

**Required Report:** Required - Public Distribution

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## **Report Name:** Retail Foods

**Country:** Brazil

**Post:** Sao Paulo ATO

**Report Category:** Retail Foods

**Prepared By:** Fabiana Fonseca

**Approved By:** Nicolas Rubio

### **Report Highlights:**

Despite the impact of the coronavirus pandemic in the Brazilian economy, the retail industry registered a positive performance. Retailers were able to capture consumption from bars and restaurants and benefit from consumers dedicating more time to cook at home. The Brazilian Supermarket Association (ABRAS) reported supermarket revenues at US\$145 billion. Among the group of the 500 largest supermarkets, sales increased by 21 percent totaling US\$74.7 billion, which represented an increase of 21 percent compared to 2019.

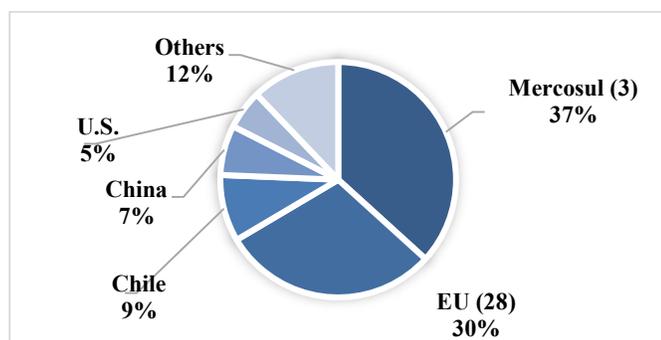
## Executive Summary

In 2020 the Brazilian economy suffered a sharp decline mostly due to the COVID-19 outbreak. The country's Gross Domestic Product (GDP) decreased by 4.1 percent, reaching US\$1.43 trillion. Although international institutions such as the World Bank and the International Monetary Fund estimated a much stiffer decrease of 8-9 percent, cash transfer programs implemented by the Brazilian Government played a critical role in reviving the economy. Over the course of the year, sales of the food industry increased 12.8 percent compared to 2019, driven by local retail demand and exports growth of 16.2 percent and 11.4 percent, respectively.

## Imports of Consumer-Oriented Products

In 2020, imports of consumer-oriented products by Brazil reached US\$4 billion, a 4.3 percent decrease compared to the previous year. The United States' position as the 5th major supplier did not change, although the country lost a one percent market share. Mercosul countries, Chile and China were able to expand sales to Brazil as consumers shifted purchases towards more affordable products, leading the group to gain one percent market share each. European countries, the United States, and other countries, all lost one percent market share.

## Imports of Consumer-Oriented Products in 2020 (Market Share)



Source: Trade Data Monitor/Secex

## Food Processing Industry

In 2020, the food processing industry registered annual sales of R\$789 billion (US\$153 billion). Food represented 81 percent and beverages 19 percent of total sales. The major processing segments in Brazil are: meat, beverages, dairy, tea, coffee, cereals, oils and fats, sugar, snacks, ice cream, condiments, yeast, wheat products, processed fruits and vegetables, dehydrated and frozen products, chocolate, candy, and fish.

## Food Retail Industry

The Brazilian Supermarket Association (ABRAS) reported supermarket revenues at US\$107 billion (R\$554 billion) in 2020, which represented 7.5 percent of the country's GDP. Brazil's retail sector includes 91,351 stores and serves 28 million consumers daily. In 2020, the cash-and-carry format was incorporated into the retail sector's overall result. The group of 500 largest supermarkets showed an impressive performance in 2020, totaling US\$69.6 billion, which represented an increase of 21 percent compared to 2019.

