

São Paulo 8th May 2020

Notice to the Market

07/2020

Ref: Overview of the grain export sector through the Coronavirus pandemic

China, the largest importer of soybeans and cotton from Brazil, started accepting the electronic signature in the Brazilian Phytosanitary Certificates this week.

Vietnam, which is also among our biggest importers, has been signaling its acceptance since the beginning of April. Some importers are still reticent but conversations happening between the Brazilian government and Vietnamese phytosanitary authorities indicate that acceptance is a fact.

The procedure is the same for both countries. MAPA (Brazilian Ministry of Agriculture, Livestock and Supply) will email copies of the Certificates directly to the authorities of the importing countries, who will verify their authenticity and forward them to the discharging ports.

The electronic signature on the certificates was implemented by MAPA as a temporary and emergency measure to deal with the circulation restrictions imposed by the covid-19 pandemic. This solution is **not** yet the tool named e-Phyto, which is in the final stage of development, but cannot be used yet with all countries.

ANEC and ANEA would like to thank MAPA, for its efforts to find a solution and to negotiate it with the destination countries, and also to the authorities of the importing countries for understanding the delicate situation and the flexibility shown in this delicate period that we are going through.

The efforts of all makes possible the continuation of the international food trade in a safe way for all those involved in its processes. The support of our members and partners, especially IGTC and GAFTA, has been instrumental to achieve these goals.

Situation of the Brazilian grain export sector is as follows.

1. Status dos Portos Brasileiros:

Prevention protocols for the new Coronavirus continue to be applied in the Ports of Santos, Paranaguá, Rio Grande, São Luis/Itaqui, São Francisco do Sul, Vitória, Itacoatiara, Barcarena/Vila do Conde, Santarém, Imbituba, Aratu, and Santana, where activities remain normal.

The state of Maranhão, where the Port of Itaqui is located, has established a lockdown since 5th May, allowing only essential services to be performed and requiring justifications for certain services from port agents. In Pará state, the lockdown started yesterday (7th May), but the Ports of Barcarena and Santarém, are not being affected for services and transportation of essential cargos.

2. Shipping documents and samples dispatch:

A. International acceptance of electronic signature on Brazilian Phytosanitary Certificates:

The Brazilian government started to electronically sign the Phytosanitary Certificates to reduce the contamination by Covid-19. Details can be accessed in previous [ANEC](#) reports.

This emergency measure was not accepted yet by countries like Bangladesh, South Korea, Iran, Myanmar and Russia.

Countries like China, India, Indonesia, Malaysia, Pakistan, Thailand, the European Union and Vietnam, among others, have signalized acceptance.

Vietnamese importers are still reticent about the measure, but negotiations between MAPA and Vietnamese authorities show the acceptance is a fact.

Turkey and Taiwan have signalized acceptance but asks for the later presentation of the hand signed original of the Certificates. MAPA is still studying the possibility of making this demand operational.

B. Shipping documents and samples:

Shipping documents and samples continue to circulate, despite restrictions. More details can be accessed in previous reports on the [ANEC website](#).

3. Shipment flow:

- Consolidated data for Brazilian shipments of soybeans, corn and soybean meal, from January - April/2020.

