

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Opportunities for Tree Nut Exports to Brazil

**Country:** Brazil

**Post:** Sao Paulo ATO

**Report Category:** Tree Nuts

**Prepared By:** Alexandre Vendemiatti Junior, Agricultural Marketing Specialist

**Approved By:** Joseph Degreenia

**Report Highlights:**

The report provides a comprehensive analysis of the tree nut market in Brazil, highlighting significant opportunities for U.S. exporters. With a growing consumer focus on health and lifestyle, the demand for nutritious nuts like pistachios, walnuts, and almonds, is rising. The report details current market conditions, challenges, regulatory and competitive landscapes, trade analysis, consumer insights, and distribution channels. For more information, contact [ATOSaoPaulo@usda.gov](mailto:ATOSaoPaulo@usda.gov)

## Executive Summary

The nut market in Brazil is showing promising growth, particularly driven by increasing consumer focus on health and lifestyle. The demand for nutritious nuts like walnuts, pistachios, and almonds, which are not produced domestically, is rising. Therefore, this report provides an analysis of the tree nuts market in Brazil, emphasizing the growth driven by a shift towards healthier lifestyles and an increasing demand for tree nuts. The overview includes an examination of current market conditions, opportunities, challenges including regulatory and competitive landscapes, trade analysis with, and a look into the consumer insights and distribution channels.

## Tree Nuts Market Overview

Brazil is a major producer of four of the eight most consumed nuts worldwide. These include Brazil nuts, cashews, pecans, and macadamia nuts, with yearly production volumes estimated at 38,000 tons<sup>1</sup>, 147,000 tons<sup>2</sup>, 5,000 tons<sup>3</sup>, and 1,100 tons<sup>4</sup>, respectively. Although technically legumes, peanuts are widely consumed as nuts in various forms. It's noteworthy that Brazil produces approximately 960,000 tons<sup>5</sup> of peanuts, with estimates indicating continued increases in production. Brazil is an important exporter of some of those nuts worldwide. Therefore, Brazil is self-sufficient in meeting its domestic demand for these products, eliminating the need for imports of these varieties. However, for pistachios, walnuts, and almonds, Brazil does not produce these nuts domestically or in relevant commercial quantities and relies heavily on imports to meet demand. In addition, the appeal of these nuts, known for their health benefits and versatility in various culinary applications, positions them as attractive options for Brazilian importers looking to cater to the growing demand for premium food choices.

Consumers primarily buy these products from retail stores (47 percent) and specialty stores (31 percent). In supermarkets, these items are typically available individually within each category or mixed alongside other types of nuts. Packaged product corresponds to 77 percent of retail sales in Brazil. Meanwhile, specialty stores often sell them by weight. Although consumer preference may vary from one region to another, cashew and Brazil nuts can be considered the most common for Brazilian consumers. It is worth mentioning that the Southeast region, which includes the states of Sao Paulo and Rio de Janeiro, accounts for the lion's share of retail sales and total number of stores. As the powerhouse of the Brazilian economy, Sao Paulo represents approximately 30 percent of the country's wealth.

Despite increasing consumer awareness of the health benefits of nuts, the demand for those products is mostly restricted to high-end consumers. In research conducted for ATO Sao Paulo, it was found that price is the main factor for consumers when choosing tree nuts (29 percent) with taste (24 percent) and health benefits (22 percent) being the other important factors.

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<sup>1</sup> Source: Brazilian Institute of Geography and Statistics (IBGE) data based in the calendar year 2022

<sup>2</sup> Source: Brazilian Institute of Geography and Statistics (IBGE) data based in the calendar year 2022

<sup>3</sup> Source: Research conducted by ATO based on online data

<sup>4</sup> Source: Research conducted by ATO based on online data

<sup>5</sup> Source: United States Department of Agriculture (USDA) data based on Global Agricultural Information Network (GAIN) report

