US DRY BEAN Council

Argentina/Brazil Harvest Tour Report

June 12–20, 2026

U.S. Dry Bean Council

Merkato Agribusiness Intelligence

L-R: José Barrios (USDBC/Merkato), Silvana Said (ArgenCrops), Rita Villafañe (ArgenCrops), Chad Bauer (Michigan), Lesa White (Colorado), Antonio Campoverde (USDBC/Merkato) — ArgenCrops, Salta City, Argentina

Executive Summary

From June 12 to 20, 2026, a U.S. Dry Bean Council (USDBC) delegation conducted a comprehensive Harvest Tour across Argentina and Brazil to evaluate dry bean production conditions, supply chain dynamics, and competitive positioning in the global market. The delegation included Lesa White (Colorado), Chad Bauer (Michigan), Jose Barrios (USDBC LATAM Representative – Merkato), and Antonio Campoverde (Market Intelligence Manager – Merkato). The mission was designed to gather on-the-ground intelligence directly from producers, processors, exporters, and brokers operating in the two most important dry bean-producing countries in South America.

The tour began with a market visit day in Buenos Aires, including visits to the Liniers informal market and a Carrefour supermarket, before the delegation flew to Salta for field visits across the northern Argentine production region. Over three full days, the team met with five companies spanning the full range of the Argentine dry bean value chain — from large-scale producers to major exporters — gaining direct insight into the 2026 season's production challenges, pricing dynamics, and strategic shifts underway in the sector.

In Argentina, the predominant finding was one of significant acreage reduction and quality challenges. Producers across the northern Salta region have reduced black bean acreage significantly versus 2025, rotating toward soybeans, corn, and higher-value specialty beans destined for European and Asian markets. The combination of heat stress during flowering in February and March, followed by atypical rainfall during harvest in June, resulted in widespread fungal infection (Sclerotinia) and elevated grain moisture levels, with much of the region's black bean production downgraded from Grade 1 to Grade 2. Stakeholders consistently noted that official government statistics may not fully reflect actual supply conditions on the ground.

The mission continued in the Paraná region of Brazil, where three bean companies reported a challenging supply outlook for the 2026 black bean season. A significant reduction in planted area, combined with a destructive frost event in May, has put considerable pressure on domestic black bean production levels. While full-season data is not yet available, contacts in the region indicated that output may fall short of domestic consumption requirements. Notably, one of the companies suggested that Brazil could require black bean imports before the end of the marketing year — a scenario that would mark a return to the country's historically import-dependent position, particularly from Argentina.

Weather Conditions

Argentina– Northern Salta Region (June 12–17, 2026)

Weather conditions in the northwestern Salta province during the tour period were typical of the austral winter season: clear skies, dry air, and cool overnight temperatures. Daytime temperatures ranged from 18–22°C in the valleys around Salta City, while higher-elevation areas in the Tartagal and Embarcación regions experienced cooler conditions. Frost risk had largely passed by mid-June, though producers reported that the damage to the current crop had been inflicted months earlier, during the critical flowering and pod-fill stages of February and March, when an extended period of thermal stress and irregular rainfall compromised plant development in affected production areas.

Of greater agronomic significance were the atypical rainfall events registered across northern region Salta during May and early June — a historically dry period — which delayed mechanical harvesting operations and caused moisture levels in standing grain to remain elevated at 20–21%, well above the export-standard threshold of 16%. This excess field moisture created conditions favorable for white mold (Sclerotinia sclerotiorum) infection, which was reported across a share of bean lots by some of the companies visited during the tour.

Delegation members observed these conditions firsthand during field visits across the northern Salta production zone. Despite the austral winter's characteristically dry and clear days at the time of travel, the cumulative effect of prior weeks' rainfall was evident throughout: field soils remained saturated in several blocks visited, and harvest equipment was operating under conditions that U.S. delegation members — accustomed to stricter field entry standards in Michigan and the Midwest — described as unusually wet for active combining operations. At Desde El Sur, an 800-hectare Colorado Light (Light Red Kidney) block was being windrowed under visibly moist conditions, while the Cranberry block visited had already passed its optimal harvest window due to rain-related delays. At Salvita, company management confirmed that harvest operations across their black bean lots had been delayed by approximately two weeks relative to the normal calendar, a pattern consistent with what the delegation observed across all northern Salta visits.

