

Brazilian Poultry – Secrets of Success

Tiago Tedeschi dos Santos

AB Vista

Marlborough - UK



So here I am talking about Brazilian poultry... But why?

- Graduated as Veterinarian in Brazil, with masters and PhD from Brazilian universities
- Seven years experience in poultry industry from integration and premix business
- Five years experience in local feed additive business, supporting poultry industry in Brazil and Latin America
- 10 years experience on global feed additive industry with external perspective for Brazilian production



Introduction: Brazil and India

P

Presidentialism with 2 houses and state organization

E

Current food inflation at 7.7% while general inflation at 4.8%

S

Meat consumption of ~ 80kg pc with biggest volume of chicken. Egg consumption: 240

T

High technology grain and meat production with stabilised internal market and big export

E

88% of the population lives in urban areas

L

Production transition from south to centre-west region putting pressure due deforestation

Parliamentarism with 2 houses and state organization

Current food inflation at 7.7% while general inflation at 5.2%

Meat consumption of ~ 7kg pc with biggest volume of chicken. Egg consumption:70

Increase demand due to crescent urbanization

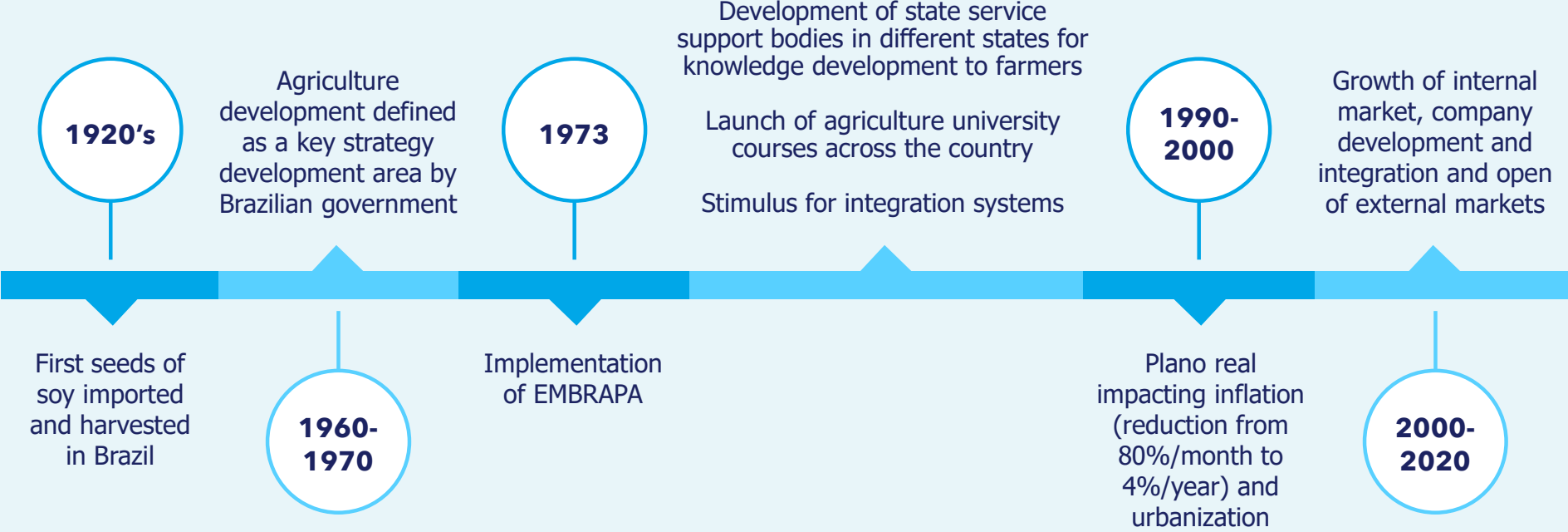
40% of the population lives in urban areas

Legal politic of minimum price to assure producers return

Poultry Production in Brazil - Quick Overview



Poultry Production in Brazil - History



Poultry Production in Brazil - History

CHICKEN MEAT



Brazilian chicken meat production grew **+1,087%**! That is, **more than 11 times**.



Exports grew **more than 30 times**.



2ND LARGEST CHICKEN MEAT PRODUCER IN THE WORLD

WORLD EXPORT LEADER

PORK



Brazilian pork production grew **418%**! That is, **more than 5 times**.



Exports grew **more than 1,200 times!**



4TH LARGEST PORK PRODUCER AND EXPORTER IN THE WORLD

EGGS



Brazilian egg production grew **+316%**! That is, **more than 4 times**.



National per capita consumption increased by **195%**.



5TH LARGEST EGG PRODUCER IN THE WORLD

Enhancing Added Value: Grain vs. Protein

Chicken meat and pork exports add value to Brazilian agribusiness!

AVERAGE EXPORT PRICE IN 2023:

CORN
241 US\$/ton

SOYBEAN MEAL
512 US\$/ton

CHICKEN MEAT
1,905 US\$/ton

8 times the value of the exported corn

3.7 times the value of the exported soybean meal

PORK
2,294 US\$/ton

9.5 times the value of the exported corn

4.5 times the value of the exported soybean meal

Poultry Production in Brazil - Actual Position

GENERAL DATA ON POULTRY AND PORK INDUSTRIES IN 2023

In 2023, our industries generated more than R\$150.3 billion in gross production value and raised more than US\$13 billion in foreign exchange revenue!