### Quick Facts CY 2020

#### Imports of Consumer-Oriented Products by Brazil (US\$ billion): \$ 4 billion

#### List of Top 10 Growth Imports in 2020

1. Prepared/Preserved Beef	6. Condiments
2. Tomato Sauces/Ketchup	7. Dog/Cat Food
3. Condensed Milk	8. Baby Food
4. Wine	9. Maple Syrup
5. Frozen/Dried Vegetables	10. Cheese

Source: TDM

#### Food Industry by Channels (U.S. Billion \$) in 2020

Food industry Output	164.1
Food Exports	40.8
Food Imports	5.4
Domestic Market	118.0
Retail	90.1
Food Service	27.9

Source: ABIA

#### Top 10 Host Country Retailers in 2020

1. Carrefour	6. Supermercados BH
2. Grupo Pao de Acucar	7. Companhia Zaffari
3. Cencosud Brasil	8. DMA Distribuidora
4. Grupo Muffato	9. Sonda Supermercados
5. SDB Com. Alimentos	10. Mart Minas Distrib.

Source: ABRAS

#### GDP/Population

Population (millions): 211

GDP (trillion USD): 1.43

GDP per capita (USD): 6,983

Source: IBGE

Exchange Rate (average 2020): US\$1=1R\$ 5.16

## Section I. Market Summary

In 2020 Brazil was spotted on worldwide news as one of the worst countries affected by the COVID-19 virus. Financial analysts expected the economy to contract 10 percent in the respective year, but this scenario has not materialized. Even though the coronavirus pandemic highly impacted the economy, Brazil ended the year with a GDP decline of 4.1 percent (better than expected), reaching US\$1.43 trillion. The cash transfer programs implemented by the Brazilian Government played a critical role in maintaining economic activity. As per the Brazilian Institute of Geographics and Statistics (IBGE), services, household consumption and business investments also contributed to the overall result, in the fourth quarter of the year, pushing GDP growth to 3.2 percent. However, the rise of new cases observed in November 2020 continued to remind Brazilians that the economy is in a fragile moment as COVID-19 makes consumers and businesses struggle. Although the virus fear continues to burden the business climate, Brazil's economy is expected to recover in 2021 and 2022, GDP growth is estimated to expand 3.7 percent and 2.6 percent, respectively.

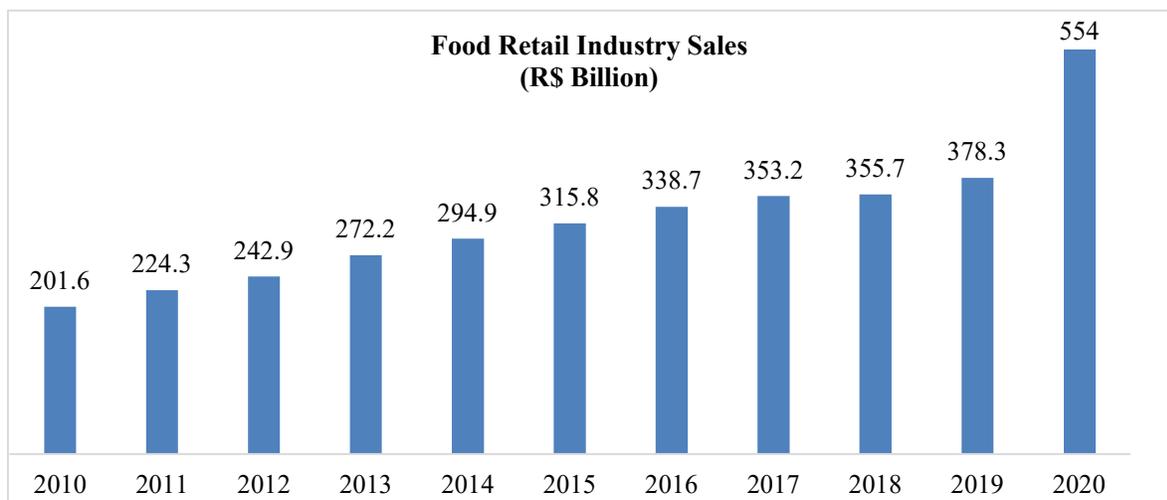
The inflation rate in 2020 reached 3.2 percent and, due to the outcomes of the COVID-19 pandemic, it is expected to maintain a higher level in the following two years, rising to 4.6 percent in 2021 to then decline to 4 percent in 2022. Inflation and an upward unemployment rate have driven Brazil into deeper social challenges. According to the Getulio Vargas Foundation, the pandemic hit Brazil's capacity to integrate the lowest income individuals into the formal economy, leading inequality to rise by 20 percent in 2020. Before the pandemic, government studies showed that one percent of the population controlled 28.3 percent of the country's wealth, while 10 percent of the population controlled 41.9 percent.

