

## Brazilian grape and wine industry: Overview 2008

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Grape production in Brazil in 2008 totaled 1,399,262 tons, 3.27% higher than in 2007 (Table 1). There was a reduction in the production of grapes, particularly in the Northeastern region. In Pernambuco, there was reduction in the production of 15.64% and in Bahia it fell by 4.31%.

There was a reduction in the production in the state of São Paulo (-4.19%). In other states, there was an increase in production. The largest increase in output occurred in the state of Minas Gerais, 14.31%, followed by states in the southern region. Rio Grande do Sul showed an increase of 10.4%, Santa Catarina (6.92%) and Paraná (2.34%).

Of all the grapes produced in Brazil, 50.60% was used in the production of wine, juice and other derivatives in 2008. In 2007, processed grapes accounted for 47.02%.

The favorable weather conditions for grape production in Rio Grande do Sul, the main center of wine production in Brazil, coupled with the reduction in the yield of grapes in the northeast, were the main reasons for the increased participation of processed grapes (Table 2). In 2008, the total amount of grapes for processing grew by 11.13% over the previous year, while the production of grapes eaten fresh decreased by 3.71%. It is noteworthy that in the previous year there was also a reduction in the production of grapes to be eaten fresh and consequently an increase in the participation of processed grapes. In 2009, there might be a reduction in the production of table grapes, due to the international crisis that has been affecting the production of grapes in the Northeastern region in Brazil, main exporter of this fruit.

**Table 1. Production of grapes in Brazil, in tons**

State/ Year	2006	2007	2008
Pernambuco	155.783	170.326	162.977
Bahia	89.738	120.654	101.787
Mina Gerais	12.318	11.995	13.711
São Paulo	195.357	193.023	184.930
Paraná	95.357	99.180	101.500
Santa Catarina	47.787	54.554	58.330
Rio Grande do Sul	623.847	705.228	776.027
<b>Brazil</b>	<b>1.220.187</b>	<b>1.354.960</b>	<b>1.399.262</b>

Source:IBGE

**Table 2. Production of table grapes and grapes for processing, in Brazil, in tons**

Description/Year	2005	2006	2007	2008
Processing*	550.700	470.705	637.125	708.042
Table	696.246	757.685	717.835	691.220
<b>Total</b>	<b>1.246.976</b>	<b>1.228.390</b>	<b>1.354.960</b>	<b>1.399.262</b>

\*Data estimated by the author

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The grape-growing area in Brazil in 2007, based on data collected by the Brazilian Institute of Geography and Statistics - IBGE in January 2008, was 89,946 hectares. There must have been a misunderstanding over the information contained in the 2007 overview, as the data collected in February 2009 show that the area cultivated in São Paulo is much smaller than the information obtained in 2009, totaling **84,220**.

The data in Table 3 on the planted area show a reduction of 1, 93% of the total area in 2008, however this information must be considered with caution, as there still seems to be some ambiguity about the area in Sao Paulo, which fell by 11.68%. Rio Grande do Sul, the main producer, has an area of **49,816** hectares, representing 60.31% of the total area in the country. In 2008, there was an increase of 2.87% in the area planted in Rio Grande do Sul, where approximately 90% of the production is for the agricultural industry for the production of wine, juice and other derivatives.

In terms of harvested area (Table 4), there was an increase in the total grape growing area of 2.01% in 2008 over the previous year. In this year 78,535 acres of grapes were harvested in Brazil. There was an increase in the harvested area in most states, except for Pernambuco and Santa Catarina. Although the statistics presented by IBGE do not show, viticulture is being implemented in several states in Brazil including Mato Grosso do Sul, Goiás, Bahia, Ceará and Piauí

**Table 3. Vineyard growing area in Brazil, in hectares**

<b>Estado\Ano</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Pernambuco	6.471	7.137	7.083
Bahia	3.150	4.096	4.405
Minas Gerais	930	878	906
São Paulo	18.772	11.039	9.750
Paraná	5.657	5.700	5.800
Santa Catarina	4.986	4.915	4.836
Rio Grande do Sul	47.584	48.428	49.816
<b>Brazil</b>	<b>87.550</b>	<b>84.220</b>	<b>82.596</b>

Source: IBGE, data collected in February, 2009.

**Table 4. Grape harvest area in Brazil, in hectares**

<b>State\Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Pernambuco	5.111	5.673	5.934
Bahia	3.100	4.096	4.405
Minas Gerais	892	840	869
São Paulo	10.414	10.422	9.514
Paraná	5.657	5.700	5.800
Santa Catarina	4.516	4.915	4.836
Rio Grande do Sul	44.298	45.336	47.177
<b>Brazil</b>	<b>73.988</b>	<b>76.987</b>	<b>78.535</b>

Source: IBGE, data collected in February, 2009.

There are no statistics on domestic production and sales of wines and grape juice, however, considering that the state of Rio Grande do Sul accounts for more than 90% of the national production it is possible to use data on this state to represent the country.

Considering the total production including the juice derived from concentrated juice in 2008, there was an increase in the production of wines, juice and derivatives (11.98%). Concentrated juice grew by 18.49% and simple grape juice increased in 16.49%. Fine wines showed an increase of 9.63 while table wines grew by 4.44% when compared to 2007 (Table 5).