CHICKEN MEAT

PRODUCTION

14.833 million
tons

R\$ 91.6 billion

Gross production value

2nd

largest producer in the world

Per capita consumption

45.1 kg/ per person

EXPORTS

5.139 million
tons

US\$ 9.7 billion

to 150 countries

1st

largest exporter in the world

34.65%

of the production is intended for the foreign market



SOURCE: ABRA, MAPA, SECEX, USDA



PORK

PRODUCTION

5.156 million
tons

R\$ 34.1 billion

Gross production value

4th

largest producer in the world

Per capita consumption

18.3 kg/ per person

EXPORTS

1.230 million
tons

US\$ 2.8 billion

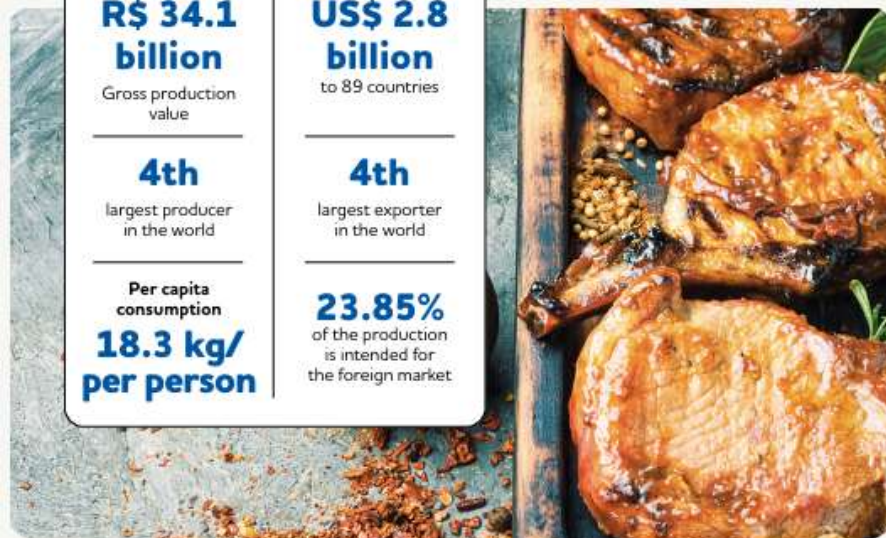
to 89 countries

4th


largest exporter in the world

23.85%

of the production is intended for the foreign market



Poultry Production in Brazil - Actual Position




TURKEY MEAT

PRODUCTION
133.3 thousand tons

EXPORTS
69.8 thousand tons

US\$ 201 million
 to 78 countries

Per capita consumption
0.3 kg/ per person




DUCK AND OTHER POULTRY MEAT

PRODUCTION 4.7 thousand tons	EXPORTS 3.5 thousand tons
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Per capita consumption
0.005 kg/ per person

US\$ 13.7 million
 to 42 countries

EGGS

PRODUCTION 52.4 billion units R\$ 24.5 billion <small>Gross production value</small>	EXPORTS 25.4 thousand tons US\$ 63.2 million <small>to 86 countries</small>
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5th largest producer in the world

