Dr. Michael Schütte, DipWSET – Thesis:

The Brazilian Wine Market – Navigating the Seven Hurdles to Market Access

Abstract of the Thesis

Motivation for seleting the Topic

As a former wine importer in Brazil, I am still often contacted by wineries whether I had an interest in importing their wines. They heard that Brazil is a promising export market for wine producers. While global wine consumption and production have been under pressure, Brazilian consumption has remained resilient, exceeding domestic production and is still growing. Often, however, wineries have wrong perceptions about their chances in that market. This thesis provides information as to the difficulties importers face, and how wineries can cooperate to facilitate the exportation of their wines.

The problems and the objective of the thesis

The Brazilian has heavy administrative barriers – non-tariff barriers as well as tariff barriers, in the form of duties and taxes. The objective of the thesis is to explain these obstacles, and to assist the wineries in preparing as to how they can actively participate to best overcome the different hurdles.

Methodology

The thesis first describes the Brazilian market and its particularities, both in volume, value and distribution channels, to create a better understanding what can be expected in terms of sales volumes and price categories.

The main part of the thesis focuses on the seven hurdles to access the Brazilian market, laying out what they consist of, and what difficulties importers in Brazil are facing – and how wineries are expected to cooperate, and what steps to take to allow easier access. This includes some concrete recommendations as to what wineries can do to successfully export, avoiding risks for themselves.

Content

Brazil is one of the few, if not the only country where wine consumption is still growing. This is expected to continue, as Brazilian consumers tend to shift from the simple Brazilian table wines[1] to fine wine[2] – often imported. The conclusion of the EU-Mercosur Agreement will gradually reduce import duties for European wines, further increasing demand for such wines.[3]

Brazil has own wine production centred on the South, although quality-oriented "winter wines" from Minas Gerais and the north of São Paulo, produced through double pruning, have gained attention. Their quality is comparable to imported wines, and their prices as well. Brazil has approximately 28.9 million wine consumers,[4] but consumption of vinho fino amounts to only 7.6 litres per wine consumer per year. Wine consumption remains concentrated among consumers with higher purchasing power, particularly in the South and Southeast, especially São Paulo, Rio de Janeiro and other large urban centres. The market still has growth potential because of a tendency towards premiumization, both in Brazilian wine and imported wines.

Chile remains the leading country of origin of imports by volume, followed by Argentina, Portugal, Italy, Spain and France. The largest part of imports is sold in lower price segments, especially from Chile, although imports of premium and super-premium wines have also grown. France leads in value per bottle, and recent growth in French imports has been driven by Burgundy and Chablis, particularly Petit Chablis.

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1 Vinho de mesa, made from uva americana.

2 Vinho fino, made from uva vinifera.

3 Since 1 May 2026 the duty rate is 24% instead of 27%, falling another three percentage points on each 1 January of each year until 2034.

4 Out of a population of 213 million.

The market is shaped by distribution structures as much as by regulation. Supermarkets account for a significant share of wine sales (70%), while the HoReCa sector is largely served by established large importers. Some of them tie restaurants through supply arrangements and the financing of wine storage facilities, de facto excluding other importers. Online sales, wine clubs and trade fairs are relevant channels. For exporters, the choice of an importer is therefore a strategic decision: larger importers provide reach and access to restaurants and larger volumes in the lower price segment, while smaller importers offer more personal commitment to brand building and concentrate on higher quality and more expensive wines. European wines tend to be in the more expensive category due to duty and taxes and therefore usually sell in lower quantities.

The thesis then identifies seven principal hurdles to importing wine into Brazil: registration formalities, import licensing, laboratory analyses in the country of origin and in Brazil, documentation and labelling requirements, federal import duties and taxes, state taxation, and further import-related charges. Direct shipment from foreign wineries to Brazilian consumers or distributors is not permitted. Wines must be imported by a company registered with the Receita Federal do Brasil[5] and MAPA[6].

A key non-tariff barrier is the strictness of the documentary and analytical requirements. Wines must be analysed by a recognised laboratory in the country of origin and are subject to further analysis in Brazil. Each wine must be individually registered, and MAPA will issue a certificate if satisfied that there are no relevant discrepancies between the analysis from the country of origin and the Brazilian one. That certificate allows the release into free circulation. Labels must comply with Brazilian rules, be in Portuguese and are much more detailed than labels in Europe. Invoices, analysis certificate and certificate of origin, packing list and other documents must have the same wording regarding the wines, the winery and all details of the order, literally. Even minor inconsistencies in the description or spelling of the wine may delay or prevent clearance or lead to modifying the labels.

The fiscal burden remains the most important economic barrier. Import duty, IPI, PIS/COFINS, ICMS, AFRMM and port-related costs are calculated in a cumulative manner, with ICMS weighing particularly heavily. The ongoing Brazilian tax reform will replace several taxes with CBS and IBS and introduce an Imposto Seletivo for alcoholic beverages, but it is not expected that the reform will reduce the overall burden. The thesis shows that the cost of a wine may approximately triple by the time it reaches the importer's warehouse, and that the final consumer price may need to be roughly four times the landed cost for the importer to cover resale taxes and achieve a modest margin.

Conclusion

The practical conclusion is that exporting to Brazil requires careful preparation. Wineries should define their target segment, select the appropriate importer,[7] negotiate exclusivity (required to allow the importer to invest into the launch of the brand and the wine) and payment terms carefully. Advance payment, with possibly a higher discount for the importer, is advised to protect the winery since it will have to incur certain costs in preparing the shipment, and pursuing payment claims in Brazil is difficult. They should also pre-clear documentation and labels before shipment and avoid showing discounts in the invoice since that may create customs valuation difficulties. Finally, market entry requires active support: tastings, fairs, harmonized dinners, Portuguese-language communication and social media activities are important tools for building recognition and brand building, where the wineries can and should help. Despite the seven hurdles, Brazil remains a market that can reward well-prepared wineries willing to export when positioning themselves and working with a committed importer.

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5 Tax and Customs Authority.

6 The Brazilian Ministry for Agriculture, that administers and supervises the entire import process (as well as national production).

7 A list of selected importers is included as Annex, as are samples of invoices, analyses, certificates of inspection.