Despite Brazil's challenges, the country's consumer food market still represents opportunities. During 2020, the agricultural sector showed a positive performance. IBGE reported a two percent increase compared to the previous year. The expansion was led by soy and coffee production. Throughout 2020, agricultural commodities benefited from higher prices, currency depreciation and stronger demand. According to the Brazilian Food Processors' Association, the food industry also expanded. Revenues reached \$153 billion (R\$789 billion), a 12.8 percent increase compared to 2019. Food and beverage production has also gone up. The Association claims the positive result to stronger retail demand, 16.2 percent above the previous year, and the external market demand, 11.4 percent higher than 2019. Social gathering restrictions imposed many changes to businesses and consumers, with consumption of food limited to happen at home. Overall, Brazilian retailers ended 2020 in a privileged position compared to other sectors of the economy.

ADVANTAGES	CHALLENGES
Retailers offer foreign goods to differentiate themselves from competitors, develop new niche markets and gain high-end consumers' attention.	Imported products fall in the luxury goods category. Consumers easily associate Europe with sophistication and tradition, which gives some advantage to European companies.
Price is not always the determining factor for high-end consumers.	High-end consumers are more demanding regarding products innovation, packaging, status, new trends, etc.
Brazilian importers are frequently searching for new-to-market products as they must update their portfolio to compete.	Importers tend to buy small quantities to test the market. U.S. companies are usually not predisposed to sell small volumes.
The U.S. food industry can respond to consumer demand promptly, regardless of the segment of products.	Consumers perceive U.S. food products to be overly processed and relatively unhealthy.
U.S. exporters are inclined to work with high volumes and different partners.	Retailers and distributors are cautious when importing new-to-market products and often start with smaller orders. Exclusive contracts are a common clause to Brazilian companies.
Consumers changed their consumption patterns, investing more time eating at home and developing cooking skills.	Consumers are searching for products that provide them with a higher value for their money. Although looking to indulge themselves, the concept of luxury shifted to more affordable luxury.

The Brazilian retail sector is the most important channel in the food distribution system, capturing about 80 percent of food and beverage flows through 91,351 retail operators. The industry is well-integrated, dynamic, and sophisticated. According to the Brazilian Supermarket Association (ABRAS), the retail industry accounted for US\$107 billion (R\$554 billion) in 2020, representing 7.5 percent of the country's GDP. Cash-and-carry maintained consistent growth and consolidated its position in the market, leading ABRAS to incorporate this business model into the retail sector's 2020 financial result. With this addition, total revenue increased 46 percent. Considering this alteration, it will be important to consider 2020 as a new benchmark when analyzing the Brazilian retail sector.

The research firm, Nielsen, started to monitor sales of 150 Brazilian supermarket chains during the early stages of the coronavirus outbreak in Brazil to detect supermarket sales on a weekly basis. In March, during the week Brazil announced the first contamination case, supermarket sales expanded by 66 percent compared to the previous week, while in the last week of March sales jumped by 88 percent. According to Sao Paulo State Supermarket Association (APAS) during the last week of March, digital purchases increased by 107 percent in Sao Paulo. Despite the high demand for digital purchases, supermarket chains did not have the structure to respond. Before the Covid-19 crisis, digital purchases were not representative in the overall retail business. Now companies are trying to make the necessary investments to structure this channel. A research conducted by ABRAS with a sample of 306 companies that represented 36 percent of the sector's revenue, demonstrated that 85 percent of the retail companies operated through e-commerce platforms by the end of 2020. Retail analysts forecast steady growth of on-line purchases as convenience will continue to drive sales through this format.