Per capita consumption
242 units/ per person



POULTRY GENETIC MATERIAL

EXPORTS
26.5 thousand tons

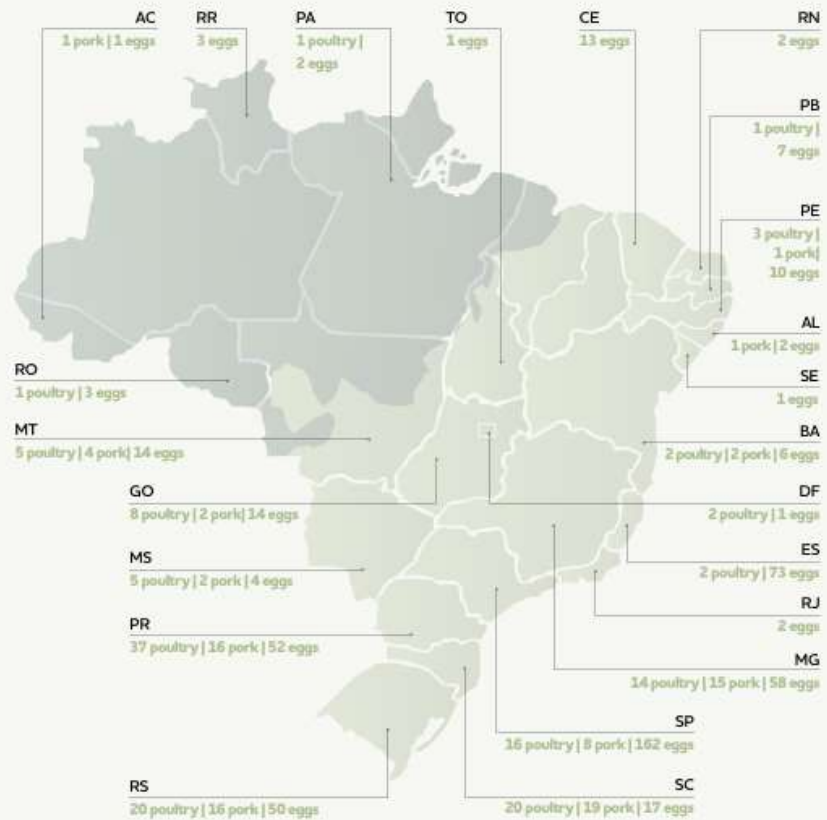
US\$ 240 million
 to 71 countries



SOURCE: ABPA; MAPA; SECEX; USDA; FAO

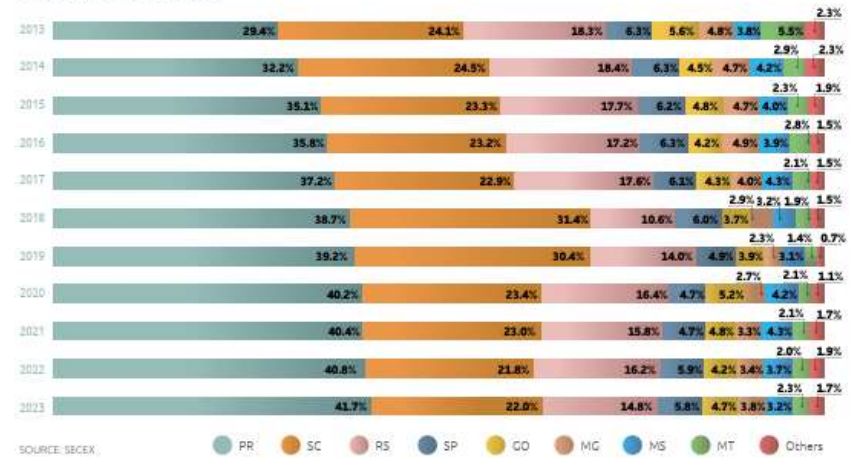
Poultry Production in Brazil - Actual Position

LOCATION AND QUANTITY OF BRAZILIAN ESTABLISHMENTS UNDER THE FEDERAL INSPECTION SERVICE (SIF) BY FEDERAL UNIT



SOURCE: MINISTRY OF AGRICULTURE AND LIVESTOCK (MAPA)
* LIST OF ACTIVE SIFs AS OF JANUARY 31, 2024

BRAZILIAN CHICKEN MEAT EXPORTS BY FEDERAL UNIT between 2013 and 2023



SOURCE: SECEX

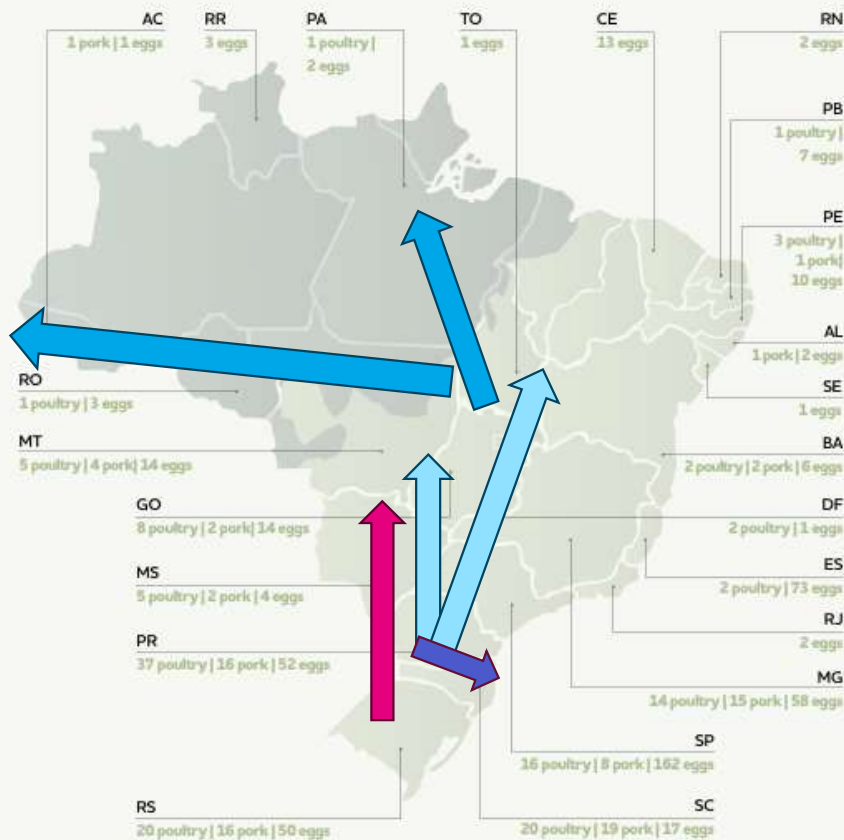
BRAZILIAN CHICKEN MEAT EXPORTS BY CUSTOMS in 2023




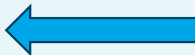


SOURCE: SECEX

Poultry Production in Brazil - Actual Position

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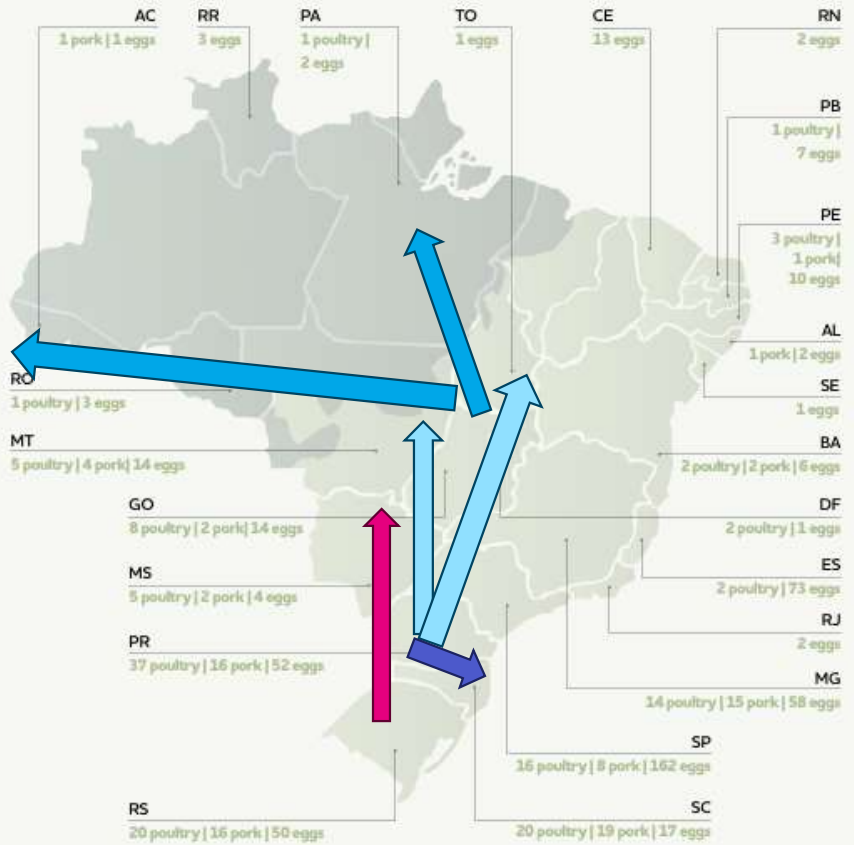


