

São Paulo 31st march 2020

Notice to the Market

01/2020

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

ANEC - National Association of Cereal Exporters, representing grain exporters, Supervision Companies and Fumigation Companies, is following the development of the situation caused by the Covid-19 pandemic. Based on determinations of the coordinated action of Ministry of Agriculture, Ministry of Infrastructure and Ministry of Health, on information received from international institutions in which we participate, on our members and partners, this is the situation of the Brazilian grain export sector up to now.

1. Status of Brazilian Ports:

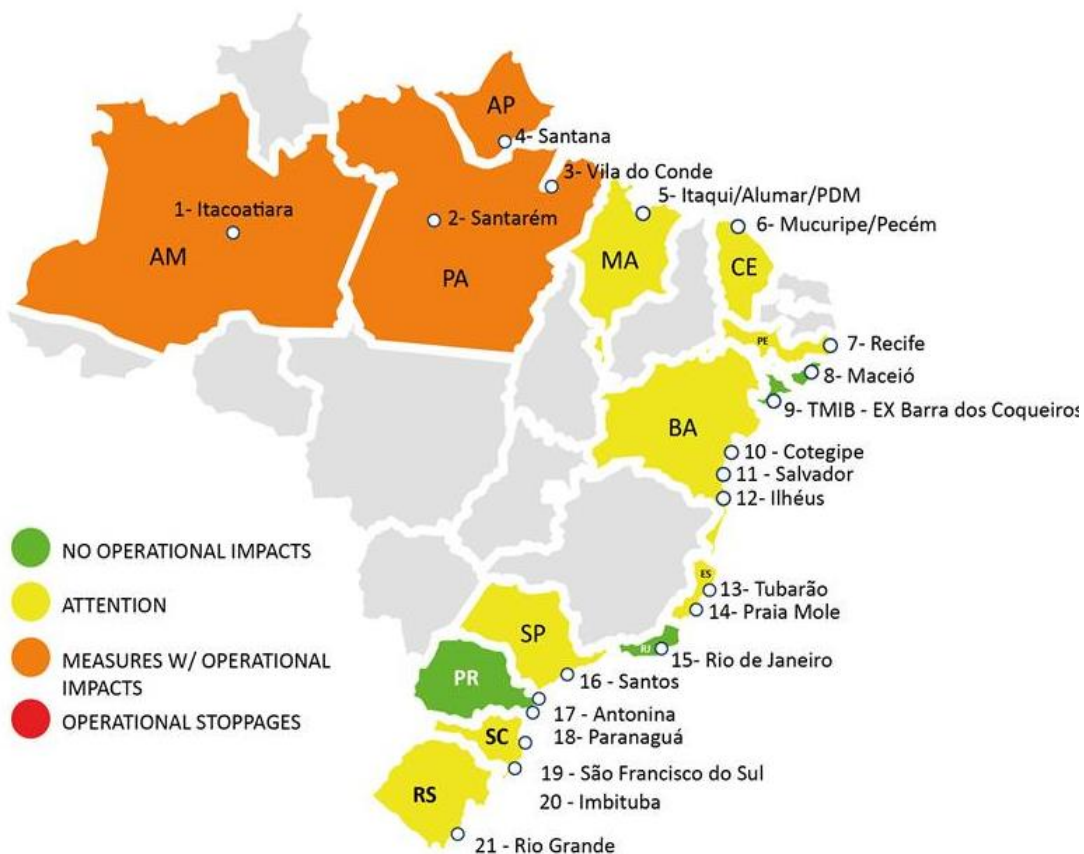
All ports are operating normally, adopting the security measures established by ANVISA - National Health Surveillance Agency (TECHNICAL NOTE Number 47/2020), by WHO - World Health Organization and by Brazilian terminals to expand preventive actions to avoid Covid-19 contamination.

The information below refers to the procedures that have been adopted by Brazilian ports (Santos, Paranaguá, Rio Grande, São Luis/Itaquí, São Francisco do Sul, Vitória, Itacoatiara, Barcarena/Vila do Conde, Santarém, Imbituba, Aratu, and Santana) according to the recommendations of national and international health authorities in order to guarantee the safety of the professionals involved in shipment and discharge of vessels as well as truck drivers.

- Free-practice: usually granted 48 hours before the vessel's arrival (ETA), with the exception of the port of São Francisco do Sul, where the requirement is 48 hours before berthing.
- In-person attendance of the entities (ANVISA, Immigration, Port Administration, MAPA and Customs) is suspended in some ports (Santos, Rio Grande, Vitória and Aratu) and available under request, for some of the services, in other ports.
- MDH (Medical Declaration of Health) and Logbook are required before the ship arrives at all ports except São Francisco do Sul (daily MDH) and Itacoatiara and Santarém (daily MDH and body temperature).