Note: 2020 results include cash-and-carry operations.  
Source: Brazilian Supermarket Association (ABRAS)

In 2020, the 500 leading supermarket companies detained 65 percent of the industry's overall sales and gathered 7,998 stores, approximately 9 percent of the total. The registered \$69.6 billion (R\$359.4 billion) revenues represented an increase of 21 percent compared to the previous year. The supermarket format represented 45 percent of total stores within this group, while convenience stores summed 35 percent. Other operations include cash-and-carry, which accounted for 12 percent, neighborhood stores, detaining 5 percent and hypermarkets summing up 3 percent of the total number of stores. It is important to note that in 2020 the number of cash-and-carry stores almost doubled. It increased by 91 percent, and hypermarkets expanded by 107 percent, reflecting the consumers are still searching for more affordable options. Although the Brazilian retailing market is not considered concentrated, the top five Brazilian companies represent 31 percent market share, while the ten largest and the twenty largest companies account for 31 percent and 38 percent of total revenues, respectively.

## Types of Retail Format (2020)

	Number of Stores	Average Sales Area (m <sup>2</sup> )	Average #of Check-outs	Average #of Items
Convenience	2,000	54	2	3,176
Neighborhood Store	289	754	8	8,094
Supermarket	2,572	1,342	11	17,039
Hypermarket/Supercenter	188	5,862	13	23,619
Cash-and-carry/clubs	682	3,930	12	19,754

Note: Profile based on responses from a group of 500 largest companies.

Source: Brazilian Supermarket Association (ABRAS)

Brazil is a country of continental size and the country's 26 states and Federal District are divided into five regions: Southeast, South, North, Northeast, and Center-West. In 2020, the Southeast region, which includes Sao Paulo and Rio de Janeiro states, accounted for the lion's share of retail sales and a total number of stores, 51.8 percent and 49.8 percent, respectively. Alone, the state of Sao Paulo represented 34.6 percent of retail sales. As the powerhouse of the Brazilian economy, Sao Paulo represents approximately 30 percent of the country's wealth. Because the state has a diversified economy and the most efficient infrastructure of the country, most multinational companies, including retailers, get established in Sao Paulo first to then expand to other locations.

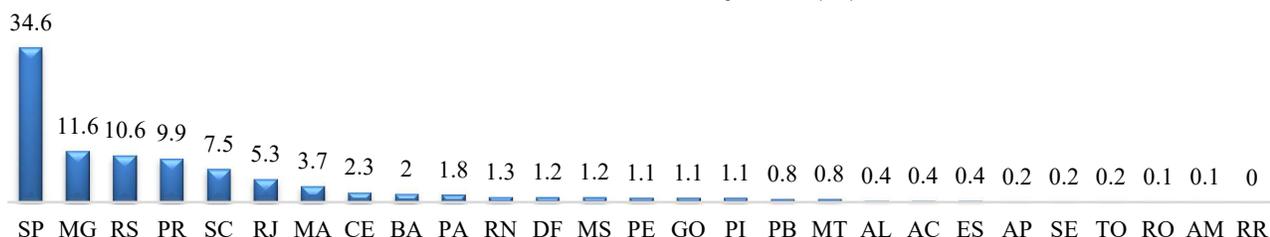
The presence of imported food distributors is concentrated in Sao Paulo, as the state also gathers the most relevant consumer market. According to ATO contacts, the Southeast region is responsible for 74 percent of imported food sales, followed by the South region (11 percent); Center-West (9 percent); Northeast (5 percent), and North (1 percent). When food distributors compile this figure, they are not able to consider how major supermarket chains with countrywide presence, distribute products. Major retailers with national coverage are headquartered in Sao Paulo, which turns Sao Paulo's results amplified.

Despite the leading role of national retailers, regional supermarket chains play a crucial role in Brazil. These medium size retailers are able to develop a closer relationship with their clientele, responding to consumers' demand quickly and providing a high-quality shopping experience. Regional retailers are usually spread in urban centers, leading consumers to visit their stores many times during the week. In addition, there is a closer relationship between the store personnel, or even the owners, and consumers, which also creates more loyalty. The level of services also tends to be higher. Consumers can also count on a greater assortment of products as the management has fewer bureaucracy layers to change or increase their portfolio of products. Although the reality of regional retail chains is much more fragmented, this segment represents great potential to exporters in terms of testing the market and also developing a long-term relationship.



