However, as seen from the graph, exports to PRC have decreased in nearly every month of 2024. Two main factors explain the decrease: PRC increased domestic production – and consequent decrease in import demand – and the restriction on imports from Rio Grande do Sul state.

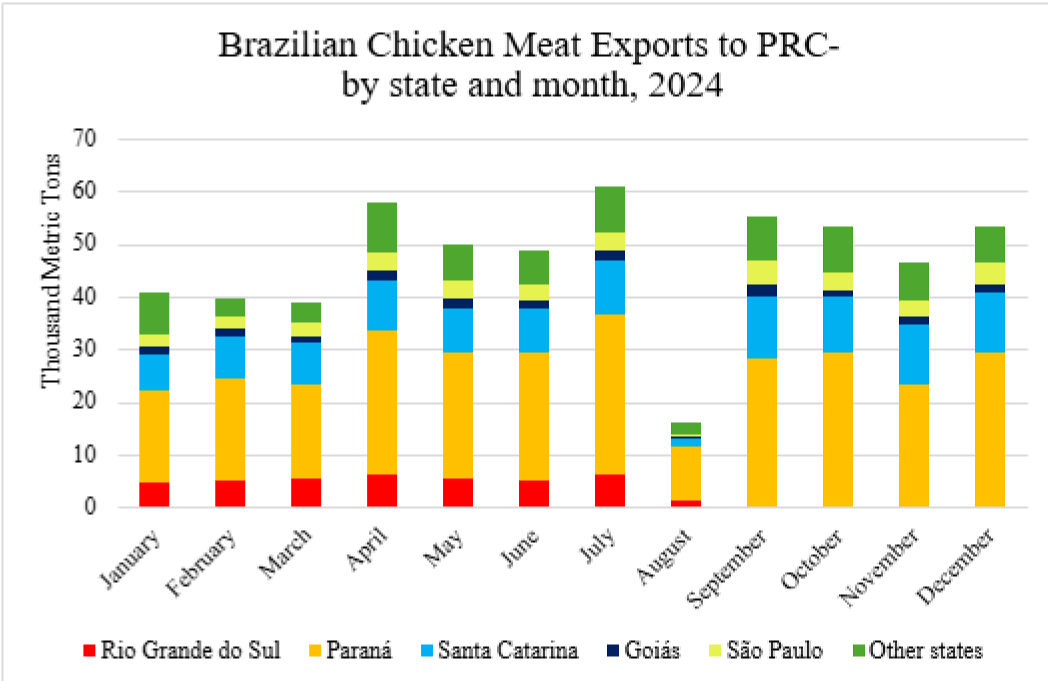
Post Beijing notes on their Poultry and Products Semi-Annual Report, CH2025-0031, PRC has increased domestic production, and for 2025 the estimate is for decreased imports – a scenario that directly impacts Brazil.

Brazil self-imposed restrictions for exports to PRC after Newcastle Disease was detected in Rio Grande do Sul in mid-July, 2024. Although Brazil lifted the self-suspension in approximately a week, the Chinese General Administration of Customs (GACC) and Ministry of Agriculture and Rural Affairs (MARA) prohibited imports of poultry and poultry products from Rio Grande do Sul on August 2nd, 2024. Despite meetings between the Brazilian and Chinese governments to review and update the sanitary and phytosanitary protocols between both countries, the state of Rio Grande do Sul remained suspended as of February 25, 2025.

Figure 20 shows Brazilian chicken meat exports to PRC by month and state in 2024. Based on monthly data by states since 2022, exporters shifted sales to other states to supply the Chinese market. When compared to the same months in 2022 and 2023, the months of September, October, November, and December 2024 (after which an impact on the August decision to sustain the suspension on Rio Grande do Sul would be observable in trade data) saw higher exports from the states of Santa Catarina, Paraná, and São Paulo.

Figure 20

Brazilian Monthly Chicken Meat Exports to PRC by state



Data Source: Brazilian Ministry of Development, Industry, Trade, and Services
Chart Source: USDA FAS Brasilia

Brazil currently has 57 plants authorized to export poultry and poultry products to the PRC. Out of these, 8 are in Rio Grande do Sul, 20 in Paraná, 12 in Santa Catarina, 5 in São Paulo, 4 in Minas Gerais, and the remainder on other states. Brazil continues to seek an agreement to regionalize exports in case of diseases such as HPAI and NCD.

Halal Markets

Brazil continues to focus its exports on halal markets, such as the United Arab Emirates and Saudi Arabia. The two countries have been long-term and firm partners of Brazil.

United Arab Emirates

The United Arab Emirates was the second-largest destination of Brazilian chicken meat exports in 2024, reaching close to 454.900 tons and increasing over three percent in the year. In January 2025, the UAE has continued being the second-largest destination of Brazilian chicken meat exports, with close to 39,000 tons sent.