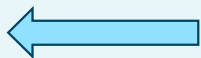
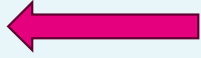


-  Move – grain production
-  Move – poultry production
-  Actual export route
-  Potential export route

SOURCE: MINISTRY OF AGRICULTURE AND LIVESTOCK (MAPA)
* LIST OF ACTIVE SIFSIAS OF JANUARY 31, 2024

Poultry Production in Brazil - Actual Position

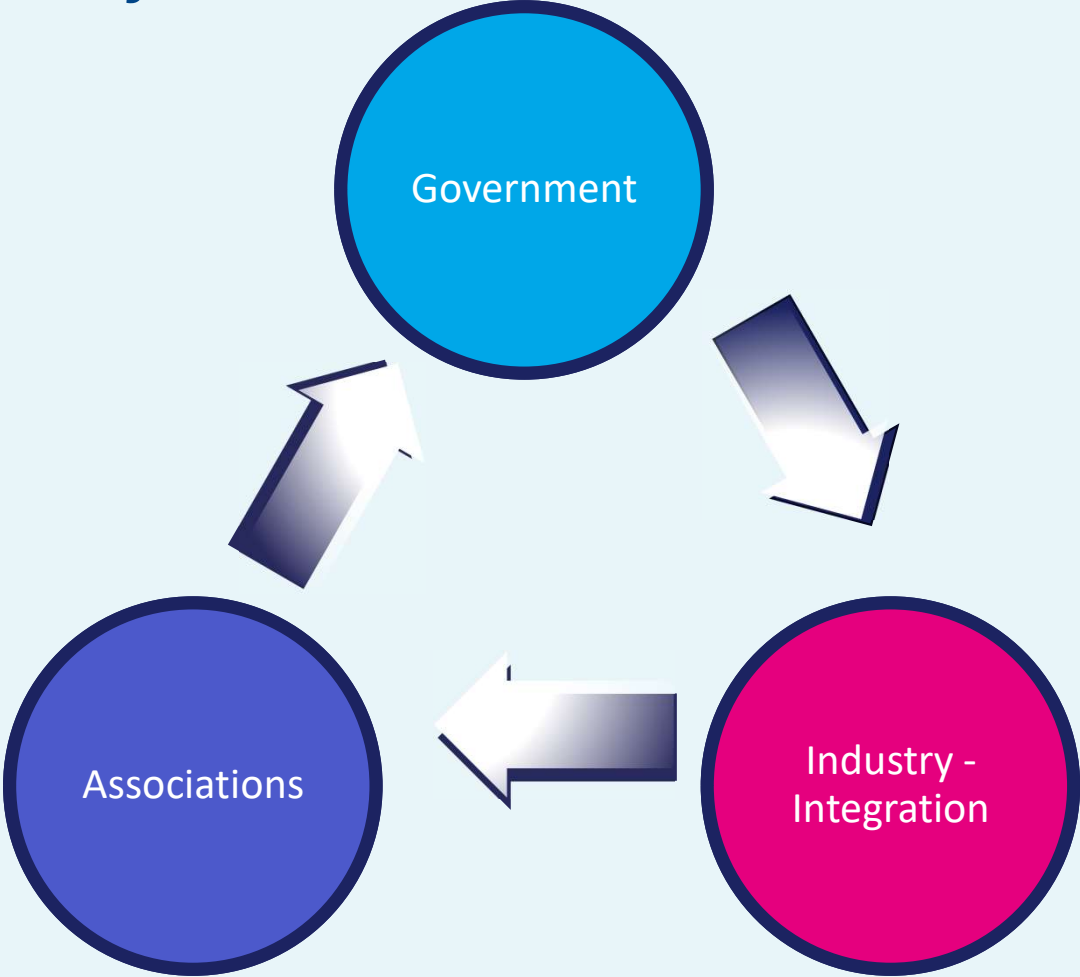
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Brazilian Poultry - Secrets of Success



Brazilian Poultry - Government

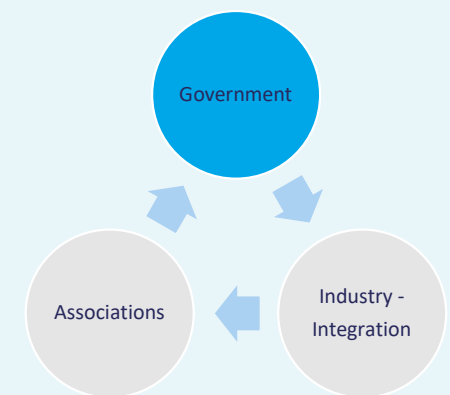
Role of the government to stimulate Brazilian poultry production changed in time

1960-1980: Enabler

- Technical support across production chain
- Basic knowledge development and support (university, research, on site farmer support)