Note: Southeast (São Paulo, Rio de Janeiro, Minas Gerais, and Espírito Santo); South (Parana, Santa Catarina, and, Rio Grande do Sul); Northeast (Ceara, Alagoas, Bahia, Maranhao, Paraíba, Pernambuco, Piaui, Rio Grande do Norte, and Sergipe); Center-West (Goias, Mato Grosso, and Mato Grosso do Sul), and North (Acre, Amazonas, Amapa, Tocantins, Para, Roraima, and Rondonia).

**2020 Retail Revenues by State (%)**



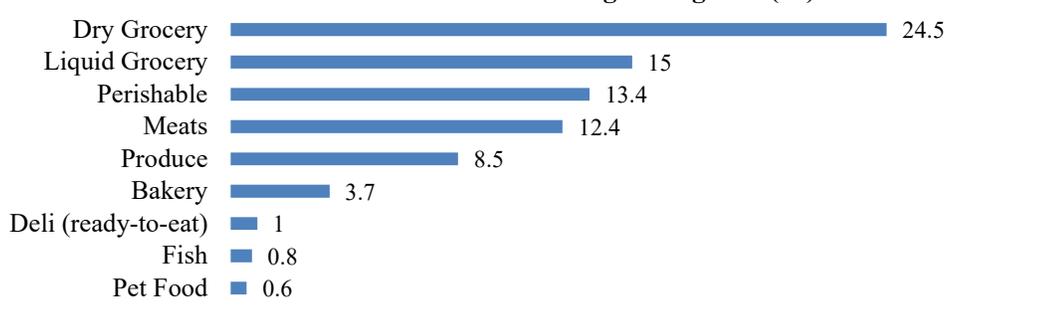
Note: Sao Paulo (SP), Minas Gerais (MG), Rio Grande do Sul (RS), Parana (PR), Santa Catarina (SC), Rio de Janeiro (RJ), Maranhao (MA), Ceara (CE), Bahia (BA), Para (PA), Rio Grande do Norte (RN), Distrito Federal (DF), Mato Grosso do Sul (MS), Pernambuco (PE), Goias (GO), Piaui (PI), Paraiba (PB), Mato Grosso (MT), Alagoas (AL), Acre (AC), Espirito Santo (ES), Amapa (AP), Sergipe (SE), Tocantins (TO), Rondonia (RO), Amazonas (AM), and Roraima (RR).

Source: Brazilian Supermarket Association (ABRAS)

ABRAS also follows indicators that make it possible to understand how the various food departments perform. From 2014 to 2018, Brazilian consumers adopted a more conservative shopping approach due to the economic crisis, which has been maintained since the pandemic. During 2020, it was observed a variation of the representativeness of each segment within the store. Gains and losses or percentual points follows for 2020: dry grocery (2 percent increase); liquid grocery (2 percent decrease); perishable (3.6 increase); meats (0.6 increase); produce (0.6 decrease); bakery (0.6 decrease); deli (0.7 decrease); fish (1.3 decrease), and pet food (0.2 decrease).

Although the number of stores carrying imported food and beverages increased by three percentage points in 2020, sales of this category decreased 0.6 percent compared to the previous year. As imported food are perceived as luxury products or indulgence goods, during the first period of the pandemic, sales of these items were highly affected. However, after being confined for a long period, consumers started to look for ways to indulge themselves with permissible luxury items and found on imported food a viable option. To maintain a diversified portfolio, retailers have changed the selection of imported products to include more affordable options and therefore capture that slice of income that is not being spent with restaurants, entertainment, or other leisure possibilities.

**2020 Share of Retail Food & Beverage Categories (%)**



Source: Brazilian Supermarket Association (ABRAS)

## Section II. Road Map for Market Entry

### A. Entry Strategy

When approaching the Brazilian market, exporters should be aware that most imported foods and beverages are not priced competitively compared to locally produced options. The Brazilian food industry is well-developed and major multinational companies have a consolidated presence in the market, making the sector highly competitive. Approximately 80 percent of food and beverage distribution takes place through retail stores, therefore developing a relationship with retailers is more likely to guarantee visibility and national coverage. Before ship-

ping to Brazil, exporters should work with their imports to ensure the foreign product complies with local regulations. (Please refer to ([FAIRS Report BR2020-0061](#) and [Exporter Guide BR2020-0059](#)).