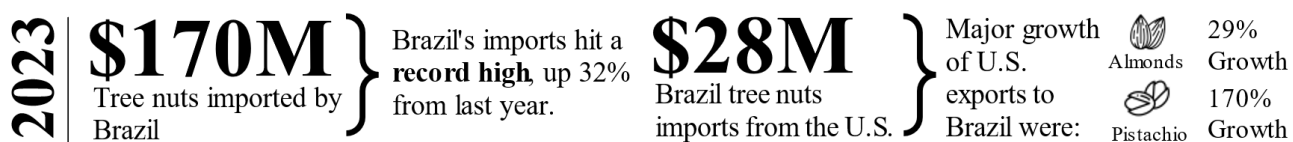
## Trade Analyzes

In 2023, Brazil's tree nut imports increased 32 percent compared to the previous year, reaching \$170 million. Turkey is the top supplier of tree nuts to Brazil, accounting for 30 percent of the market, closely followed by Chile and the United States with 29 percent and 17 percent shares, respectively. Hazelnuts were the most imported nut, making up 43 percent of Brazil's total nut imports. They were followed by walnuts (14 percent), almonds (12 percent), coconuts (12 percent), and pistachios (8 percent), in that order. The United States, being the third-largest nut supplier to Brazil, experienced a 38 percent increase in its nut exports to Brazil in 2023 compared to the previous year.

Almonds and pistachios were the most exported tree nuts from the U.S. to Brazil, together accounting for 81 percent<sup>6</sup> of the total U.S. nut exports to Brazil. Each of these products saw a significant increase in sales in 2023, with almond exports growing by 29 percent and pistachio exports surging by 170 percent. During the first quarter of 2024, U.S. exports to Brazil saw a 46 percent increase compared to the same period in 2023.

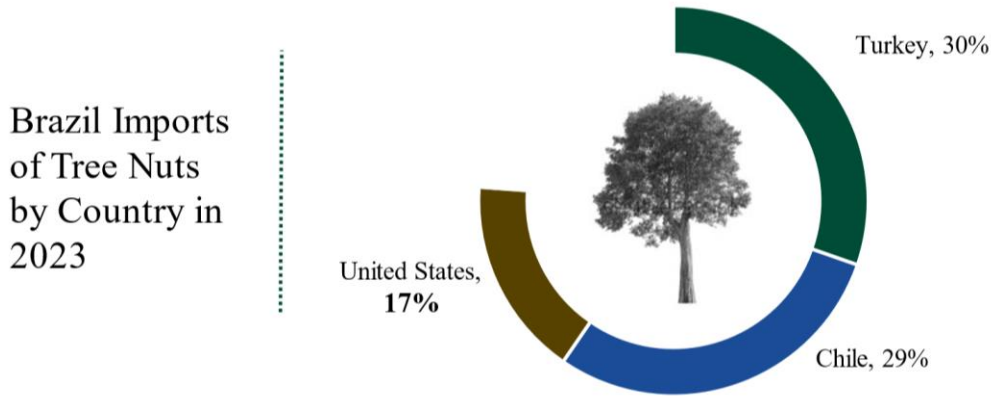
Notably, pistachio sales surged by over 194 percent within the same timeframe. Chile is the primary competitor of the U.S. in the exports of almonds to Brazil, accounting for 24 percent market share in 2023 while the U.S. accounted for 80 percent. Although the U.S. has led almond exports to Brazil over the past four years, Chile remains a significant nut exporter. This advantage comes from its geographical proximity and duty-free access to the Brazilian market as an associate member of Mercosul. Despite Chile's competitive advantages over the U.S., many importers have noted that the price of almonds from Chile compared to those from the U.S. does not vary significantly. Furthermore, it has been observed that Chilean companies are more inclined to sell smaller quantities of the product compared to U.S. exporters, which become very attractive for Brazilian importers, even when Chilean almonds are more expensive.

Currently, the U.S. is the major supplier of pistachios to Brazil, with 79 percent market share in 2023. Iran was once a relevant player in exporting pistachios to Brazil. However, its sales have been declining, possibly due to production issues and other factors. On the other hand, Argentina is emerging as a significant competitor in the pistachio market to Brazil. In 2023, Argentina became the second-largest pistachio supplier to Brazil, with sales reaching \$1.6 million, a record amount. Like Chile, Argentina benefits from Mercosul agreements. Yet, it remains to be seen whether Argentina can maintain or even increase its pistachio exports to Brazil.