1990-2020: Support

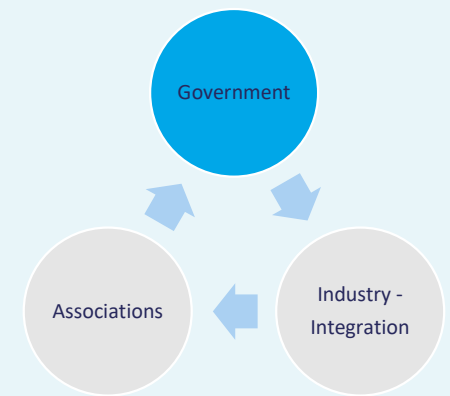
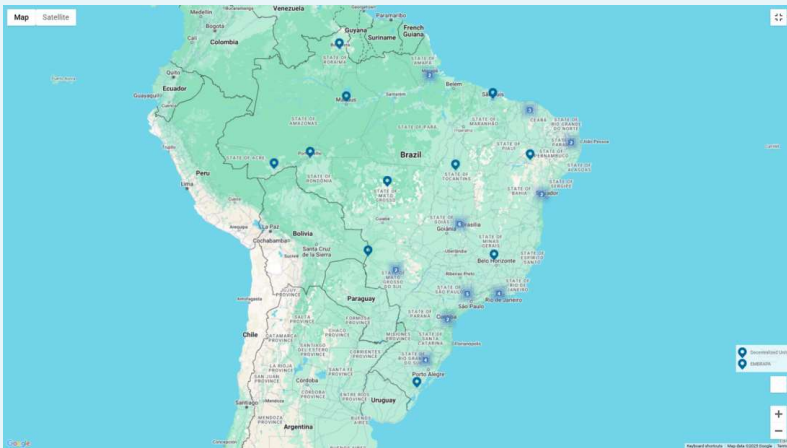
- Policy development and implementation
- Negotiation and export policies
- Development of required structure (ports, roads,...)



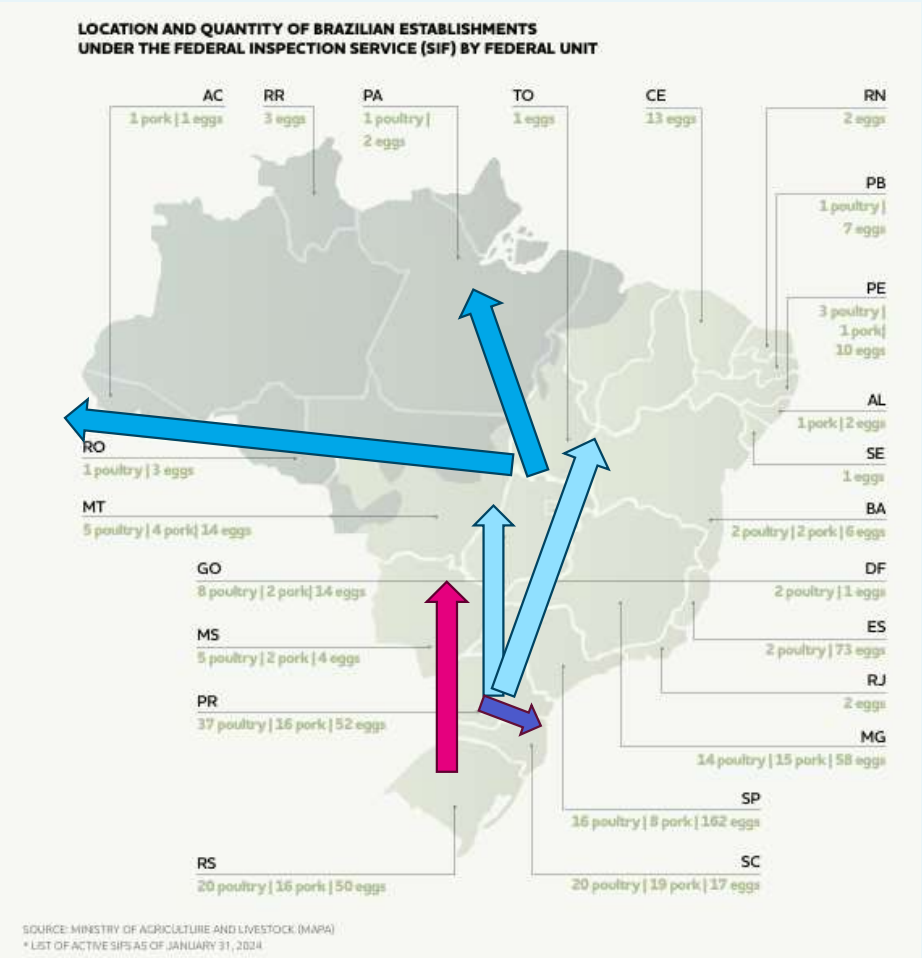
Brazilian Poultry - Government




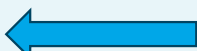


- Brazilian company or agricultural research
- 1970: Genetic development, import of genetic material, technical support for farmers (direct planting), development across production chain (fertilizers, grains, animals)
- Integration structure: Move to intelligence support and cost structure

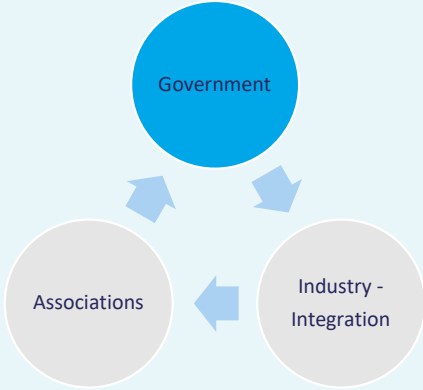


Brazilian Poultry - Government



-  Move – grain production
-  Move – poultry production
-  Actual export route
-  Potential export route

Who will build the roads?
 Who will create agreement with neighbour countries?
 Who will facilitate construction and development of new ports?