Brazil – Paraná Region (June 18–19, 2026)

Weather conditions in Paraná during the Brazil leg of the tour were cool and partially overcast, consistent with the Southern Hemisphere winter season. Temperatures in the Curitiba metropolitan area and surrounding production zones ranged from 12–18°C during the day, with overnight lows approaching 5–8°C. While the weather during the tour dates was agriculturally uneventful, the cumulative impact of the May 10–11 frost event — which struck during a critical late-season development window — had already been absorbed by the crop, with the resulting damage to planted area referenced by all three companies visited.

The frost event was the defining climatic factor for the 2026 Paraná black bean season. Its timing — after an already-reduced planted area due to economic disincentives from the 2025 price environment — compounded what had already been projected as a tight supply year, further tightening an already constrained supply outlook for the season.

The cumulative impact of these conditions was evident during the delegation's visits to Cebal Agro, Cooperativa Frisia, and Pontarollo. At Cebal Agro, the company's grain storage shed — which had held approximately 4,000 metric tons of 2025 carryover stock as recently as May — was empty at the time of the visit, its inventory fully liquidated into the domestic market as prices surged following the frost. At Pontarollo, incoming second-crop grain was arriving at the processing facility with approximately 20% moisture, requiring batch drying cycles of more than ten hours per load before reaching export-standard humidity levels — an operational burden that plant management described as atypical relative to recent seasons. Cooperativa Frisia contacts noted that while member crops had largely reached maturity before the frost struck, the combination of a reduced planted area and below-average first-crop yields had already constrained the season's supply outlook before the May event added its final impact.

June 12–13, 2026 – Travel Day

Sunday, June 14, 2026

Buenos Aires Market Visit

Liniers District & Carrefour Supermarket Buenos Aires, Argentina

The U.S. dry bean delegation spent the morning of June 14 conducting retail and wholesale market intelligence across two distinct points in Buenos Aires's dry bean supply chain before their afternoon flight to Salta. The visit was designed to observe how competitive product is presented at both formal and informal retail levels; during the visit, the team identified locally produced bean varieties as well as imported product from Peru and Bolivia.

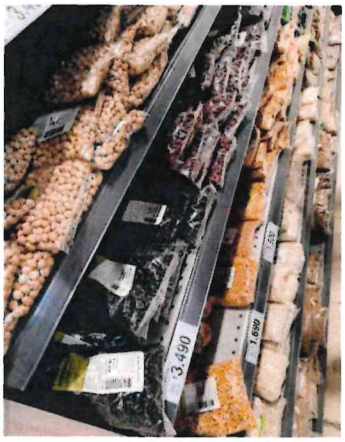
The morning began in the Liniers district, a densely commercial neighborhood in western Buenos Aires known for its active informal trade in agricultural products and dry goods. The delegation observed small vendors selling