- Debarkation of crew is prohibited, except in emergency situations previously informed and authorized by the National Health Surveillance Agency - ANVISA.
- Vessel's holds pre-inspection depends on ANVISA's authorization in the following ports: São Francisco do Sul, Vitória, Imbituba. In Rio Grande it must be requested 48 hours in advance.
- Flights in the northern region of Brazil (Itacoatiara and Santarém) are scarce, which is affecting travel dynamics. ANAC (Brazilian National Air Traffic Agency), in a joint effort with the airlines, is guaranteeing a connection (not necessarily direct) between all states in Brazil. To travel to or from Itacoatiara and Santarém, it is necessary to use the airports of the capitals (Manaus and Belém) and make a stopover in capitals of other Brazilian states.
- Bunkering is happening in normal condition in all ports.
- ASCB (Brazilian Association of Supervision Companies) recommendations for the safe execution of supervisory services and collection of samples in vessels: <http://www.anec.com.br/pt-br/informacoes/comunicados-covid19/category/comunicados-externos>

Brazilian map showing status of each grain loading port:



Map prepared and furnished by Alphamar Vessel's Agency

2. Shipping documents and samples dispatch:

- a. **Shipping documents dispatch to destination:** Shipping documents, for the time being, are being dispatched to destinations normally. Occasional delays are noticed in some flows. With the decrease in the number of flights and the closing of borders in some destination countries, the situation tends to become more complicated.
- b. **Dispatch of documents inside Brazil:** It is still occurring normally, but it may be delayed by the decrease in the number of flights and courier services availability.
- c. **Samples dispatch:** Laboratories authorized to carry out special analyzes (outside standard ANEC contracts) are working normally. The decrease in the number of flights is causing delays.
- d. **Documents copies are beginning to be accepted by importers:** IPPC recommends importers are flexible during this period, which is already being followed by some countries, especially in Europe.
- e. **Contingence Plan:** ANEC, with the support of a working group formed in partnership with IGTC, is studying contingency plans to address two important problems. What are the actions to be taken if:
 - Banks stop accepting custody of documents.
 - National and international distribution of documents becomes critical.

3. Shipment flow:

During last week (22nd to 28th march) were loaded in Brazil 61 vessels with soybeans, (3.7 million tons) and 7 vessels with soybean meal (356 thousand tons). There were no corn shipments in the period. Shipments were distributed through Brazilian ports as shown in the table below:

PORT	QUANTITY (METRIC TONS)	
	SOYBEAN	SOYBEAN MEAL
SANTOS	1.211.105	186.591
PARANAGUÁ	600.882	105.626
SÃO FRANCISCO	201.881	-
VITORIA	171.943	-
ITACOATIARA	110.025	-
SÃO LUIS/ITAQUI	284.862	-
RIO GRANDE	449.090	64.400
SANTAREM	181.948	-
BARCARENA	512.750	-
ARATU/COTEGIPE	66.019	-
IMBITUBA	-	-
ILHEUS	-	-
TMIB - BARRA DOS COQUEIROS / SERGIPE	-	-
SANTANA	-	-
TOTAL	3.790.505	356.617

Main destinations for Brazilian shipments during last week:

○ Soybeans:	China	3.058.581 tons	(81%)
	Turkey	151.178 tons	(4%)
	Netherlands	110.025 tons	(3%)
	Spain	71.400 tons	(2%)
	Thailand	71.398 tons	(2%)
	Others	327.923 tons	(8%)
○ Soybean meal:	Indonesia	123.720 tons	(35%)
	France	60.000 tons	(17%)
	Thailand	60.000 tons	(17%)
	Germany	59.226 tons	(17%)
	Slovenia	46.400 tons	(13%)

During march, Brazil exported 11.5 million tons of soybeans, 147 thousand tons of corn, and 1.4 million tons of soybean meal.

During this week (29th march to 04th april) Brazil shall export 3.8 million tons of soybean, and 349 thousand tons of soybean meal. No corn shipments are scheduled for this week.

By the end of march (29th to 31st march), additional 1.6 million tons of soybeans and 90,520 tons of soybean meal shall be shipped according to the Brazilian ports' line-up.

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/>

- Alphamar: <http://alphamarship.com.br/>

- Cargonave: <https://www.cargonavegroup.com/>

- Nabsa: <https://naabsa.com/>