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A Weekly Review of Business Opportunities

Bonduelle confirms investment in Goiás facility

French group Bonduelle yesterday announced, at a French/Brazilian business meeting side event, an investment of 115 million reais in a plant for production of canned legumes in the municipality of Cristalina (Goiás), 140 km from Brasília. A world leader in vegetable processing, Bonduelle plans to produce 120,000 tons of peas, sweet corn, broccoli, cauliflower, carrots and beet a year by 2018. The group, which started commercial operations in Brazil in 1994, intends to launch the new facility by April 2010 with the first shipments to Argentina. Bonduelle will focus on the domestic market and will use the new facilities as a platform for export to Latin America and the US. The choice of Goiás involved land transfer (75 hectares in Cristalina, which has the largest area with central pivot irrigation in Latin America) and ICMS financing for 15 years at 2.4% interest a year. *Source: Valor Econômico.*

Brazil to become a bigger meat exporter

The honorary veterinarian and director of Sindan, Milson da Silva Pereira, participated in the 32nd Expoiner fair, in Esteio (Rio Grande do Sul state) and talked about the Brazilian meat market. According to him, Brazil has great potential as a meat exporter. The main animal protein importing countries will need this nutrient even more as their populations soar. In addition, Brazil produces high quality meat; animals raised on pasture are better quality due to their taste and sanitary characteristics, unlike animals raised in Europe, explained Milson da Silva Pereira. He also expects Brazil's position as meat producer will improve. "We will be an animal protein supplier choice for the whole world. In foreign markets, pasture areas are restricted, and there is migration from rural areas to cities, which suggests there is a promising future in meat exports for these regions", he said. *Source: Agrolink*

In consolidation times, long life milk makes progress in Brazil

With a growth of around 400% in volumes since the mid 90s, when the product started to become popular in Brazil, the long life milk sector is facing some changes in the country. The entry of new dairy companies, encouraged by increased milk powder exports as from 2007. Since 2007 the sector has consolidated: at least 10 brands out of a total of 80 in the Brazilian market no longer exist, as estimated by Brazil's Long Life Milk Industry Association (ABLV). In the face of so many changes, some long life milk brands have disappeared from supermarket shelves while others have sprung up, and segment sales reached 5.308 billion liters in 2008, with an income of 8 billion reais. Growth, says Teixeira, is forecast for this year at 4% in volume and 9 billion reais in turnover. The volume increase is lower than the 5.5% rise recorded between 2007 and 2008. According to the president of ABLV, this is due to the economic crisis, which has limited long life milk sales growth in Brazil. *Source: Valor Econômico.*

Pork prices boosted by increased demand from processors

Pork prices are rising in the domestic market. This increase became evident in the last week of August, when prices went up by nearly 5% in Chapecó (Santa Catarina state). Last month, pork sales recorded a gain of 18.8%, with the price per kg live weight at 1.925 reais in cold storage plants. According to analysts, the recent rise is due to the limited supply of animals ready for slaughter. Another reason is the increased share of processing industries in the independent production segment. Companies are expected to buy more to meet demand, which generally grows in the last months of the year. *Source: O Estado de S. Paulo*

Petrobras develops project to boost ethanol exports to Japan

The positive results of the tests to be conducted by Petrobras up to the end of this year in an ethanol-powered thermoelectric plant in Juiz de Fora (Minas Gerais state) may result in increased ethanol exports to Japan. The company intends to take advantage of the experience to sell more fuel ethanol to the Japanese market as from next year. The Petrobras director said that the company exports nearly 1 billion liters of ethanol per year to Japan but may reach to jump up to 5 million cubic meters, he expects, or even double this volume depending on the new plant's success. *Source: Agencia Brasil*