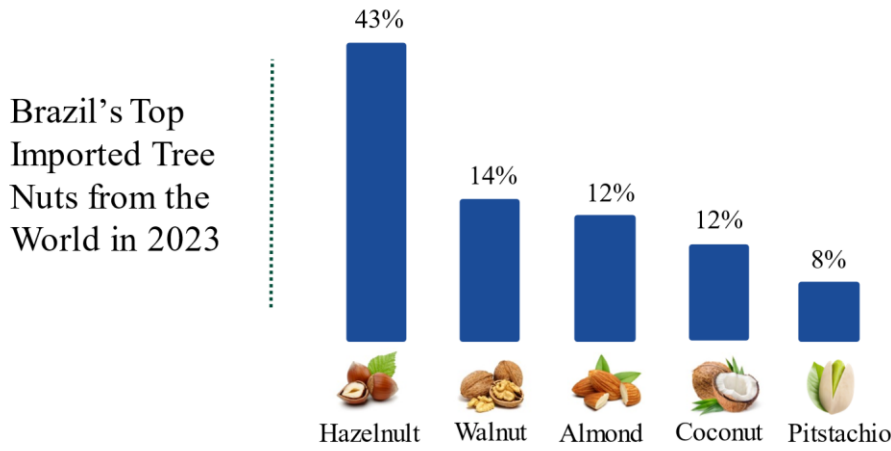


<sup>6</sup> Despite the U.S. being a leading exporter of walnuts and the product ranking as the second largest export to Brazil, the volume of U.S. walnut exports to Brazil remains relatively minor. Chile has been the leading exporter of walnuts to Brazil for several years.

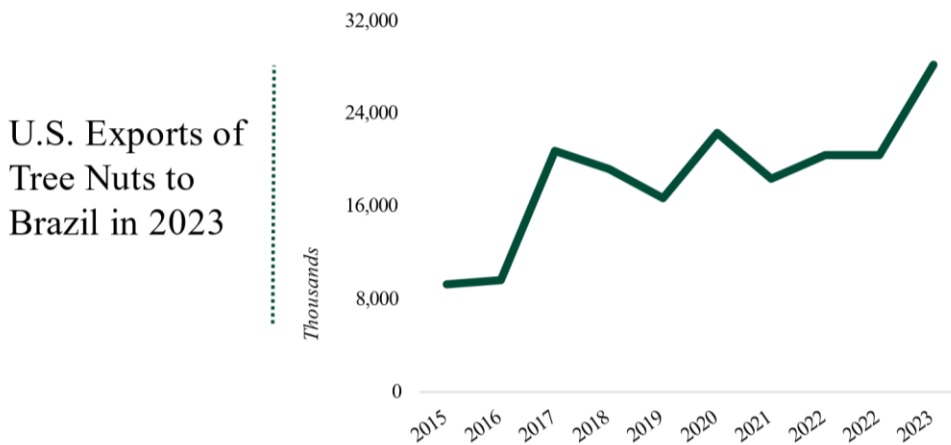
**Figure 1- Brazil Imports of Tree Nuts by Country in 2023**



**Figure 2- Brazil's Top Imported Tree nuts from the World in 2023**



**Figure 3- U.S. Exports of Tree Nuts to Brazil in 2023**



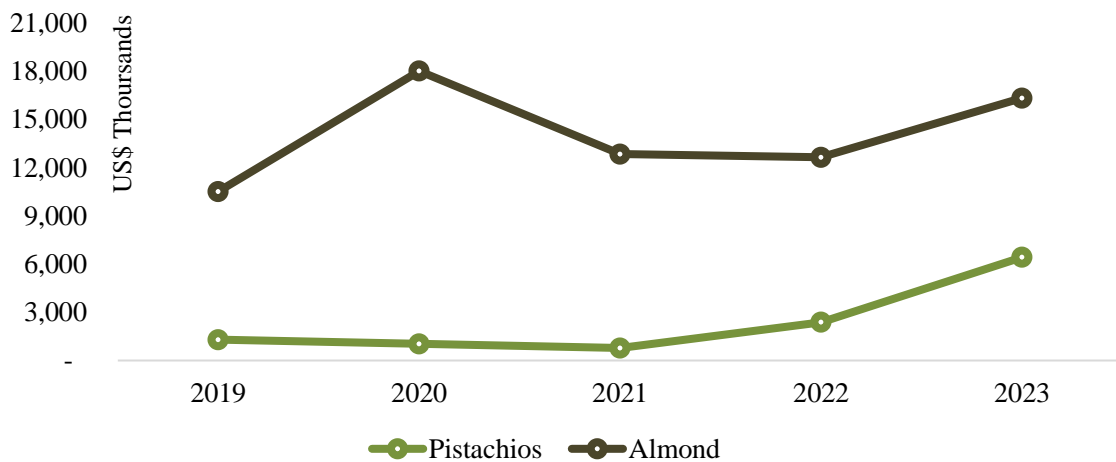
Source: Trade Data Monitor

### Market Opportunities

Pistachio consumption in Brazil has seen a notable increase over the past five years, fueled by its rising popularity in gastronomy and products like ice cream. The nut's culinary flexibility has caught the interest of consumers, leading to a consistent growth in consumption. Import rates for pistachios have also been climbing steadily for the past three years and are expected to continue rising. Given Brazil's climate conditions, which are unsuitable for pistachio cultivation, the country will remain dependent on imports to meet domestic demand. A similar trend is observed with almonds. Despite a well-established trade route between the U.S. and Brazil for almonds, there is still potential for consumption growth in the Brazilian market.

