

# Arable farming in Brazil

## Annual precipitation



Source: World Trade Press. All Rights Reserved 2007

## Annual average temperature

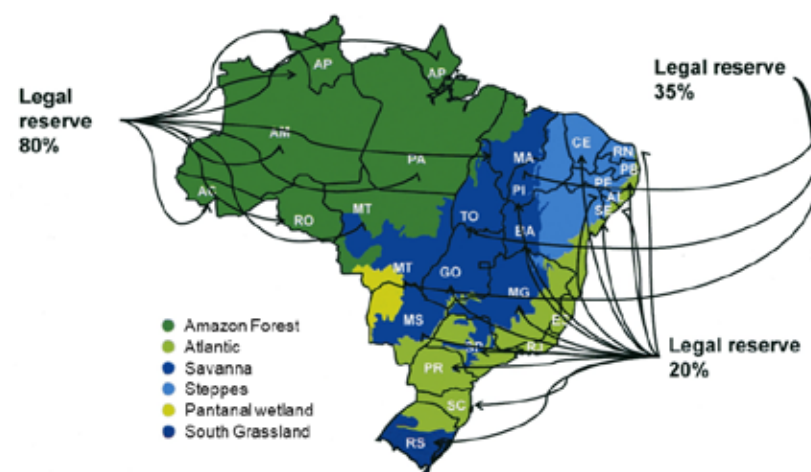


Source: World Trade Press. All Rights Reserved 2007

The annual precipitation in Brazil ranges from 200 mm in the dry East to more than 2,000 mm in the Amazon. Paraná and Mato Grosso, the regions of the typical farms within the agri benchmark network, are located in areas which receive between 1,000 and 2,000 mm/year.

In the tropical regions of the North the annual average temperature can reach up to 30 °C. In the southern states e.g. Paraná subtropical climate prevails and thus temperature ranges around moderate 15 - 21 °C.

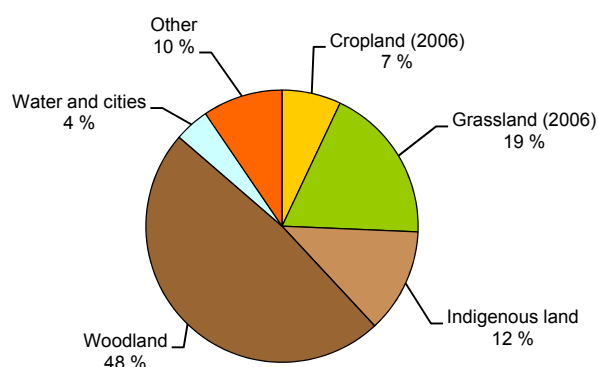
## Brazilian preservation rates for legal reserve



Source: ICONE after IBGE and MMA

In 1965, the Brazilian government has introduced mandatory rates (Law n. 4771/65) how much land must be reserved for environmental purposes. According to the current legislation, last changed in 2001, farmers in Paraná shall put 20 % of their land aside and in the southern part of Mato Grosso, relevant to the typical farm, 35 %. In the Amazon Forest this goes up to 80 %. As of 2012, negotiations are on the way to reduce these rates for the future.

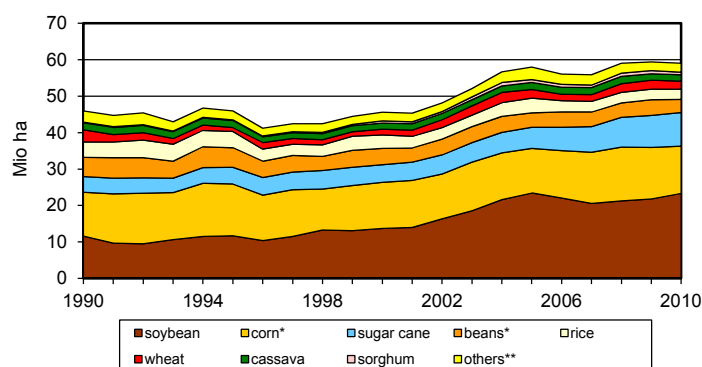
## Land use in Brazil, 2010



Looking at Brazil as a whole, the majority of the national territory is covered with woodland (48 %) and further 12 % with indigenous land, mainly forests. So far, large landscapes are occupied with grassland (19 %). Cropland in the end makes up only 7 % of the total area.