Brazilian Poultry - Industry - Integration

- The Brazilian poultry production system is integrated. Big industries work across different production species
- Brand development



Brazilian Poultry - Industry - Integration

Broiler

(JBS)
brf
aurora
Copacol
c.vale
Lar

Swine

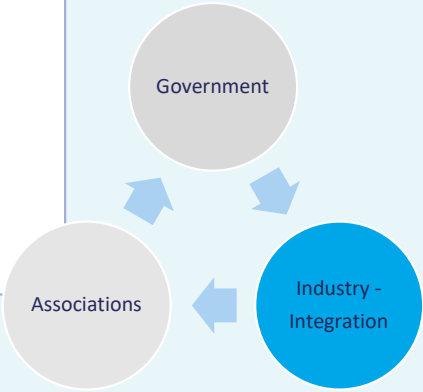
(JBS)
brf
aurora
Copacol
c.vale
Lar

Aqua

(JBS)
brf
aurora
Copacol
c.vale
Lar

Ruminants

(JBS)
brf



Brazilian Poultry - Industry - Integration

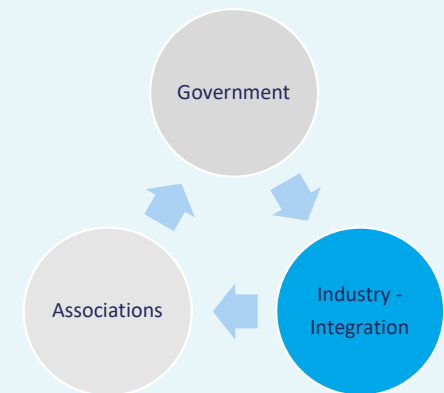
Brazil's JBS buys stake in Mantiqueira to enter egg sector

By Reuters

January 27, 2025 12:02 PM GMT · Updated 2 days ago



The logo of Brazilian meatpacker JBS SA is seen in the unit in the city of Jundiá, Brazil June 1, 2017. REUTERS/Paulo Whitaker/File Photo [Purchase Licensing Rights](#)



Brazilian Poultry - Association - Government and Industry

ABPA MEMBERS

138 MEMBERS

A grid of 138 logos representing the members of the Associação Brasileira de Poultry (ABPA). The logos are arranged in approximately 10 rows and 15 columns. Each logo includes the name of the member and a brief description of their organization, such as 'Associação Brasileira de Poultry' or 'Associação de Produtores'. Notable members include ACEV, Adoro, APISSECO, ABA, abagr, ABRA, and various regional and specialized associations.

OUR MEMBERS REPRESENT:

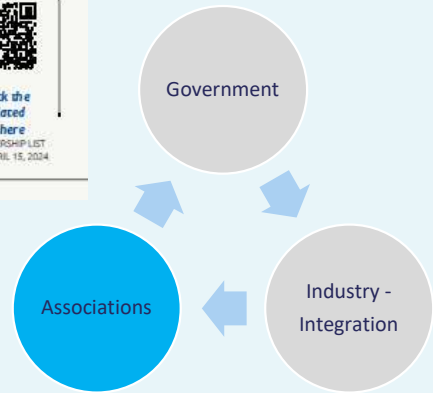
- 85%** of pork production and more than
- 90%** of poultry production across Brazil
- More than **95%** of the whole sector exports

A grid of logos for various member companies, including GT Foods, Guatraves, HANSEI, Hubbard, My Line, Hygiene, ICEPORT, and many others. The logos are arranged in approximately 10 rows and 15 columns. Each logo includes the name of the company and a brief description of their business, such as 'Indústria de Alimentos' or 'Indústria de Poultry'. Notable members include GT Foods, Guatraves, HANSEI, Hubbard, My Line, Hygiene, ICEPORT, and various food processing and distribution companies.

