

Registering Food in Brazil - DIPOA

1. Introduction

This brochure contains actualized information on how to export food to Brazil. It intends to give an overview of the different steps and requirements for the exportation of food and their commercialization into Brazil.

First of all, food in Brazil can be standardized by one of two bodies: ANVISA (Ministry of Health) or MAPA (Ministry of Agriculture). And net weight must follow instructions from INMETRO (Metrology Institute).

1.1 **Simple foods**, which do not contain a significant amount of animal products and which do not have any specific health claim, should be properly labeled in Portuguese, in compliance with all ANVISA and INMETRO laws. Examples of these products would be: cookies, pasta, candy, canned fruit, etc.

This kind of products do not need to be registered, and you only have to check if all the additives are above the limit allowed by Brazilian legislation, and also, develop the label according all INMETRO and ANVISA legislations.

1.2 Beverages, must follow legislations from ANVISA, MAPA and INMETRO in Brazil. Besides documents to legalize the import, it is mandatory for all the beverages to have specific analysis for the products, from a lab that is registered in Brazil (labs can be checked at: https://sistemasweb.agricultura.gov.br/siscole/consultaPublicaCadastro.action). The importer in Brazil must be registered at MAPA, and the label of the beverage needs to follow Brazilian legislation from ANVISA, MAPA and INMETRO.

1.3 **Foods from animal origin**, for example: meat, cheese, sausages, fish, milk, honey and derivatives, besides having their labels appropriate to national legislation, such as simple foods, they need to be registered in their production process and labeling at the Ministry of Agriculture (DIPOA).

All products labeling and registration adequacy steps must be done prior to product shipment.

ABOUT FOODS FROM ANIMAL ORIGIN - REGISTERING AT DIPOA:

There is an important component to be cited regarding the timing and bureaucracy of these processes. Until recently, there were product registrations that could take more than 1 year to be approved, which generated a lot of disinterest from foreign companies exporting to Brazil.

But since 2018, the reality has changed a lot and many product registrations, which have specific regulation in Brazil (RTIQ), can be registered in less than 7 days. For formulated and more complex products, registration can take up to 120 days, representing growing interest around the world to export to Brazil.

Examples of products that take only 7 days to register: Kochkase cheese, sausages, salami, hamburger, bacon, raw ham, ham, pepperoni, canned fish, butter, buttermilk, Danbo Cheese, Tilsit Cheese, Tybo cheesemozzarella cheese, tandil cheese and more.



1.First step – the stablishments

Establishments wishing to export foods from animal origin to Brazil must be previously authorized. Being like that, it is mandatory the accreditation of establishments wishing to export to Brazil on the official list of qualified companies, at:

(http://sigsif.agricultura.gov.br/sigsif_cons/!ap_exportador_hab_pais_rep_net?p_relatorio=prod_hab_exp_ pais.rdf&p_id_pais=25&p_id_area=1&p_id_produto=&p_serial=798306450&p_id_pais=25&p_id_area=1& p_id_produto=&p_serial=820744199&p_id_pais=59&p_id_area=3&p_id_produto=&p_serial=105996092&p_ id_pais=59&p_id_area=3&p_id_produto=&p_serial=105951845&p_id_pais=59&p_id_area=3&p_id_produ to=&p_serial=106010454).

This means that manufacturing establishments wishing to export to Brazil must be accredited by the Brazilian Ministry of Agriculture. Foreigners companies that are not yet qualified should apply for authorization to export their products to Brazil to the sanitary ministry on the country of origin, and then, request that the producer establishment be included among those licensed to export to Brazil. They will direct the request directly to MAPA in Brazil, which will publish the name of the company in the aforementioned list.



2. Second step – adding approved stablishments at PGA SIGSIF system

For already MAPA stablishments that the official list from are on (http://sigsif.agricultura.gov.br/sigsif cons/!ap exportador hab pais rep net?p relatorio=prod ha b exp pais.rdf&p id pais=25&p id area=1&p id produto=&p serial=798306450&p id pais=25&p id area=1&p id produto=&p serial=820744199&p id pais=59&p id area=3&p id produto=&p s erial=105996092&p id pais=59&p id area=3&p id produto=&p serial=105951845&p id pais=59& p id area=3&p id produto=&p serial=106010454), it is mandatory to enable the company in the electronic system PGA SIGSIF in order to be able to register each product.