In addition to that, according to the International Nut and Dried Fruit Council's Nut, Brazil is the third-largest consumer of hazelnut kernels among countries in the Western Hemisphere, only behind the United States and Canada. Despite this, Brazil has not recently imported hazelnuts from the U.S. This presents an opportunity for American hazelnut producers to seek marketing strategies in Brazil to establish a competitive presence in the market. Check more information on trade numbers in the Appendix section.

**Figure 4- Brazil Imports of Pistachio and Almonds from the United States**



Source: Trade Data Monitor

### Market Challenges

There are no specific barriers to exporting nuts to Brazil. However, it's important to recognize that Brazilian importers typically avoid purchasing large quantities of products due to the significant upfront financial investment required, which could strain their cash flow. This preference aligns with the practices of South American companies, which are more inclined to trade in smaller quantities. This approach is often more appealing to Brazilian companies, even if it means paying a higher price compared to products from the U.S. Additionally, building strong relationships is crucial for Brazilian importers. For U.S. exporters aiming for a sustainable long-term partnership, especially in a market

where main competitors benefit from geographical proximity and tariff advantages, establishing a good relationship with importers is essential.

### **Distribution Channels**

The bulk of tree nut imports in Brazil is handled by trading and importing companies. Although large supermarket chains in Brazil have the capability to import nuts directly, they usually opt to source them through local distributors. However, based on information from Post, these supermarket chains are also exploring the option of direct imports. Similarly, most food processors prefer purchasing their nuts from local suppliers, although direct importation is also considered.

### **Conclusion**

The Brazilian market presents a fertile ground for U.S. tree nut exporters, thanks to a growing consumer base that values health and wellness, along with a strong demand for non-domestically produced nuts like walnuts, pistachios, hazelnuts, and almonds. The U.S., although currently the third-largest supplier, has a significant opportunity to expand its market share, as evidenced by the notable growth in almond and pistachio exports to Brazil.

However, competition from geographically closer countries like Chile and Argentina, which enjoy tariff benefits as part of Mercosur, poses a strategic challenge. Moreover, Brazilian importers' preference for smaller volume transactions to manage cash flow efficiently and their emphasis on strong supplier relationships are crucial factors that U.S. exporters must navigate.

ATO São Paulo has conducted market research which highlights a demand for tree nuts in Brazil, a trend largely fueled by a growing awareness of health and wellness. Through social media initiatives and leveraging its network, ATO has successfully enhanced the media presence of organizations like the Almond Board of California and Wonderful Pistachio. Starting in 2020, ATO São Paulo has developed a series of promotions activities to boost the visibility of tree nuts in Brazil. The timeline below demonstrates that ATO's strategic efforts have aligned with market trends, contributing to increases in exports. Notably, U.S. pistachio sales to Brazil have surged by over 170 percent from 2022, and this figure is projected to rise even further in 2024. Looking ahead, ATO aims to continue working to develop the U.S. tree nut exports to Brazil through initiatives like the Cochran Fellowship Program.

**Figure 5- Brazil Imports of Tree Nuts from the World (US\$ Thousands)**

| <i>Description</i>     | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>Hazelnuts</i>       | 32,710      | 29,615      | 52,741      | 53,477      | 72,550      |
| <i>Mixture of Nuts</i> | 14,853      | 15,144      | 17,886      | 18,005      | 21,022      |
| <i>Walnuts</i>         | 25,456      | 21,735      | 22,400      | 20,084      | 20,418      |
| <i>Almonds</i>         | 25,908      | 23,300      | 19,574      | 18,790      | 20,405      |
| <i>Coconuts</i>        | 19,745      | 17,009      | 13,200      | 15,240      | 14,357      |
| <i>Pistachios</i>      | 1,956       | 1,760       | 1,999       | 3,848       | 8,177       |
| <i>Other</i>           | 13,732      | 9,723       | 9,739       | 26,482      | 13,609      |
| <i>Total</i>           | 134,360     | 118,286     | 137,539     | 155,925     | 170,538     |