In general, products imported from the United States or Europe face FOB prices three to five times higher at retail outlets. U.S. exporters should bear in mind that when an imported product reaches supermarket shelves it will fit in the premium price category, and thus should have premium attributes recognized by consumers. An imported product is generally positioned as a luxury item. In general, U.S. food and beverages directly compete with European products in qualitative and quantitative attributes. As a result, U.S. exporters must evaluate the extent to which their products can compete and maintain attractiveness vis-à-vis European competition.

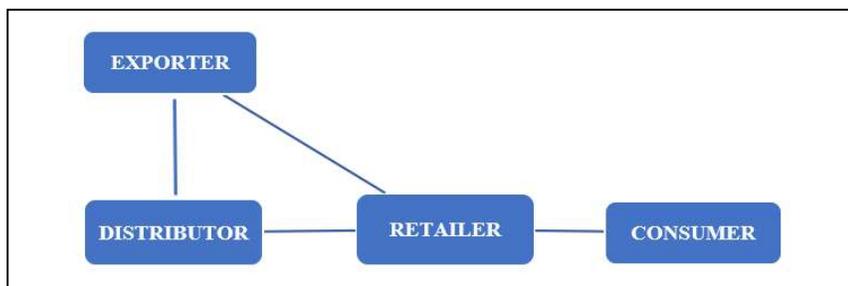
### **B. Contact the ATO!**

U.S. exporters should always consider the local U.S. Agricultural Trade Office (ATO) as an initial source of information and market guidance. The ATO maintains direct contact with major players in the sector to facilitate market entry and can provide assistance to understand Brazilian legislation and standards for imported goods. U.S. companies can test the market through ATO marketing activities and profit from its market intelligence. Another way to test the market is through the various activities developed by State Regional Trade Groups (SRTGs) and trade associations. The ATO also recommends that U.S. exporters establish a direct dialogue with potential buyers. They are best equipped to discuss critical topics such as product feasibility, market size, prices, distribution, and marketing tools.

### **C. Market Structure**

Within the various retail formats, imports of foods, beverages, ingredients, or consumer-ready products may occur directly or indirectly. Volume is the determining factor for retailers. If the volume to be imported is not significant, retailers will prefer to purchase imported items locally from distributors. While avoiding the middleman is the optimal situation, this only happens if retailers can be cost-effective.

**Structure of Retail Purchases**



Often, U.S. exporters are cautious about doing business with a single supermarket chain, believing that they will have better access to consumers through multiple different retail outlets, via a distributor. However, this may result in fewer U.S. products on store shelves overall, as some retailers have significant market penetration at the national or regional level.

Technological innovation and changes in consumer behavior are affecting the business model. Due to social restrictions measures during the pandemic, Brazilian supermarkets were forced to adhere to e-commerce. In 2020, as per a survey with supermarkets that represent 36 percent of retail revenues, ABRAS found out that 85 percent of the companies were operating on e-commerce platforms, while 77 percent were using delivery Apps and 41 percent were present at marketplaces.

### **D. Company Profiles & Top Host Country Retailers**

France’s Carrefour maintained its leadership as Brazil’s largest retailer, with reported sales equivalent to US\$14.5 billion. In 2020, Carrefour focused investments on the cash-and-carry format. Sales of Atacadao, Car-

refour's cash-and-carry stores, accounted for approximately 70 percent of the retailer's revenue. In 2020 Carrefour acquired 30 stores from Makro, a cash-and-carry company owned by the Dutch holding SHV.

After the separation from Grupo Pao de Acucar in September 2020, Assai appeared on the 2020 rank as the second largest company, reaching revenues of US\$6.7 billion through its 184 stores. During 2020 Assai opened 16 new stores and added three more from the conversion of Group Pao de Acucar's hypermarkets (Extra) into Assai. With the spin-off, Grupo Pao de Acucar, controlled by Casino, a French group, fell to the third position, with sales accounting for US\$6 billion.

