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**Brazil's role in exotic
fruit production**

Transatlantic cooperation in sustainable exotic fruit production

| Açai | Acerola | Brazil | Britvic | Exotic Fruits | Fruit Production | Sustainability | Yerba Mate |

With a market share of about 80 percent, Brazil has dominated global trade in fruit juice concentrate for many years. In Germany, for example, about 80 percent of fruit juice is produced from imported concentrates, the majority of which coming from the largest economy in South America. Against this backdrop, Brazil's contribution to the global fruit juice industry should not be underestimated. Therefore, it is worth taking a closer look at the South American country and highlighting the local conditions and unique approaches that make Brazil a market leader. In addition to the production process, ecological aspects of processing fruits and transatlantic trade relations will be discussed in greater depth.

Brazil's economic resources are in abundance. The South American country is not only rich in natural resources, but it also has the twelfth largest gross domestic product

(GDP) in the world. In addition, many fruit varieties that grow there are popular all over the world, such as oranges, mangoes, and maracujas. However, the country is known worldwide for exotic products, such as yerba mate and açai berries. For European companies, Brazil is one of the most attractive growth markets internationally. Brands are hoping not only for enhanced growth opportunities, but also for the chance to participate in the country's economic and ecological development. In this context, European companies must bear in mind that economic success requires the establishment of sustainable networks, which Brazil already has in place. This includes partnerships with farmers, alliances with producers and stable transatlantic relations with European buyers. The Brazilian fruit industry has advanced its systems and processes to adequately address sustainability concerns in recent years, whilst making the industry more efficient. European companies



In 2015, Britvic acquired the Brazilian company, Empresa Brasileira de Bebidas e Alimentos SA ("Ebba") – a leading food and beverage producer. Ebba was known throughout the country primarily for its two core brands, Maguary and Dafruta, which were also incorporated into the British group's ownership..

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are particularly interested in sustainable transatlantic collaborations because their home markets obligate them to act more environmentally aware. This trend can be explained by companies becoming more aware of their impact on the environment and the interdependence that their economic interests have with the health of our planet. On the one hand, production is more stable when performed in a sustainable way while benefitting companies financially. The different challenges involved in entering the market can be illustrated using the soft drinks group, Britvic, as an example:

In 2015, the British group acquired the Brazilian company, Empresa Brasileira de Bebidas e Alimentos SA (“Ebba”) – a leading food and beverage producer – and Bela Ischia in 2017. Ebba was known throughout the country primarily for its two core brands, Maguary and Dafruta, which were also incorporated into Britvic’s ownership. Maguary had been in existence for more than 60 years at the time of the acquisition. With a history of more than 30 years, Dafruta was also an established part of the Brazilian juice industry.

At the time of the takeover, the British group had identified untapped potential in the South American country. This was to be exploited through the acquisition of existing brands and the creation of new labels. In any case, the management was aware that the already successful industry could flourish even more and that it could make an important contribution. To meet this goal, the company has continually differentiated its product range over the past few years and launched new sub-brands. The Be Ingredient brand, which specializes in the processing and production of ingredient products, plays a special role here. As a B2B brand, it has the responsibility of capturing the benefits of Brazilian fruits and flora. In the process, those responsible at the company work collaboratively with Brazilian farmers to develop new approaches and techniques to sustainable agriculture practices. This can be illustrated by the example of açai, yerba mate and acerola, which are processed into so-called semi-finished products and then mixed with other ingredients to create a final product which is then ready for consumption.

Açai berries undergo extensive processing

A large proportion of Brazilian fruits, such as oranges, bananas, mangos, and watermelons, grow primarily in the southern states along the Atlantic coast. In addition to Minas Gerais, this includes the northern part of São Paulo, Espírito Santo, and Rio de Janeiro. In contrast, the açai berry is native to the tropical west of the country – more



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precisely in the Amazon region. The so-called açazeiro palm, from which the berries originate, thrives close to the shoreline.