Consolidated Monthly Shipments of Soy, Maize and Soybean Meal Year 2020

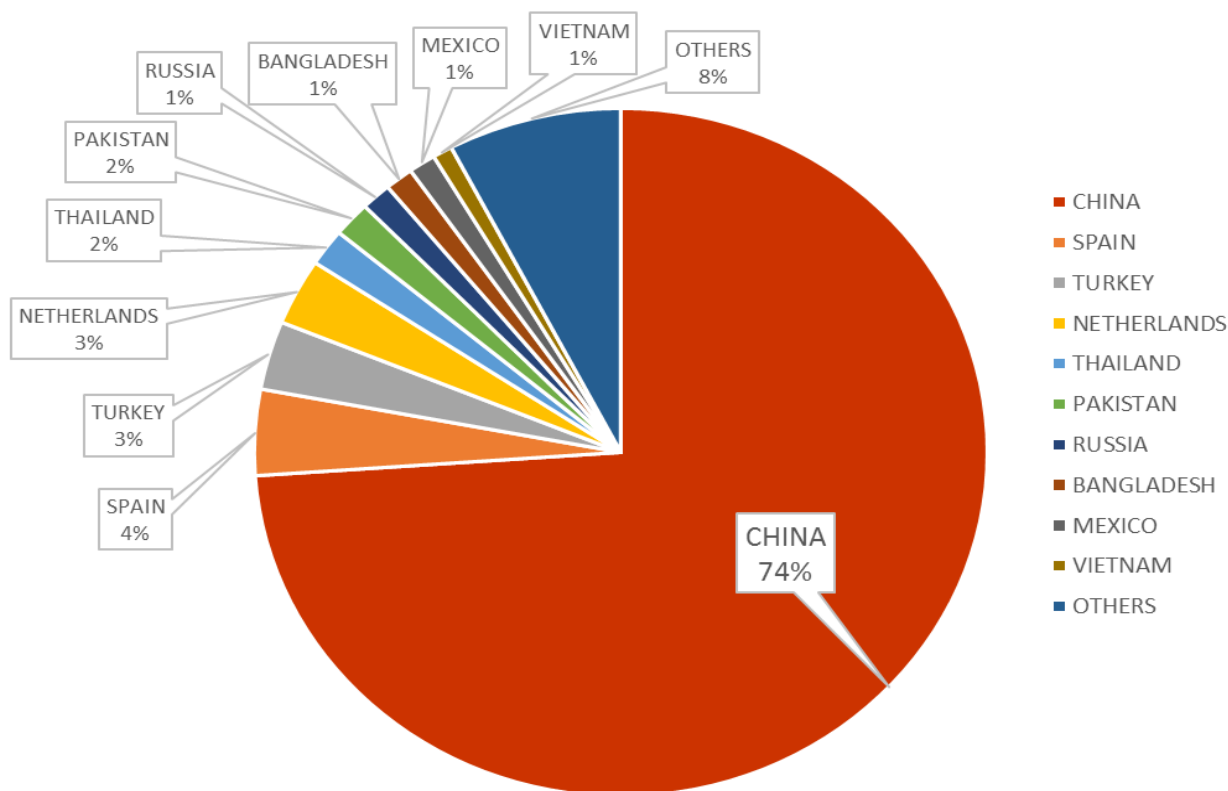
	Soybeans	Maize	Soybean Meal	Products Total
January	1.609.680	1.173.909	795.609	3.579.197
February	6.615.419	415.282	1.148.397	8.179.098
March	13.325.325	147.418	1.531.591	15.004.333
April	14.259.851	-	1.773.125	16.032.976
Total	35.810.275	1.736.608	5.248.721	42.795.604

Source: ANEC

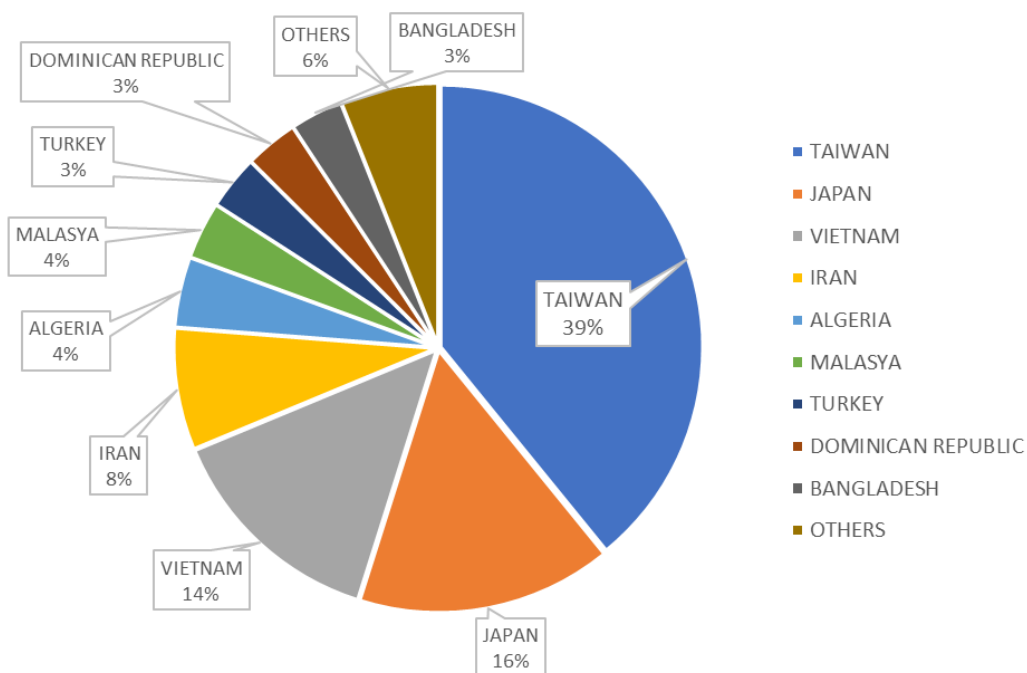
- Main Destinations - Accumulated from January-April 2020

