

Organic Products Grow in Brazil, But Brazilians See Little of It

Contributed by Geovana Pagel
Wednesday, 28 December 2005

The foreign market is the main target of Brazilian organic product farmers. Of the sector's annual turnover of US\$ 300 million, over US\$ 200 million come from exports. This is still a very small share for Brazil of the market, which has a worldwide turnover of US\$ 25 billion a year.

However, according to information supplied by the Brazilian Association of Producers and Processors of Organic Products (Brasilbio), in 2005 the area used for cultivation of organic products in the country grew around 20%, exceeding 450,000 hectares, and the increase should be the same this year.

Figures supplied by the Brazilian Ministry of Agriculture show that in Brazil there are currently around 19,000 producers of foods free from pesticides and chemical fertilizers. The number of certifications issued by specialized companies that inspect those who trade organic products are growing daily.

According to the Biodynamic Institute (IBD), the largest certifier in Brazil, the number of certified projects rose from 94 in 2000 to 404 in 2005.

"Brazil is one of the main producers of organic soy and sugar, but the total produced is still very small. If production were five times larger there would still be demand," guaranteed the executive secretary of Brasilbio, Guto Mazzo.

According to him, Europe, especially Germany, followed by the United States and Japan, are the main world producers of organic products. Among the products are coffee, cocoa, sugar, orange juice, crystallized and tropical fruits, cereals and livestock products.

"In Germany, for example, of the total of vegetables, fruits and leguminous plants consumed, around 40% are organic," he explained.

Companies

Some Brazilian companies are already aware of this great demand for organic products on the world market. Native, certified to sell organic sugar since 1997, exports 80% of its monthly production of 25,000 tons.

The brand belongs to Balbo group, which owns mills São Francisco and Santo Antônio, located in the city of Sertãozinho, in the interior of the southeastern Brazilian state of São Paulo. Of their annual production of 200,000 tons of organic sugar, just 3,000 are for the domestic market.

Apart from sugar, Native also exports coffee, orange juice and chocolate drinks. The products are shipped to Europe, the United States, Canada, Japan, South Korea and Saudi Arabia.

"It is hard to estimate how much the growth may be. But we know that the demand for organic products is growing all around the world," stated Ângelo César Salata, an export analyst.

Jasmine Alimentos, from the city of Curitiba, capital of the southern Brazilian state of Paraná, is also interested in growth in the organic food sector.

With over 70 items in its portfolio, among its line of breakfast cereals, cookies and biscuits, soy and varied wholemeal cereals, the company already offers six items in the organic line: brown sugar, rice, flours, beans, soy and tea.

"I see the organic market as a very promising market," revealed Daniela Khouri, the company marketing manager.

Sales are pulverized all around Brazil and have already reached some countries in Latin America, like Venezuela, Chile, Paraguay and the whole of Central America.

According to Daniela, Jasmine is optimistic about the sector it operates in, as sales of healthy foods have been growing 30% a year. In 2006, the target is to expand revenues by 20%.

To the marketing manager of Jasmine, educational campaigns are the best way of making people aware of the need for consumption of organic products.

"Tax breaks for production and trade of these products would be an ideal instrument for the sector to grow more rapidly,"

stated Daniela.

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