Source: Trade Data Monitor. HS Codes: 080222, 200819, 080232, 080212, 080111, 080252

**Figure 6- Brazil Total Imports of Tree Nuts by Country (US\$ Thousands)**

| <i>Country</i>     | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| <i>Turkey</i>      | 32,065      | 26,346      | 40,403      | 43,030      | 51,708      |
| <i>Chile</i>       | 40,077      | 30,240      | 38,957      | 36,470      | 49,908      |
| <i>U.S.</i>        | 16,770      | 22,344      | 18,391      | 20,429      | 28,218      |
| <i>Philippines</i> | 9,644       | 5,587       | 5,541       | 7,057       | 6,052       |
| <i>Indonesia</i>   | 9,004       | 9,329       | 7,009       | 5,896       | 6,006       |
| <i>Others</i>      | 26,800      | 24,440      | 27,239      | 43,044      | 28,646      |
| <i>Total</i>       | 134,360     | 118,286     | 137,539     | 155,925     | 170,538     |

Source: Trade Data Monitor

**Figure 7- Brazil Tree Nuts Imports by Product from the United States (US\$ Thousands)**

| <i>Description</i> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| <i>Almonds</i>     | 10,663      | 18,012      | 12,840      | 12,649      | 16,334      |
| <i>Pistachios</i>  | 2,088       | 1,285       | 977         | 2,878       | 6,836       |
| <i>Nuts Mix</i>    | 3,754       | 2,842       | 4,350       | 4,890       | 5,018       |
| <i>Walnuts</i>     | 263         | 205         | 224         | 13          | 31          |
| <i>Total</i>       | 16,767      | 22,344      | 18,391      | 20,429      | 28,218      |

Source: Trade Data Monitor. HS Codes: 080222, 200819, 080232, 080212, 080111, 080252

**Figure 8 - Brazil's Import Tariffs for Tree Nuts**

| <b>Hs Code</b> | <b>Product</b>     | <b>Import Tariff</b> |
|----------------|--------------------|----------------------|
| 080222         | Shelled Hazelnut   | 0%                   |
| 080232         | Shelled Walnut     | 9%                   |
| 080212         | Shelled Almonds    | 9%                   |
| 080252         | Shelled Pistachios | 9%                   |

*Source: Brazilian Ministry of Economy.*

*The tariffs provided are accurate as of May 2024, but are subject to change. For the most up-to-date information, please consult Post.*



Figure 9- Tree Nut Activities in Brazil

# Tree Nut Activities

ATO Sao Paulo Projects Timeline



- Apr 2020 Anuga Select 1st Edition**  
 Market research conducted by ATO São Paulo has revealed an increasing demand for tree nuts. In response to this trend, the first promotional initiative featuring U.S. tree nuts took place during the inaugural Anuga Select.
- Jun 2021 Six Regions Live**  
 ATO partnered with a top culinary magazine for a project named "Culinary Class Six Regions." Influential chefs were invited to craft recipes using almonds and pistachios.
- Nov 2021 Webinar Featuring U.S. Almonds**  
 ATO teamed up with the Almond Board of California for a webinar to showcase the versatility of U.S. almonds in creating new products.
- May 2022 Obento with U.S. Products**  
 Kinoshita, a restaurant in São Paulo, and ATO Sao Paulo partnered to launch an American inspired obento to highlight U.S. cuisine. U.S. pistachios were used in the dessert.
- Aug 2022 ABC Speak at FiSA Congress**  
 The Almond Board of California, with the assistance of ATO São Paulo, visited Brazil and was given the opportunity to present at the Food Ingredients South America (FiSA) congress to over 150 food industry professionals.
- Oct 2022 Media Engagement**  
 To enhance media engagement and promote U.S. almonds to Brazilian consumers, the Almond Board of California has launched a website in Portuguese with ATO's support.
- Dec 2023 Influencers' Event**  
 ATO São Paulo organized a culinary class for over 40 Brazilian culinary influencers. Wonderful Pistachios team up with ATO Sao Paulo and pistachios were part of the main dish of the event.
- Sep 2024 Cochran Fellowship Program**  
 ATO Sao Paulo will take a group to California to further expand tree nuts market from the U.S. to Brazil.

**Attachments:**

No Attachments.