Saudi Arabia

Saudi Arabia was the fourth-largest destination of Brazilian chicken meat exports in 2024, reaching over 370,700 tons in 2024. In January 2025, Saudi Arabia was the third-largest destination of Brazilian chicken meat exports, with over 31,800 tons sent.

Japan

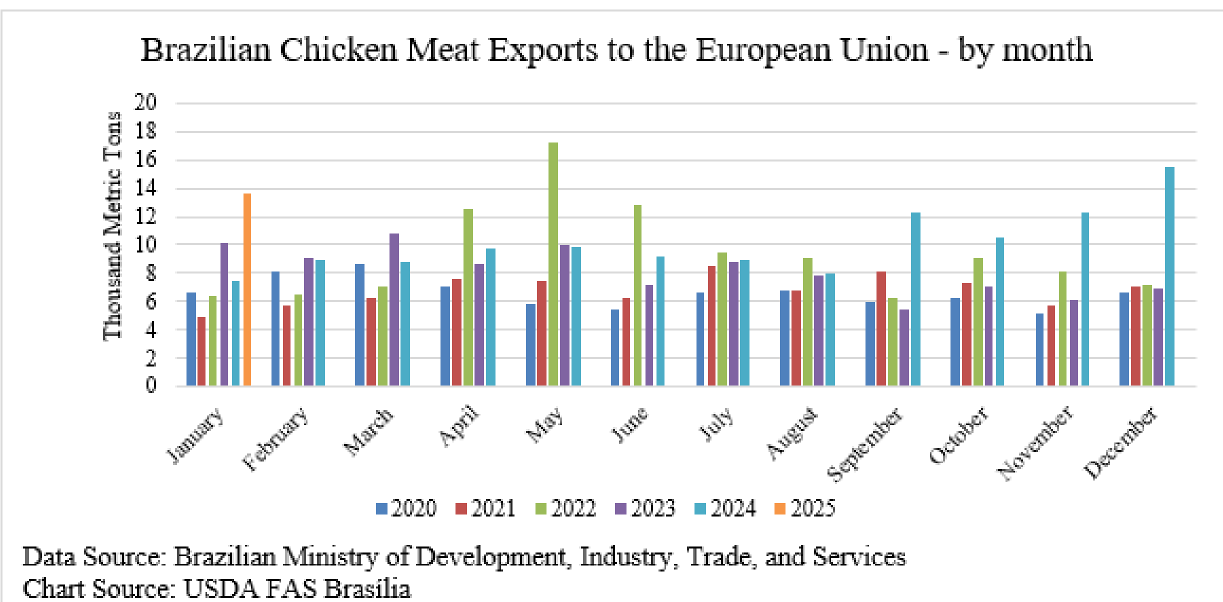
Japan was the third-largest destination of Brazilian chicken meat exports in 2024, with 443,100 tons exported, growing exports by 2.3 percent. In January 2025, Japan was destination to over 28,100 tons of Brazilian chicken meat.

European Union

The European Union has implemented an electronic health certificate for poultry exports. Brazil's first cargo certified electronically was on February 26, 2024. As seen in Figure 21, Brazil's chicken meat and products exports to the region have, except for March and May 2024, increased when compared to the same months in the previous year. As the system consolidates and producers become more familiar with the process for electronic certification, the expectation is to continue expanding exports to Europe.

Figure 21

Brazilian Monthly Chicken Meat Exports to the European Union



Diversifying trading partners

New Markets Opening

The Brazilian Ministry of Agriculture and Livestock, along with the Brazilian Ministry of External Affairs continue to expand the consumer pool for Brazil – by opening new markets or by diversifying products to existing markets.

As of February 25, 2025, Brazil has opened 25 new markets in several countries, out of which four were related to poultry and poultry products. In 2024, Brazil opened 222 new markets, out of which 23 were on poultry and poultry products. These new market openings are a targeted effort by MAPA officials in creating a more diverse and comprehensive pool of consumers, further spreading Brazilian poultry and poultry products to the world.

In 2025, the four markets opened for poultry and poultry products from Brazil were: poultry feathers to South Korea, powdered egg and granulate egg to Mexico, poultry hydrolyzed protein to Peru, and, poultry meat and poultry products to Suriname.

In 2024, the 23 new markets were: live poultry to Saudi Arabia; poultry meat to Bosnia and Herzegovina; avian-origin chewables to Canada; poultry feathers to Canada; edible poultry offal to Chile; poultry feathers to Hong Kong; poultry flour and fats to South Korea; egg and egg products to Cuba; poultry fats and oils to Ecuador; poultry meat to El Salvador; eggs to El Salvador; poultry meat to Lesotho; fertile eggs to Lesotho; day-old chicks to Lesotho; live layers to Lesotho; poultry oil for animal feed to Mexico; day-old chicks to Mexico; poultry for exhibits and reproduction to Mexico; poultry meat and offal to Panama; poultry meat and chicken mechanically separated meat to Papua New Guinea; egg and egg products to Russia; pet food from cloven-hoofed animals or poultry to Taiwan, and egg products for animal feed to Türkiye.

