

90% of Brazil's Cashew Is for Export

Contributed by Geovana Pagel
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Caju Maior, a small company with offices in the city of Maceió, capital of the northeastern Brazilian state of Alagoas, wants to start foreign trade in 2005, and the Arab market may be the first destination for cashew nuts processed and packed by them.

The first Caju Maior contact with an Arab importer took place in September during Expo Abras, the supermarket fair that happened in Rio de Janeiro, in southeastern Brazil.

Apart from Caju Maior, another four industries from the state of Alagoas exhibited their products at a 100 square-metre stand organized by the government of Alagoas.

According to company commercial manager Silvana Cavalcanti de Mello, Tahar Boughzala, from Tunisia, visited the stand and was very interested in cashew nuts. "He loved our product," she said.

Boughzala is the president of trading company World Negoce, which has annual revenues of around US\$ 3 million. The Tunisian was one of the four Arab businessmen who participated in a stand organized by the Arab Brazilian Chamber of Commerce (CCAB).

"People from various countries visited our stand during the fair, but most were interested in working as Caju Maior representatives on foreign markets. The most concrete contact was with the Tunisian businessman, who took some samples of the product and is interested in negotiating directly with us," stated Silvana.

"The Arab market is, undoubtedly, ideal. He (Boughzala) is interested in buying a closed container, with 10 tons of cashew nuts so as to be able to guarantee supply," she added.

Aware of the demands and delivery times required in foreign trade, Caju Maior, which currently operates with just one supplier and produces an average of three tons of cashew nuts a month, is negotiating partnerships with cooperatives from Salvador, in the northeastern state of Bahia, and Maceió.

"First of all we must guarantee the supply of raw material (cashew). then we will close the first export contract," she said.

According to her, once they start receiving cashew from associated cooperatives, Caju Maior may triple production.

"We will easily have conditions to produce 10 tons a month. We have space and adequate machinery for product packing at great speed," she guaranteed.

The executive believes that at the beginning of next year, it will already be possible to export their first container.

According to her, in the months of January and February, the crop volume will start being defined.

"As soon as we have guaranteed cashew nuts from the new suppliers, we will start producing at full throttle," she said.

Foreign Market

Brazil produces approximately 40,000 tons of cashew nuts a year, of which 90% are sold abroad, and 80% of the

producers are small scale.

Brazil currently occupies the second position in the world rank of exporters of the product.

Last year, the country exported the equivalent to US\$ 10.86 million in cashew nuts with and without their skin. From January to June this year, shipping has generated revenues of US\$ 6.6 million, against US\$ 5.3 million in the same period in 2003.

Apart from having high nutritional power, the fruit also has its oil extracted for production of cosmetics and medicine.

The state of Ceará is currently the largest cashew nut producer in Brazil, and answers to half of the country production, followed by Piauí and Rio Grande do Norte (all northeastern Brazilian states).

Arabs

The Arab countries are growing as destinations for Brazilian cashew nuts.

Revenues with sales to the region have reached around US\$ 603,500 in the first five months of the year alone, an increase of 42% with regard to the same period last year, when revenues reached around US\$ 426,000.

According to figures supplied by the Brazilian Foreign Trade Secretariat (Secex), last year country exports of skinless cashew to the Arab countries represented 3% of total sector exports, US\$ 4.1 million out of cashew nut exports of US\$ 143.7 million.

In the Middle East, the Lebanese are the largest buyers of the Brazilian product. They imported the equivalent to US\$ 3.5 million in 2003, or 85% of what was sold to the region.

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