Source: IBGE 2011, MMA 2011, ABRAF 2011, ICONE

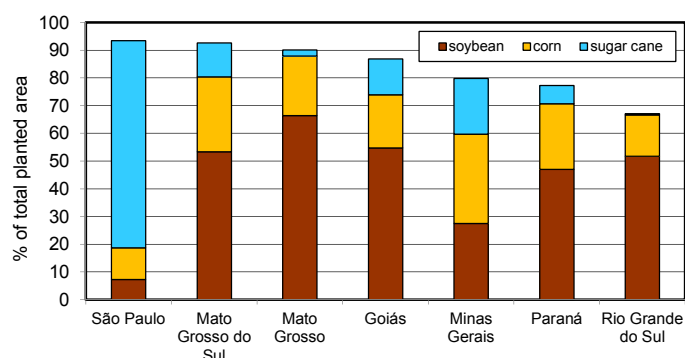
## Agricultural land use in Brazil



At national level, the area planted in Brazil with the eight most important crops increased from 42.9 Mio. ha to 56.6 Mio. ha (+ 32 %) during the last 20 years. However, in this figure hectares under double cropping, e.g. corn and beans, are counted twice. In 1990, the share of corn as a second crop amounted to 6 % and rose to 35 % in 2008. Both, soybean and sugar cane more than doubled its acreage while most of the increase occurred since 2001. Together with corn, the share of these three most important crops in the total planted area rose from 61 % in 1990 up to 77 % in 2010.

Source: IBGE-PAM 2011, planted area; \*partially double cropping;  
\*\*Sum of all temporal crops minus 8 mentioned crops, in particular cotton

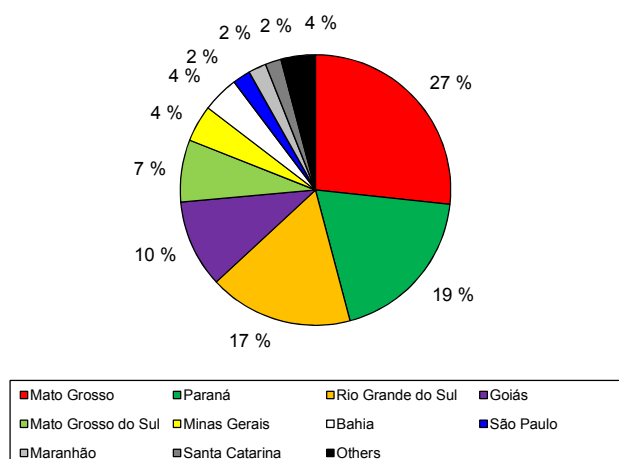
## Share of area planted with soybean, corn and sugar cane in important states, 2010



In general, agricultural production in Brazil is dominated by only a few major states. While São Paulo is the sugar cane state, occupying almost 75 % of its total planted area, five states among them Mato Grosso and Paraná are very strong in soybean production which on average covers more than 50 % of their land.

Source: IBGE-PAM 2011

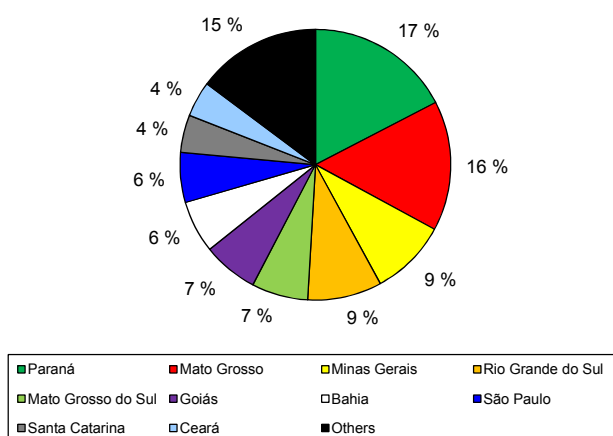
## Share of most important states in soybean area, 2010



The pie chart on the left shows the dominance of the four major soybean states. In 2010, Mato Grosso comprised 27 % of the Brazilian land sown with soybean. Three further states obtained values above 10 %, namely Paraná, Rio Grande do Sul and Goiás.

Source: IBGE-PAM 2011

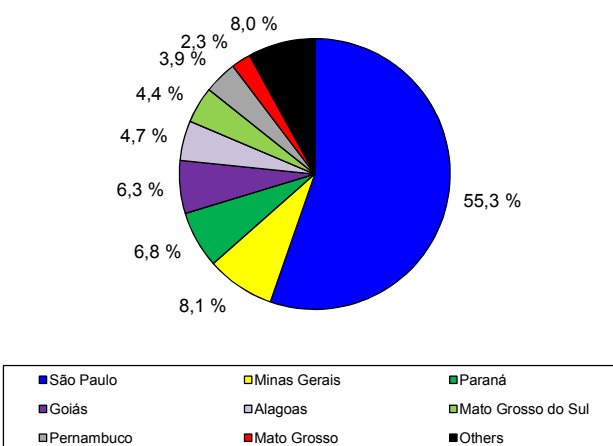
## Share of most important states in corn area, 2010



Regarding corn the picture looks similar. Here, Paraná, Mato Grosso and Rio Grande do Sul are also on the top as well as Minas Gerais.

Source: IBGE-PAM 2011

## Share of most important states in sugar cane area, 2010



Given that sugar cane occupies more than 70 % of the cropland in São Paulo it is not surprising that it dominates the sugarcane production across Brazil. This one state alone provides 55 % of the sugarcane area. Further important states are Minas Gerais, Paraná and Goiás. Besides the states in the south central region of Brazil Alagoas and Pernambuco in the Northeast are among the states with relevant crop shares.

Source: IBGE-PAM 2011