Singapore

Another relevant market for Brazil is Singapore, ranked as the top 10 destination for Brazilian exports in 2024. In early December 2023, Brazil received the approval of its pre-listing for animal protein exports to Singapore. In 2024, exports to the country increased three percent compared to the previous year. In January 2025, exports have reached 14,154 tons, increasing 19.5 percent when compared to the same month in the previous year.

Chile

Brazil has pre-listing status for exports of chicken meat to Chile. Exports to the country in 2024 have increased 42,5 percent. Brazil held close to 80 percent of the Chilean chicken meat market, and the United States holds 17 percent. In January 2025, exports to Chile have decreased when compared to the same month in 2024. It is important to note that Chile has maintained trade restrictions with the state of Rio Grande do Sul after the detection of Newcastle Disease in July, 2024.

Indonesia

Regarding Indonesia, since 2014, Brazil has had an open case at the World Trade Organization (WTO) on measures imposed by the country to block Brazil's access to its chicken meat market. Brazil won the case, but Indonesia requested a reasonable deadline to adopt the measures suggested by the WTO. In December 2020, Indonesia appealed into the void to the WTO Dispute Settlement Appellate Body, further delaying the adoption of the recommendations, as the body has not been functional due to the lack of appointed members. For more on this case, please refer to Post`s 2022 and 2023 Poultry and Products Annual Report, Report number BR2022-0051 and Report number BR2023-0022. Post continues to monitor the case.

HPAI and NCD Trade Implications

In 2023, due to the first cases of HPAI in Brazil, government authorities acted quickly to avoid further spread of the disease from wildlife animals to animals destined for commercial production. The country has been successful thus far in that regard, but there were three cases of HPAI in backyard flocks. As a trade implication, the Japanese Ministry of Agriculture, Forestry, and Fisheries (MAFF) authorities closed the market to the states where the cases took place – Espírito Santo, Santa Catarina, and Mato Grosso do Sul. In all instances, after a period of quarantine, the Japanese authorities lifted the embargos. Japan was the only country to impose suspensions derived from the backyard findings.

In July 2024, Brazil had its first case of Newcastle disease since 2006. Brazil immediately voluntarily suspended exports. The suspension was established at different levels. For some markets the government imposed a total restriction of exports, and for others it applied regional restrictions either by state, by 10-km radius, or by municipality. The government also differentiated its suspension by type of products. For certain countries such as Argentina, South Africa, and Chile, the trade restrictions did not apply to thermal-processed poultry products. The Brazilian government acted quickly through its agricultural attachés worldwide to inform trading partners about the case and share the actions taken.

Despite immediate trade implications, Brazil was able to increase its exports by 3.26 percent in 2024 when compared to 2023. In January 2025, Brazilian chicken meat exports increased 9.52 percent when compared to the same month in the prior year.

Regionalization

MAPA continues to diligently work in negotiating regionalization agreements with major importing countries to mitigate any potential outbreak of HPAI or NCD in commercial plants. MAPA is working towards negotiating health certificate modifications individually, where needed.

For certain countries, regionalization will be applied to a specific kilometer radius from the focus areas, with an additional radius for monitoring; for other trading partners, regionalization has been secured at the state-level, and for others at the municipality-level. A list of which countries with which Brazil has been able to secure such agreements and at what level is not publicly available. Also, some health certificates do not mention HPAI or NCD specifically, so importers would need to decide for each occurrence what course of action to take, and whether suspension is warranted or not. Clearly such decisions need to consider the level of dependence the importing country has on Brazilian chicken meat for its food security. As the world`s largest exporter - and especially considering the sanitary status of other global players which have impacted their export capacities – some countries would have no other choice but to regionalize imports from Brazil to maintain their internal food supply.

3.2. Imports

Post estimates chicken meat imports for 2025 at 5,000 MT, stable from 2024. In 2024, Brazil imported 5,088 MT in frozen chicken cuts and edible offal, originating from Argentina and Chile. In January 2025, Brazil imported 447 tons of chicken meat, all from Argentina.

Annex 1 - Complementary Law 214/2025 – Selected list of products with tax exemptions.

The products listed below have been selected by Post as those pertaining the most to the current report. The items are listed by their codes on the Harmonized System (HS), either by chapters (HS 2), heading (HS 4), sub-headings (HS 6) or Mercosur Common Nomenclature (HS 8), as presented in the law.