This process takes about 10 days and for this, following documents are needed:

- identification document of the legal representative. (Ex: passport);

- company document proving that such person is the legal representative;

- a letter, printed on the company letterhead, authorizing a consultant to register the products form this company. This letter must be signed by the legal representative of the company and by the official veterinarian responsible for the company. Or only by signed by the legal representative and officially recognized (notatory).

3. Registering products at DIPOA

In this step, we finally register the product. For this step, it is needed the product label, as well as the description of the production process, the ingredients (with quantities) and the physical



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and microbiological analyzes realizes for the release of the product. Informations mus be complete and must contain:

- ightarrow Specimen of the label, in original shape and colors or with their actual dimensions indicated;
- → Ingredients/Composition: Inform all ingredients, including food additives and technological coadjuvants/aids. Observe mandatory and optional ingredients, food additives permitted and Limits.
 Food Additives: provide full name, INS and main function it plays in the product
- → Labels should be in printed in Portuguese, or alternatively, it can be used a tag printed in Portuguese over the foreign language label: (in this case, the model of the original packaging should be sent with indication of the place where the label shall be applied);
- → Manufacturer process description: Describe the manufacturing process from swine meat cut to shipping the product, describing all steps of the process and its control parameters. Note the description of the steps which are distinctive of the manufacturing process of each product.
- → Packaging system: Describe how the product is packaged in primary packaging <u>and other packaging</u> if any.
- \rightarrow Describe the manufacturing process in a clear, systematic and detailed manner, with time and temperature for each process.
- → The label should be placed on the package before the arrival of the product to the port of entry in Brazil. Once the product arrives in Brazil, the fiscal agent inspects the data reported for the previous export license, with the product label registrations.

It is important to have a formula study, that consists in analizyng the complete composition of the product (ingredients, additives, quantities, etc) and check if all the ingredients and additives are allowed at Brazilian legislation.

The duration of the product registration stage varies from product to product, varying if the product presents regulation RTIQ in Brazil and may take from 7 to 120 days, from the moment we have all the informations, labels and request registration.

Once approved, this register is valid for 10 years.

4. CARGO CLEARANCE

When the goods arrive to the port of entry, Customs requires the intervention of VIGIAGRO (MAPA), which will authorize Customs clearance if products and labels are in accordance with DIPOA registrations.

5. BRAZILIAN MARKET

Before exporting, the company must take into account some characteristics of the Brazilian market as its offer (Brazil is the 4th largest pork meat producer in the world), demand (Brazilians eat less pork than poultry and bovine red meat, however, Brazil has more than 200 million of people and consumption increases as income grows for high and middle Brazilian class), imports (are growing in Brazil, especially sausages and cured pork and there is potential for European companies) and well established distribution channels.



6. Labelling - COMPULSARY INFORMATION ON LABELS (FOR ALL KIND OF FOOD)

- Product's Name
- Company name
- Shelf/Sales denomination of the product (compulsory in the main panel)
- Batch Lot, manufacture and expiry date ;
- Registration number (Registration with Ministério da Agricultura SIF/DIPOA under nº xxxxx/yyyyy) only for animal derivatives food
- List of ingredients and additives
- Preservation/ Conservation of the product (indicating minimum and maximum temperature, as specific RTIQ provisions, and validity and instructions for preservation when the package is opened)
- Net content (compulsory in the main panel)
- Manufacture form
- Identification of origin
- Name or commercial name and address of the establishment
- Name or commercial name and address of the importer
- CNPJ (Fiscal company's ID)
- Brand name of the product (compulsory in the main panel)
- Instructions on the preparation and use of the product (for the appropriate use of the product, not be ambiguous, nor allow for false Interpretations, and shall ensure the proper use of the product of animal origin).
- Specific informations about, allergens, colorants, transgenic, gluten content, additives and other specific legislations must be followed on labels.