Due to their high content of omega fatty acids and antioxidants, the berries are very popular among European consumers and demand is increasing in line with consumer interests in health and wellbeing. About 10 percent of the super fruit shipped from the country go to European markets. Açai is used in various products, such as food, beverages, and cosmetics. For this purpose, the pulp is first extracted so that the juice can then be obtained and further processed. To do this, the initially viscous pulp must be pressed through increasingly finely meshed sieves and peel residues removed. The so-called açai pulp, which still has a viscous but already much finer consistency, is then diluted with water and pasteurized. For transport in the mostly frozen state, the mass must finally be cooled to -18 °C before it is further processed in factories.

High caffeine yerba mate: An important ingredient for organic energy drinks

Just as with the açai berry products, yerba mate leaves are very popular in Europe. Driven by the ever-increasing demand for organic soft and energy drinks the market for yerba mate products with their high caffeine content has been booming over the last number of years. Before the versatile yerba mate leaves can be used, a few preliminary steps are required. After harvesting, the sensitive leaves must first be heated to around 100 °C to slow down oxidation and fermentation processes. After drying, the leaves can then be crushed and prepared for infusion, whereby



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the taste can be specifically influenced by special aging processes. For the Britvic production, for example, the highest caffeine content available from the leaves is extracted and made into a concentrated liquid. In addition to its use for numerous energy drinks yerba mate is also increasingly used in the cosmetics sector.

Acerola cherry especially in demand as a vitamin C supplier

Another ingredient that sees high demand in European markets is the acerola cherry. Tons of the cherry are exported every year as a concentrate or powder. The concentrate of this exotic fruit is used for various types of beverages, mainly juices. The cherry's high vitamin C content is of particular importance as it resonates well with the above-mentioned trend of health and fitness interests of European consumers, but also makes acerola products suitable as a preservative as well as for the pharmaceutical and cosmetic industries. To extract the vitamin various technical processes and equipment, such as ultrafiltration, evaporators and freeze dryers are employed. Ultrafiltration can be thought of as working much like a coffee filter, but much finer. Even the smallest microparticles can be separated from the water and concentrated. The evaporator is then used to make away with excess water, while the freeze-dryer preserves the vitamin C and thus increases its shelf life.

Sustainability projects are initiated particularly in the southeast

For many years now, sustainability projects have been a central component of a comprehensive corporate strategy for fruit juice brands. As mentioned above, most of Brazil's

agricultural regions are in the southeastern states of the country, which is why many sustainability initiatives are focused particularly on this area. These include measures that ensure responsible use of finite resources and positively reduce CO₂ emissions. For example, this can be done in cooperation with other actors in global supply chains, or the reuse of waste packaging as part of a circular economy. To this end, many brands are continuously working on concepts to reduce water consumption within their own processes and release excess liquid back into the environment.

Britvic has repeatedly initiated sustainability projects, such as the "Britvic Forest" in Minas Gerais, which was planted at the beginning of 2022. Each of the 1,700 trees of the forest represents one of the group's employees based in Brazil. In line with its economic growth in the coming years, the company also intends to further expand the reforestation project in parallel.

Brazil largest fruit juice exporter for Europe

Transatlantic trade to Europe plays a special role in the international distribution of sustainably produced products, which is supported by the Brazilian Trade and Investment Promotion Agency, ApexBrasil. The European market is particularly attractive for Brazilian exporters due to the region's enormous economic strength. For Europe, Brazil is now the strongest exporter of fruit juice, with only three dips in production in recent memory. First, exports faltered due to the 2009 economic crisis, which triggered a global recession. In 2016, problems with the irrigation of fruit in northeastern Brazil also led to a noticeable decline in the harvest, which was subsequently reflected in export figures. Finally, the Covid-19 pandemic led to a pause in international trade relations, which affected transatlantic juice trade.

In conclusion, the goal of the Brazilian juice industry is to promote economic cooperation with European nations. This exchange relates both to the movement of goods and to knowledge about the sustainable cultivation and processing of fruits. For European investors, the Brazilian market offers a range of opportunities in the fruit juice sector. It will be exciting to observe whether more European companies expand into Brazil in the future and use their own unique approaches to bring the country forward.



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