Products destined for human consumption submitted to reduction to zero rate of the IBS and CBS
Beef, pork, poultry, sheep and goat meat, and animal-origin products – except for *foie gras* of the following codes, sub-positions, and Mercosur Common Nomenclature positions:

a) 02.01 - Meat of bovine animals, fresh or chilled;
   02.02 - Meat of bovine animals, frozen;
   0206.10.00 – Edible offal of bovine, fresh or chilled;
   0206.2 – which currently lists:
      0206.21 - Frozen edible bovine tongues;
      0206.22 - Frozen edible bovine livers;
      0206.29 - Frozen edible bovine offal (excl. tongues and livers);
   0210.20.00 – Meat of bovine, salted/in brined/dried/smoked;

b) 02.03 – Meat of swine, fresh, chilled or frozen;
   0206.30.00 - Fresh or chilled edible offal of swine;
   0206.4 – which currently lists:
      0206.41 - Frozen edible livers of swine;
      0206.49 - Edible offal of swine, frozen (excl. livers);
   0209.10 – Pig fat;
   0210.1 – which currently lists:
      0210.11 – Hams, shoulders and cuts thereof of swine, salted, in brine, dried or smoked, with bone in;
      0210.12 – Bellies streaky and cuts thereof of swine, salted, in brine, dried or smoked;
      0210.19 - Meat of swine, salted, in brine, dried or smoked (excl. hams, shoulders and cuts thereof, with bone in, and bellies and cuts thereof);

c) 02.04 – Meat of sheep or goats, fresh, chilled or frozen;
   0210.99.20 – Meat of sheep;
   0210.99.90 - Meat of other animals, salted, dried, etc.;
   0206.80.00 - Fresh or chilled edible offal of goats;
   0206.90.00 – Edible offal of sheep, goats, etc., frozen;

d) 02.07 – Meat and edible offal, of the poultry of heading No 0105, fresh, chilled or frozen;
   0209.90.00 – Bacon and other fats;
   0210.99.1– which currently lists:
      0210.99.11 – Chicken meat; and,
      0210.99.19 – Other meat of chickens and hens

Except for the products under 0207.43.00 (Fatty livers of ducks, fresh or chilled) and 0207.53.00 (Fatty livers of geese, fresh or chilled).

Agricultural and aquaculture inputs submitted to sixty percent reduction of the IBS and CBS

a) Day-old poultry, excluding ornamental
0105.1 – which currently lists:
0105.11 - Live fowls of the species Gallus domesticus, weighing <= 185 g (excl. turkeys and guinea fowls)
0105.12 - Live domestic turkeys, weighing <= 185 g
0105.13 – Ducks
0105.14 – Geese
0105.15 – Chickens dangola - painted
0105.19 - Live domestic ducks, geese and guinea fowls, weighing <= 185 g

b) Embryos and semen, frozen or chilled
0511.10.00 – Bovine Semen
0511.9 – which currently lists:
0511.91.10 – Roes of fish, fecundated for reproduction
0511.91.90 - Other products of fish, etc. inappropriate for human consumption
0511.99.10 - Embryos of animals
0511.99.20 – Animal semen
0511.99.30 – Silk-worm eggs
0511.99.90 – Other products of animals, etc. inappropriate for human consumption
0511.99.91 - Horsehair and waste, even in webs
0511.99.99 - Other products of animal origin, inappropriate for human consumption

c) Purebred breeders, including matrices of purebred animals with genealogical registration; in accordance with the definitions and other specific legislation requirements

01.02 – Live bovine
01.03 – Live swine animals
01.04 – Live sheep and goat

d) Animal feed, concentrated, supplements, additives, premix or nucleus, except for domestic animals
2309.90 – Preparations of a kind used in animal feeding (excl. dog or cat food put up for retail sale)

e) Seeds and cereals, whether or not crushed, crushed grains or otherwise processed; all intended directly for the manufacture of animal feed or directly for animal feed, except for domestic animals
Chapters 10, 11, and 12

f) Bran and cakes from vegetable products and other residues and waste from the food industries; all intended directly for the manufacture of animal feed or directly for animal feed, except for domestic animals:

23.01 - Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, mollusks or other aquatic invertebrates, unfit for human consumption; greaves

23.02 - Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants

23.03 - Residues of starch manufacture and similar residues, beet-pulp, bagasse and other waste of sugar manufacture, brewing or distilling dregs and waste, whether or not in the form of pellets

2304.00 - Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil

2305.00.00 - Oilcake and other solid residues, of peanuts

23.06 - Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 2304 or 2305

2308.00.00 - Vegetable materials and other vegetable waste

g) Animal, plant, and biotechnology genetic improvement, including its royalties

Annex 2

Attachments:

No Attachments