New on ABRAS rank is Grupo Mateus, with sales accounting for US\$2.7 billion in 2020. Unlike Carrefour, Assai and Pao de Acucar, companies that are close to reaching countrywide distribution, Grupo Mateus is a regional operation, with stores placed in Maranhao, Para and Piaui. As stated before, Grupo Mateus is a proof of regional power. Its performance shows how important is the relationship consumers maintain with regional retailers.

The Brazilian retail sector is not considered to be concentrated. The top 10 largest retailers account for 37 percent of the industry's sales in 2020. While the three first companies, Carrefour Assai and Grupo Pao de Acucar, are distributed countrywide, all the others focus on specific regions or even states. Although the ABRAS rank can provide a snapshot of the retail sector in Brazil, the information provided here is based on a voluntary response from each company, meaning that some retailers have been left out of the rank. Some middle-size companies tend not to release financial statements to the public. This is the case of St. Marche in Sao Paulo and Zonal Sul in Rio de Janeiro. St. Marche is the owner of St. Marche stores, Emporio Santa Maria and Eataly, that operates 22 high-end stores in Sao Paulo, while Zona Sul is mainly located in Rio de Janeiro through its 44 stores.

### Top 10 Brazilian Retailers (2020)

	Company	Headquarter	Sales (US\$)	Share (%)	Number of
	Carrefour	Sao Paulo	14,486,627,906	13.5	721
	Assai	Sao Paulo	7,635,658,914	7.1	184
	Grupo Pao de Acucar	Sao Paulo	6,019,961,240	5.6	873
	Grupo Mateus	Maranhao	2,781,552,200	2.6	159
	Cencosud	Sao Paulo	1,822,288,235	1.7	201
	Grupo Muffato	Parana	1,751,766,490	1.6	67
	Supermercados BH	Minas Gerais	1,738,588,471	1.6	226
	SDB Comercio	Sao Paulo	1,702,802,478	1.5	72
	Companhia Zaffari	Rio Grande do	1,184,108,527	1.1	36
	DMA Distribuidora	Minas Gerais	1,131,143,256	1.0	170

Source: Brazilian Supermarket Association (ABRAS)

### Section III. Competition

Brazil's 2020 imports of consumer-oriented food products amounted to US\$4 billion, presenting a 4.3 percent decrease compared to the previous year, reflecting the Brazilian currency depreciation and the shift towards less expensive products. The pandemic brought extra challenges. Besides the country scenario, importers had to deal with a lack of containers and higher prices internationally. Due to the benefit of duty-free tariffs applied to member countries, Mercosul maintained its position as Brazil's primary exporter, with the larger share of total imports, 37 percent. On the opposite side, Europe and the United States, in the premium price category, and supplying Brazil with more luxury products, faced difficulty competing in price terms. In 2020 Europe and the United States lost one percentage point of market share, reaching 30 percent and 5 percent market share. Due to

the shift to more affordable products, which benefited Chile and China, both countries gain one percentage point of market share from competitors. Chile increased its share to nine percent and China reached six percent. The United States competes directly with Europe. Although U.S. products can offer similar quality to EU products, the relationship importers have with European suppliers is well consolidated. European companies have an aggressive approach. It is common for EU suppliers to negotiate better payment terms with importers and implement ongoing marketing promotions. Despite the stiff competition scenario, U.S. exporters can gain market share and gain consumers' preferences.