+4 million
jobs, direct and indirect

+ 500,000
jobs in slaughterhouses

+ 50,000
integrated producers families



Brazilian Poultry - Association - Government and Industry

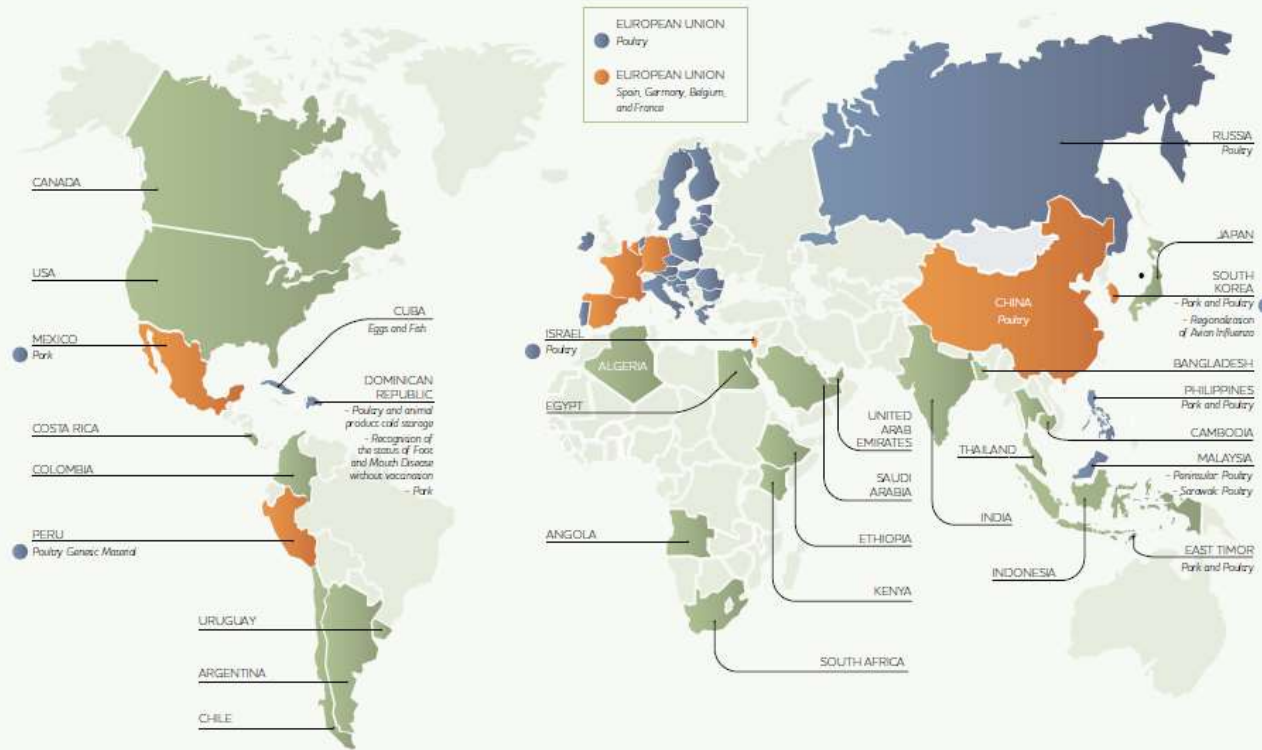
FAR BEYOND BORDERS

As industry representatives, ABPA integrates and supports government efforts with the aim of opening new markets, expanding operations in consolidated markets, and strengthening ties with importing regions. This is done through missions carried out or with the support of the Ministry of Agriculture and Livestock, the Ministry of Foreign Affairs, ApexBrasil, in addition to local Embassies.

ABPA PARTICIPATION IN TRADE SHOWS, OFFICIAL AND COMMERCIAL MISSIONS ABROAD

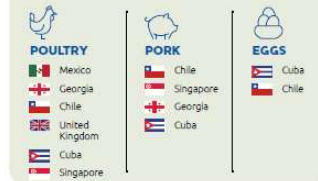
OFFICIAL AUDITS RECEIVED

COUNTRIES VISITED BY ABPA, AND WHICH ALSO CONDUCTED OFFICIAL AUDITS IN BRAZIL



INTERNATIONAL ACHIEVEMENTS OF THE INDUSTRY IN RECENT TIMES

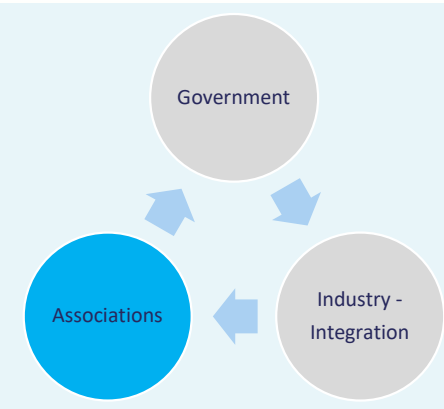
MARKET ACCESS EXPANSIONS



TARIFF EXEMPTIONS/REDUCTIONS (TEMPORARY OR PERMANENT)

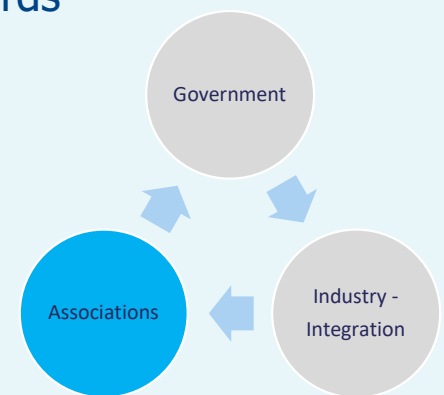


OPENING UP OF NEW MARKETS



Brazilian Poultry - Association - Government and Industry

- Sanitary regionalization:
 - Define sanitary status by regions
 - Optimize zoo sanitary control
 - Guarantee maintenance of external commercialization from areas not affected by disease
- Depends on:
 - Geolocation of all production sites
 - Regional transport routes and barriers in case of outbreak
 - Acceptance with WOAHA (World Organization for Animal Health) standards
 - Acceptance from other veterinary bodies from external countries



Brazilian Poultry -The carrefour example

FEATURED

Carrefour CEO announces boycott of Mercosur meat in France

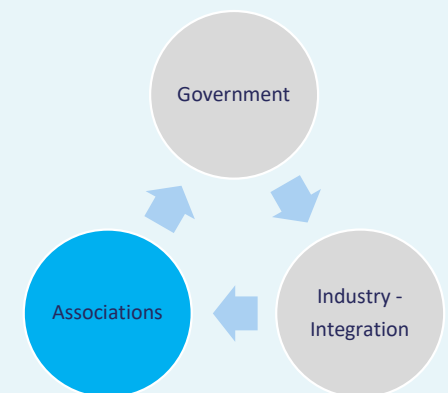
written by Andrea • 21.11.2024 • 0 comments



The CEO of Carrefour, Alexandre Bompard, published a statement on his social networks in which he committed to the French supermarket chain not selling any meat from Mercosur in its units in France.

The restriction on Brazil, Argentina, Paraguay and Uruguay comes amid a wave of protests by French farmers against the proposed free trade agreement between the European Union and the South American bloc.

“risk of meat production that does not meet its requirements and standards spreading across the French market” ...“at Carrefour, we are ready, whatever the price and quantity of meat that Mercosur will offer us”.



