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Peru Suspends Brazilian Beef and Beef Product Imports

Report Categories:

Agriculture in the News

Livestock and Products

Sanitary/Phytosanitary/Food Safety

Trade Policy Monitoring

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Report Highlights:

Peru's official gazette (El Peruano) published Directorial Resolution 008-2014-MINAGRI-SENASA-DSA on May 7, 2013, which suspends imports of beef and beef-by-products for 180-calendar days from Brazil. Brazil recently reported a case of atypical *bovine spongiform encephalopathy* (BSE) to the World Organization for Animal Health (OIE). The situation affords U.S. exporters the possibility of increasing their sales and shipments of U.S. beef and beef-by-products, especially of bovine hearts.

Imports of edible bovine offal (harmonized system tariff – HS code 0206.29) reached over 10,500 metric tons (valued at ~\$18.7 million) in calendar year 2013.

General Information:

Peru's official gazette (El Peruano) published Directorial Resolution [008-2014-MINAGRI-SENASA-DSA](#) on May 7, 2013, which suspends imports of beef and beef-by-products for 180-calendar days from Brazil. Brazil recently reported a case of atypical *bovine spongiform encephalopathy* (BSE) to the World Organization for Animal Health (OIE).

At FAS Lima, we foresee this suspension causing a possible short-term shortage of Brazilian offal in Peru. Such a situation affords U.S. exporters the possibility of increasing their sales and shipments of U.S. beef and beef-by-products, especially of bovine hearts. Peru's imports of edible bovine offal (harmonized system tariff – HS code 0206.29) reached over 10,500 metric tons (valued at ~\$18.7 million) in calendar year (CY) 2013; with Argentina (38 percent), the United States (32 percent), and Brazil (17 percent) controlling the bulk of the imported market share in terms of volume. A reliable industry source informs that Peru in CY 2013 imported an estimated 8,000 MT of bovine hearts. In CY 2014 (Jan-April), Brazil has alone supplied some 1,400 MT of bovine hearts followed by Argentina (275 MT), Paraguay (203 MT), and the United States (190 MT).

Despite the preference for younger, leaner U.S. bovine hearts, importers turn to Brazilian suppliers for more affordable albeit older, tougher hearts. Although there is a strong consumer preference for U.S. bovine hearts due to their texture and tenderness, the cleaning process (i.e., removal of fat) results in 45-50 percent waste that can increase costs. Brazilian processing plants do not normally provide clean bovine hearts. This necessitates that frozen imports be thawed for cleaning and then refrozen prior to distribution; which can affect product quality. Limiting U.S. exports to Peru is this market's good, but lower volume demand when compared to that of Mexico, Egypt, and Canada.