

# CONFIDENTIAL

**YOUR BEST SOURCE OF INFORMATION ABOUT THE BRAZILIAN COFFEE AND COCOA BUSINESS. THIS ISSUE:**

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## **COCOA SUMMIT IN BRAZIL MARKS NEW ERA OF RESILIENCE FOR SECTOR**

The World Cocoa Foundation (WCF) carried out its largest-ever Partnership Meeting last month. The event brought to São Paulo around 500 leaders and decision-makers from 26 countries and focused on strengthening resilience and enabling sustainable growth through development in key areas like data generation, research and disease management. The two-day summit was attended by representatives from governments, cocoa-growing communities, companies, civil society and academia. Delegates explored how Brazil's leadership in agricultural innovation, from crop diversification and regenerative farming to small-scale mechanization, is supporting the country's ambition to double its cocoa production by 2030. Field visits and technical panels highlighted practical approaches to cocoa agroforestry systems and mechanization that could support cocoa producing countries that face similar climate and productivity challenges.



Source: WCF

## **BRAZILIAN MISSION TO VIETNAM SEES COMPARATIVE ADVANTAGES OF CONILON**

Espírito Santo's Vice-Governor Ricardo Ferraço and Agriculture Secretary Enio Bergoli led the "Vietnam Coffee Experience" mission organized by the Coffee Trade Center of Vitória (CCCV). The group visited farms, processing facilities, storage centers, soluble coffee factories and harbors. Today, 60 thousand growers in Espírito Santo produce one half of what 600 thousand Vietnam growers do because the average coffee property size there is only a little over one hectare. Vietnamese growers often diversify by intercropping with black pepper and durian to increase the coffee income that is limited by low yields. State-controlled land ownership in Vietnam limits investment and the scalability of production. The visitors were however impressed by logistics and harbors, that they found much better than in Espírito Santo. The members of the mission concluded that Brazil, led by Espírito Santo state, will overtake Vietnam and become the world's largest Canephora grower in a few years.

Source: A Gazeta

## **SUSTAINABLE COFFEE GROWING ATTRACTS TOURISTS IN RONDÔNIA**

A small farm in Cacoal, state of Rondônia, that produces 100 coffee bags per hectare, relies on coffee tourism to generate income for five families. The shared work and investments in technology made the property a reference in high-quality Robusta Amazônia production and sustainable rural tourism in the Amazon Region. It has received visitors from over 20 countries in the past five years. Around two thousand tourists visit the farm every month to see the coffee fields and to have a typical Brazilian brunch.



Source: Embrapa

## COOXUPÉ PROGRAM TO PROVIDE NEW PERSPECTIVES FOR YOUNGSTERS IN THE AGRIBUSINESS

The program Cooperjovem (Cooperyouth, in a literal translation) of the Guaxupé Coffee Growers' Cooperative (Cooxupé), a partnership with the Secretariat of Education of the State of Minas Gerais and the Organization of Cooperatives of the State of Minas Gerais (OCEMG), has created a pilot project in a public school in the town of Nova Rezende. Its aim is to introduce issues of cooperativism, logical thinking and innovation in coffee growing to youngsters in order to improve farm and financial management related to coffee production. The next step will be to introduce the project in 20 schools still this year.

Source: Rede Peabirus

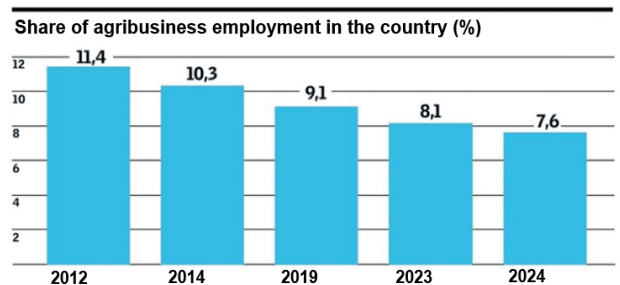
## DRIP IRRIGATION STIMULATES COFFEE PRODUCTIVITY

Drip irrigation is becoming an alternative to improve the productivity and quality in Brazilian coffee growing. Besides the impact on productivity, drip irrigation enables better harvesting management and reduces climate risks. Productivity may double or even triple. Areas without irrigation that produce between 20 and 30 bags per hectare can reach 50, 60 or up to 80 bags with drip irrigation. It also saves water and promotes sustainable agriculture practices: soil preservation, protection of water resources and reduction of the environmental impacts of coffee growing.

Source: AgroLink

## TECHNOLOGY AND PRODUCTIVITY MAKE AGRIBUSINESS EMPLOYMENT FALL IN BRAZIL

Although the agribusiness income has grown around 3% every year in Brazil in the past ten years, the number of people working within farm gate has fallen. Last year the employment in this sector fell 3%, to 7.88 million people. As a result of the use of technology and gains in productivity, the sector has employed fewer workers with less education, who have been replaced by machinery and technology. Also, it has been difficult to find labor able to use technology and innovative practices. Statistics show that the workers' profile has changed and the participation of people with less education has fallen while the participation of more educated ones has increased. This led to an increase of the average income in the Brazilian sector, which has grown 7.5% in the past four years.