7. Import Duties

The import system in Brazil is complex and consists of a series of laws and regulations in various areas. This is a tax system that taxed products and services in the three levels of power in Brazil: Federal, state and municipal. The application of taxes are characterized as being in "cascade" that is, the tax is levied on taxable income increased by applying the previous tax.

In general, all the following (with a few exceptions) are the most common taxes and contributions applied to imported products in Brazil:

Тах	Description	Application	Rate
COFINS	Tax for Social Security	Monthly invoicing	3% or 7,6%
	Financing		
PIS/PASEP	Contribution to the	Gross revenue	From 0,65% to 1,65%
	Social Integration		
	Program		
П	Import Duty	Entrance of foreign products in Brazil	From 0% to 35%



IPI	Tax over industrialized product	Output of national goods from the factory, to customs clearance when the product comes from abroad and to public sales	From 0% to 300%
ICMS	Value-added tax on sales and services	To the movement of goods, transportation and communication services, and to the supplying of any goods	From 7% to 25%

With the CIF value and duties calculation, it is necessary to consider the local port and airport charges (deconsolidation, BL fee, Capatazias (THC), Siscarga (AMS), ISPS charge (terminal security), delivery fee (documents release), Handling, Collect fee) and Port terminal charges (Warehousing, Inspection, Cargo weighting and Cargo registration). Recommend to prior quote.

9. Distribution and retail

Regarding product distribution channels, there are two intermediate figures before reaching the end consumer, which are:

1. Importer / Distributor

2. Retailer: Among the retailers we can cite the supermarkets, emporiums, delicatessen shops and catering.

The importer/distributor buys directly from the supplier, and usually has a variety of food products, including similar products from different countries. Most distributors usually require exclusive distribution contracts.

Despite the growing process of concentration in the retail channel in Brazil, it is still a highly fragmented sector. In São Paulo and Rio de Janeiro retailers are highly concentrated, but there are alternative channels and supermarkets are gaining share market (bakeries, emporiums, delicatessens, convenience stores).

As for supermarkets, for the high price of European exporter, they are restricted to large networks of national or regional main supermarkets (Brazil has a huge distribution channel regionalization). A growing presence of these products in supermarkets, especially in small packages of 100-150 grams, is perceived.

As for Bakeries, Emporiums and Delicatessen, they are an important and most growing selling points due to high consumer purchasing power, variety, and customer service and refined and fresh cuts. This consumer is willing to pay more for quality products.

10. Challenges and recommendations



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The process of exporting animal-origin products from the EU to Brazil represents one of the most sensitive sectors for European companies, either because they are sectors with great potential of the European offer intending to enter into the Brazilian market, either because of the huge bureaucracy required by the Brazilian government bodies when importing these products, which sometimes come to represent real barriers to trade. Following we describe some of the problems that both the EU and Brazil related when referring to European animal-origin products being imported into Brazil.

11. Most common errors related by the Ministry of Agriculture of Brazil (MAPA):

- Absence of: mandatory information; nutritional information, when required;
- Not according with "law of gluten" and "allergenic";
- Incorrect registration number;
- Inadequate presentation of mandatory information *always check RTIQ Technical Regulations*
- The name of the product is not easily visible to the consumer;
- The fantasy name is not accompanied by the name of the product of animal origin;
- Lack or mistakes in the list of ingredients (compulsory, except when a single ingredient, all
 ingredients (compulsory and optional) shall be named in descending order of proportion, water shall
 be declared in the list of ingredients (with exceptions);
- Use of additives not permitted or above the maximum level
- Incorrect sales description

12. Links of interest

MINISTRY OF AGRICULTURE, LIVESTOCK AND FOOD SUPPLY – MAPA www.agricultura.gov.br

DEPARTMENT OF INSPECTION OF ANIMAL ORIGIN PRODUCTS – DIPOA/MAPA http://www.agricultura.gov.br/animal/dipoa

VIGIAGRO/MAPA

http://www.agricultura.gov.br/vegetal/importacao/vigilancia-agropecuaria

Control Division of International Trade – DCI/DIPOA Contacts at DIPOA Respect the limits set at the RTIQ and Flavoring regulations on identity and quality. Give product details