**Table 5. Production of wine, juice and derivatives in Rio Grande do Sul, in liters-2004/2007.**

<b>PRODUCTION</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Table wine</b>	<b>226.080.432</b>	<b>185.100.887</b>	<b>275.287.908</b>	<b>287.506.811</b>
Red	180.698.666	149.527.555	228.156.220	241.057.928
White	39.212.146	31.738.390	42.118.552	42.942.053
Rose	6.169.620	3.809.942	5.013.136	3.506.830
<b>Fine wine</b>	<b>45.453.898</b>	<b>32.168.976</b>	<b>43.176.484</b>	<b>47.334.502</b>
Red	25.409.805	18.868.108	24.786.071	27.583.032
White	20.012.363	13.249.969	17.598.428	18.812.571
Rose	31.730	50.900	791.985	938.898
<b>Simple grape juice</b>	<b>9.798.024</b>	<b>13.946.491</b>	<b>10.147.037</b>	<b>11.817.941</b>
<b>Concentrated juice*</b>	<b>97.566.220</b>	<b>87.073.025</b>	<b>97.112.643</b>	<b>115.073.230</b>
<b>Other derivatives</b>	<b>23.549.751</b>	<b>28.151.593</b>	<b>39.867.230</b>	<b>59.642.775</b>
<b>TOTAL</b>	<b>402.448.325</b>	<b>346.415.973</b>	<b>465.591.302</b>	<b>521.375.259</b>

\*Turned into simple juice.

Sources: União Brasileira de Vitivinicultura – Uvibra, Instituto Brasileiro do Vinho – Ibravin

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In terms of market, the wine and grape juice produced in Rio Grande do Sul fell by 2.51%. Table wines, which had shown a tendency to increase until 2005, had a reduction in the quantity sold of 11.78%. It was the lowest amount sold in the last 10 years (Table 6). Fine wines made in Rio Grande do Sul fell by 13.63% in 2008 compared to the previous year. However, white wines grew by 17.97% in 2008 compared to 2007. It is worth mentioning that since 1999 no increase had been experienced in the sales of fine white wines, although the situation in that year was more favorable as 20,910,186 liters were sold then, while in 2008 sales totaled 8,475,839.

Sparkling wines grew by 8.93% while muscatel sparkling wine increased in 20.22% in 2008 compared to 2007. It is worth pointing out that in 2007 it had already grown by 23.89%. The sales of grape juice continued to grow, although the increase was slightly lower than in 2007. Whole grape juice showed an increase of 19.46%, and concentrated juice grew by 10.51% in 2007. In 2008, 21,554,644 liters of whole juice were sold, 16.54% higher than in 2007, and 139,402,325 liters of concentrated juice (turned into juice simple), 8.89% higher. In 2008, the amount of whole juice in Rio Grande do Sul, for the first time, surpassed the volume of fine wines sold. The sum of whole juice plus concentrated juice represents more than 80% of the quantity of table wines sold in Rio Grande do Sul

**Table 6. Sales of Wine and Grape Juice produced in Rio Grande do Sul, 2004/2006.**

<b>Products\Years</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>TABEL WINE(1)</b>	<b>1 271.248.493</b>	<b>245.072.881</b>	<b>225.958.849</b>	<b>199.319.943</b>
Red	227.987.457	208.951.066	194.641.116	<b>(5)</b> 171.043.313
Rose	3.562.059	3.064.392	2.249.330	1.820.106
White	39.698.976	33.057.424	29.068.403	26.456.524
<b>SPECIAL WINE(3)</b>	<b>3 285.994</b>	<b>172.174</b>	<b>106.333 65</b>	
<b>FINE TABLE WINE(4)</b>	<b>4 22.306.004</b>	<b>22.085.322</b>	<b>21.411.466</b>	<b>21.119.622</b>
Red	13.335.767	13.590.710	13.814.078	12.490.521
Rose	472.971	307.188	413.939	153.562
White	8.497.265	8.187.423	7.183.449	8.475.539
<b>SPARKLING WINE</b>	<b>5.705.224</b>	<b>7.482.727</b>	<b>7.005.453</b>	<b>7.630.835</b>
<b>MOSCATEL SPARKLING WINE</b>	<b>1.071.448</b>	<b>1.277.312</b>	<b>1.582.512</b>	<b>1.902.482</b>
<b>WHOLE GRAPE JUICE</b>	<b>14.675.316</b>	<b>15.481.706</b>	<b>18.494.875</b>	<b>21.554.644</b>
<b>GRAPE JUICE CONCENTRATED JUICE</b>	<b>116.109.494</b>	<b>115.846.680</b>	<b>128.017.940</b>	<b>139.402.325</b>
<b>TOTAL</b>	<b>430.330.525</b>	<b>406.141.490</b>	<b>400.994.916</b>	<b>390.929.916</b>

<sup>1</sup>made from American and hybrid grapes; <sup>2</sup>blend of table wine and fine table wine; <sup>3</sup>made from *Vitis vinifera* cultivar; <sup>4</sup>Amount converted into simple juice. **(5)**Includes 4,808,616 liters of PEP.

Source: UVIBRA and IBRAVIN

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