Soybeans		Maize		Soybean Meal	
Destination	Volume (metric tons)	Destination	Volume (metric tons)	Destination	Volume (metric tons)
CHINA	26.468.567	TAIWAN	679.471	THAILAND	981.939
SPAIN	1.445.550	JAPAN	273.544	INDONESIA	763.941
TURKEY	1.153.976	VIETNAM	240.605	NETHERLANDS	645.658
NETHERLANDS	1.119.144	IRAN	130.311	SOUTH KOREA	637.831
THAILAND	622.129	ALGERIA	75.233	FRANCE	448.813
PAKISTAN	592.539	MALASYA	61.480	SLOVENIA	336.730
RUSSIA	478.607	TURKEY	58.000	GERMANY	267.502
BANGLADESH	447.476	DOMINICAN REPUBLIC	56.979	POLAND	210.088
MEXICO	429.967	BANGLADESH	56.350	SPAIN	201.365
VIETNAM	310.381	OTHERS	104.635	OTHERS	754.853
OTHERS	2.741.938	TOTAL	1.736.608	TOTAL	5.248.721
TOTAL	35.810.275				

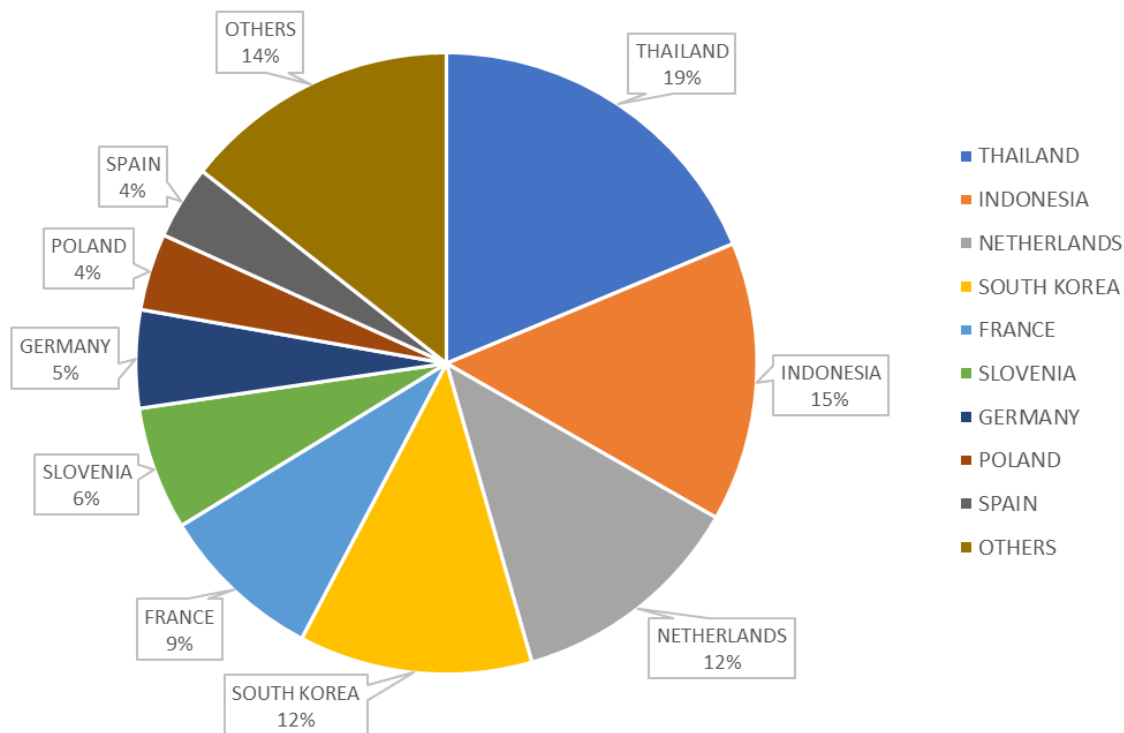
Main Destinations of Brazilian Soybeans - Jan-Apr / 2020



Main Destinations of Brazilian Maize - Jan-Apr / 2020



Main Destinations of Brazilian Soybean Meal - Jan-Apr / 2020



ANEC's monthly and weekly statistics can be found in our website: <https://anec.com.br>.

ANEC – NATIONAL ASSOCIATION OF CEREAL EXPORTERS

Note: The information contained in this report was extracted from daily newsletters received from shipping agencies, in addition to information provided by ASCB's members, from CCE – (ANEC's External Contracts Committee) and from IGTC.

- Agri Port Services: <http://nortonlilly.com/agri-port-services/>
- Cargonave: <https://www.cargonavegroup.com/>
- Naabsa: <https://naabsa.com/>