Source: Valor Econômico

## BRAZILWOOD INTERCROPPED WITH COFFEE AND COCOA

Brazilwood, the tree that gave the country its name and many wrongly believe to be extinct, has gone through a phase of rediscovery thanks to the agribusiness. Producers have used Brazilwood as shade in different crops to increase productivity and mitigate climate events. In the state of Bahia, growers have planted Brazilwood in cocoa crops, in the system known as "cabruca", that preserves moisture and increases the level of nutrients in the soil. In Espírito Santo state growers have planted Brazilwood around coffee crops. The trees become a natural barrier against wind avoiding the fall and loss of coffee cherries. In addition, it improves the availability of nitrogen, that is an essential nutrient.

Source: O Globo

## Brazilian Prices

Main Producing Regions / Farm Gate

March 31, 2025

Arabica Naturals (R\$/ 60 kg bag)		Conilon / Robusta (R\$/ 60 kg bag)	
Cerrado MG	2,455.00 ↓	Colatina-ES fair average price 1,640.00 ↓	
Mogiana	2,450.00 ↓		
South Minas	2,450.00 ↓		
Arabica Pulped Naturals (R\$/ 60 kg bag)		B3 (US\$/60kg Arabica bag)	
Cerrado MG	2,505.00 ↓	May 2025	484.00 ↑
South Minas	2,500.00 ↓	Jul 2025	473.50 ↑
		Sep 2025	463.15 ↑
		Real R\$ / Dollar US\$	
		Mar 31, 2025	5.70 ↓

+ 2.25%

Source:

www.qualicafex.com.br

## BRAZILIAN COCOA: POLITICAL WILL AND A SUSTAINABLE BUSINESS CASE

The World Cocoa Foundation Partnership Meeting held in Brazil last month was impressive in all aspects. Its theme speaks for itself: Resilience Through Sustainability.

I was one of the panelists invited again to share my experience with coffee in the hope cocoa can learn and benefit from it. One of the things I myself learned is that the Brazilian cocoa business is showing two features that made coffee relevant in several countries: political will and a business case.

In my 40 plus years of experience with coffee around the world I concluded that these two features made a major difference when countries like Brazil itself, Colombia and Vietnam became leading coffee producers. They also help explain how this leadership evolved over time and why Uganda's coffee production is increasing markedly today.

This seems to be the case for cocoa in Brazil now. The officer in charge of cocoa, who reports directly to the Minister of Agriculture, and the Secretaries of Agriculture of the three leading cocoa producing states actively participated at the Partnership Meeting. Several presentations and the Brazil Session the day after showed that growing cocoa under the Amazon and Atlantic forests can be a sustainable and profitable business with positive impacts for the environment and the growers, indigenous population included. In addition, cocoa can help to reconstitute the forest cover where needed with benefits that include a positive carbon credit impact.

Plano Inova Cacao 2030 (Innovate Cocoa Plan 2030), presented in the event, is a strategic plan for the sustainable development of the Brazilian cocoa supply chain. It is a public-private partnership coordinated by CEPLAC, the federal agency in charge of cocoa research and development, and the World Cocoa Foundation's CocoaAction Brasil Initiative that is sponsored by leading cocoa and chocolate companies in the country.

If what happened with coffee in the countries mentioned above – political will and a good business case – can be a good indication for cocoa, Brazil is on the right track to increase its cocoa production in a sustainable way because technology can increase productivity that can in turn make the business case attractive to growers while preserving the environment if not improving it.

The strong high-level and high-quality foreign participation at the Partnership Meeting showed that there is political will in other countries too. The interest in sustainability indicates that the business case has to be made more sustainable. I see two different paths to do this.

First, to improve the enabling environment beyond farm gate – e.g.: training, market efficiency, legislation and logistics – to transfer a higher percentage of the cocoa export price to growers. This is economic sustainability, a necessary condition to have social and environmental sustainability.

Second, to use technology to increase productivity with positive benefits for economic and social sustainability and to protect the environment with the help of agro-forestry.

Going beyond political will and business case or as a part of it, the cocoa business in Brazil used the event to unveil two important initiatives. A Cocoa Impact Fund to help small growers was launched with a target of providing US\$ 150 million in credit until 2030. At the end of the events and following the successful cases of Café de Colombia and Cafés do Brasil, the cocoa supply chain released the brand “Brazilian Cocoa - People, Forest and Culture”, that will be used to promote its products abroad.



## COCOA PROCESSING EQUIPMENT: EFFICIENCY, QUALITY AND SUSTAINABILITY

Click on the link near the picture to see the equipment working.



**pod breaker**

1,200 kg of seeds/hour  
<https://youtu.be/eF0B-EySCuY>



**pulper**

3,600kg of seeds/hour  
<https://youtube.com/shorts/186NnyAJ3AU>



**pre-drier**



**dumper for fermentation boxes**



**rotary drier**

[https://youtu.be/-H1\\_M\\_HrQn4](https://youtu.be/-H1_M_HrQn4)



**pre-cleaner**





**destoner**



**size grader**



**silos**



**transport equipment**



Please contact the Pinhalense agent nearest to you or Pinhalense itself to learn more about the equipment above and to request projects and/or quotations.