### Imports of Consumer-Oriented Products by Brazil (US\$ Million)

	2015	%	2016	%	2017	%	2018	%	2019	%	2020	%
World	4,11	100	4,252	100	4,359	100	4,213	100	4,245	100	4,063	100
Mercosul (3)	1,44	35	1,701	40	1,597	37	1,489	35	1,508	36	1,493	37
EU (28)	1,19	29	1,092	26	1,221	28	1,283	30	1,322	31	1,207	30
Chile	355	9	407	10	395	9	382	9	347	8	373	9
China	253	6	303	7	278	6	233	6	251	6	278	7
United States	309	8	251	6	281	6	250	6	244	6	219	5
Others	561	14	498	12	587	13	577	14	572	13	493	12

Source: Trade Data Monitor (TDM) based on the Brazilian Secretariat of Foreign Trade (SECEX)

Note (1): Mercosul (3): Argentina, Uruguay and Paraguay; EU (28): Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, United Kingdom, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania. Note (2): TDM adjusted values for consumer-oriented products, which reflects changes on the table for previous years

## Section IV. Best Product Prospects Categories

### A. Products Present in the Market that have Good Sales Potential

Considering imported food products fall into the premium price when reaching supermarket shelves, the general characteristics exporters should consider essential to the Brazilian market are:

- Well-known brands.
- High-end attributes.
- One-year shelf life or more.
- Attractive packaging.
- Products that confer status and level of innovation.

Products that combine these characteristics are more likely to enter the market successfully.

### Top Consumer-Oriented Products (COP) Imported from the World

Top COP Imported from the World (2020)	Value (US\$ Million)	%Δ 2020/19
Dairy Products	725	13.57
Processed Vegetables	561	-6.54
Wine & Related Products	420	12.26
Fresh Fruit	330	-12.81
Fresh Vegetables	322	8.46
Soup & Other Food Preparations	249	-9.1
Beef & Beef Products	209	-4.61
Chocolate & Cocoa Products	186	-2.3
Meat Products NESOI	169	-20.95
Processed Fruit	139	-7.12

Source: Trade Data Monitor (TDM) based on the Brazilian Secretariat of Foreign Trade (SECEX)

## Top Consumer-Oriented Products (COP) Imported from the United States

Top COP Imported from the United States (2020)	Value (US\$ Million)	%Δ 2020/19
Dairy Products	44.6	24.7
Soup & Other Food Preparations	39.4	-14.6
Eggs & Products	30.4	-18.2
Distilled Spirits	24.5	2.3
Tree Nuts	21.9	30.6
Chocolate & Cocoa Products	10.2	-37.5
Condiments & Sauces	7.5	5.2
Meat Products NESOI	7.4	-50.7
Processed Vegetables	6.9	-50.8
Processed Fruit	5.3	38.3

Source: Trade Data Monitor (TDM) based on the Brazilian Secretariat of Foreign Trade (SECEX)

### B. Products Not Present in Significant Quantities but have Good Sales Potential

Food allergy and intolerance for specific ingredients still are growing segments. Increasing demand for gluten-free, wheat-free, lactose-free, and other functional foods is also pushed by improved label practices. There are a limited number of local suppliers offering these items at the retail level. International suppliers may find great opportunities within this niche. The natural, healthy, plant-based, and organic segments are also attractive niches, particularly attention to meatless food. The associate costs to comply with the Brazilian legal framework may be a burden to foreign suppliers for the organic category. There is also demand for products with less sodium, less sugar, less fat, and fewer calories

### C. Product Not Present Because They Face Significant Barriers

Brazilian legislation requires all food items be approved prior to shipment by the Ministry of Health (MS) or Ministry of Agriculture, Livestock, and Food Supply (MAPA). Currently, U.S. poultry and pork do not have market access.

## Section V. Post Contact and Further Information

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

### Agricultural Trade Office (ATO)

U.S. Consulate General  
Rua Thomas Deloney, 381  
São Paulo, SP 04709-110  
Tel: (55-11) 3250-5400  
E-mail: [atosaopaulo@fas.usda.gov](mailto:atosaopaulo@fas.usda.gov)  
Website: [www.usdabrazil.org.br](http://www.usdabrazil.org.br)

### Office of Agricultural Affairs (OAA)

U.S. Embassy  
Av. das Nacoes, Quadra 801, Lote 3  
Brasilia, DF 70403-900  
Tel: (55-61) 3312-7000  
E-mail: [agbrasil@fas.usda.gov](mailto:agbrasil@fas.usda.gov)

### Attachments:

No Attachments