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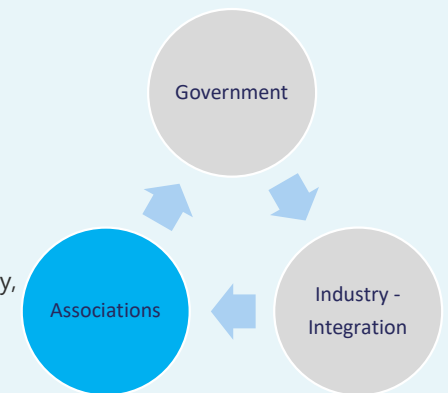


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A screenshot of the official statement from the Brazilian Ministry of Agriculture and Livestock. The page is in Portuguese and features the gov.br logo at the top. The title of the statement is 'Mapa rejects Carrefour CEO's remarks on meat produced in Mercosur'. The text states that the Ministry reaffirms Brazil's dedication to quality, ensuring compliance with legislation and adherence to international best agricultural practices. The statement was published on Nov 21, 2024 at 11:56 AM. There is a large green banner with the text 'OFFICIAL STATEMENT' in white.

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gov.br | Governo Federal | Government Agencies | Access to Information | Legislation | Accessibility | Entrar com gov.br

Ministério da Agricultura e Pecuária

What are you looking for?

News > Mapa rejects Carrefour CEO's remarks on meat produced in Mercosur

OFFICIAL STATEMENT

Mapa rejects Carrefour CEO's remarks on meat produced in Mercosur

The Ministry of Agriculture and Livestock reaffirms Brazil's dedication to quality, ensuring compliance with legislation and adherence to international best agricultural practices

Published in Nov 21, 2024 11:56 AM

Share: f in

Brazilian meat suppliers stop deliveries to local Carrefour retailers, media say

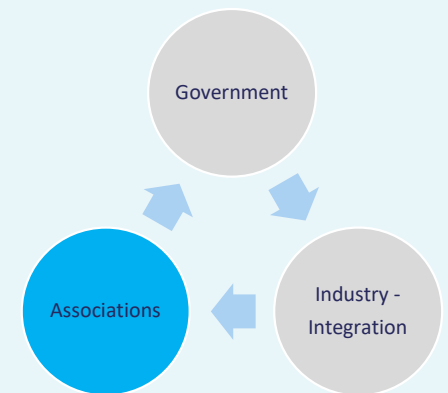
By Ana Mano

November 24, 2024 2:25 PM GMT - Updated 2 months ago



Customers queue at cash registers in a Carrefour supermarket in Montreuil near Paris August 29, 2012. REUTERS/Charles Platiau/File Photo Purchase Licensing Rights

SÃO PAULO, Nov 24 (Reuters) - Brazilian meatpackers have reportedly stopped supplying meat to the Carrefour (CARR.PA) group in Brazil after the retailer's global CEO vowed to keep South American meat off its shelves in France in solidarity with French farmers, according to local media reports that cited



Brazilian Poultry -The carrefour example



News

Carrefour apologizes to Brazil for CEO's remarks, and beef is headed back to its stores

Brazilian beef is headed back to the shelves of Carrefour-owned grocery stores after a brief boycott sparked by remarks from the French company's chief executive about nations in the South America trade bloc Mercosur


Fabiano Maisonave • Tuesday 26 November 2024 19:08 GMT

Carrefour apologizes to Brazil for CEO's remarks, and beef is headed back to its stores Show all 3

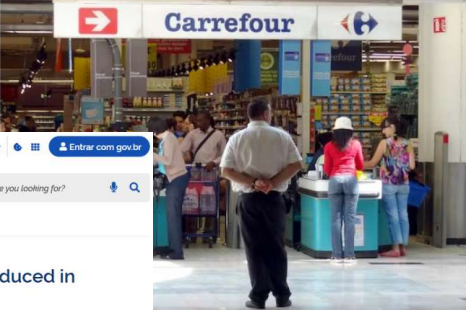
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Carrefour CEO's remarks on meat produced in Mercosur

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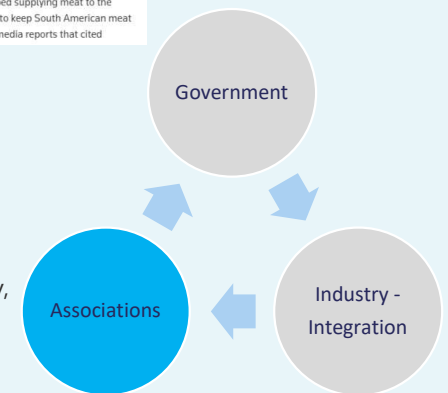
Carrefour and Livestock reaffirms Brazil's dedication to quality, ensuring compliance with legislation and adherence to ethical practices

Carrefour supermarket in Montreuil near Paris August 29, 2012. REUTERS/Charles Platiau/File Photo

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OFFICIAL STATEMENT

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Brazilian Poultry - Secrets of Success

- I am happy x I am Brazilian
- Eu **estou** feliz x Eu **sou** Brasileiro
- Brazilian poultry offer:
 - Quality
 - Cost
 - Volume
 - Flexibility
- Offer depends on:
 - **Size**
 - **Environment**
 - **Efficiency**
 - **Business Mindset**
 - **Government**
 - **Industry Coordination**

Brazilian Poultry - Secrets of Success

- What can the Indian industry learn from it?
- It is possible!
- Development of a long-term strategy and plan
- Move from farmer to industry approach
- Development of associations to defend and support industry across different companies
- Recognise the need for government support.

Thank you! ~ Obrigado ~ धन्यवाद

Tiago Tedeschi dos Santos: Tiago.Santos@ABVsta.com

Sources

- <https://www.embrapa.br/en/international>
- <https://abpa-br.org/abpa-relatorio-anual/>
- <https://www.gov.br/agricultura/pt-br>
- <https://sindiracoes.org.br/>