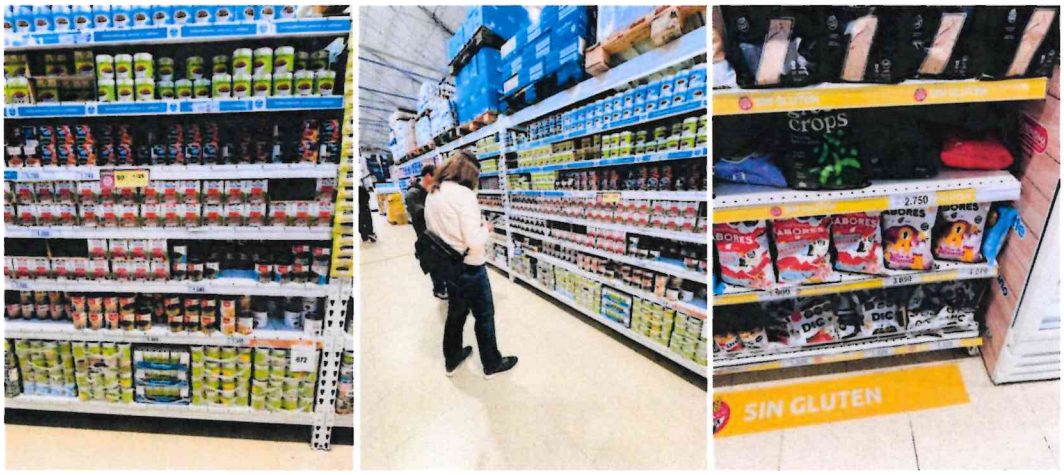
a variety of dry beans — predominantly black beans and alubias, with smaller quantities of cranberry, lentils, and imported Peruvian and Bolivian varieties — sold loose from open sacks by the kilogram. Vendors shared general observations on sourcing, noting that most product came from Argentine producers in the northern Salta region, with occasional Bolivian imports during supply-tight periods. Product quality varied noticeably across stalls, with some lots showing discoloration and inconsistent sizing characteristic of Grade 2 or downgraded material. Consumer price sensitivity was the dominant commercial dynamic at this level of the market.

The delegation subsequently visited a Carrefour supermarket, one of the largest multinational retail chains operating in Argentina. In contrast to the informal Liniers market, Carrefour presented dry beans in branded 500g and 1kg packages with full nutritional labeling and standardized shelf presentation. Black beans and alubias dominated shelf space, alongside lentils and chickpeas, with both private label and national Argentine brands represented. Notably, the canned bean category is gaining greater prominence on retail shelves. During the market visit, Argentine manufacturers were actively merchandising both canned beans and ready-to-eat cooked beans in Tetra Pak packaging. Brands such as Doña Pepa and Arcor were among the most prominent, reflecting a growing emphasis on convenient, value-added pulse products. Additionally, innovative pulse-based snacks were identified, including Green Crops, a savory snack made from green peas. No imported U.S. bean products were observed at this location.

The group enjoyed lunch together at a traditional restaurant in the Caminito area of La Boca before transferring to Buenos Aires Jorge Newbery Airport (AEP) for their afternoon flight to Salta aboard AR 1488, departing at 4:00 PM and arriving at 6:15 PM. The group checked in at the Sheraton Salta Hotel.



Monday, June 15, 2026

Desde El Sur — Large-Scale Producer & Exporter, Tartagal Area, Salta, Argentina

Monday was a full travel day by road from Salta City to the Tartagal area — a journey of approximately five hours through the rugged northwestern Salta landscape. The delegation departed from the Sheraton Salta Hotel at 8:30 AM, arriving in the Tartagal zone by midday, for a 12:30 PM meeting with Desde El Sur, a large-scale producer and exporter company with operations concentrated in specialty legume varieties. The visit was coordinated through Marcelo Soto, international sales representative. Soto maintains an active working relationship with the USDBC LATAM team, engaging in regular market intelligence exchanges throughout the year that informed the delegation's field priorities ahead of the visit. In the field, the delegation was received by Gabriel Rodríguez, the company's Production Manager and agronomist, who guided the team through the field visits and explained soil management practices, planting configurations, pest control protocols, and variety-level yield expectations.

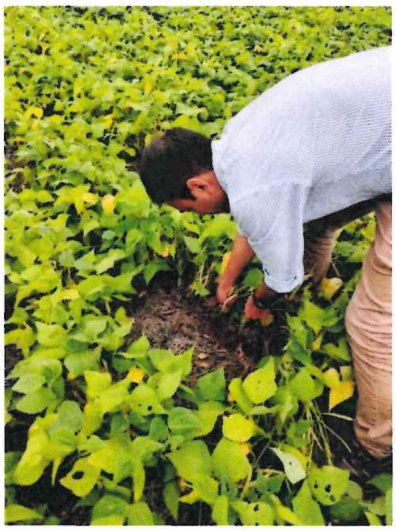
Desde El Sur operates approximately 16,000 hectares across multiple legume varieties, with its primary commercial focus on Colorado Light (Light Red Kidney), Colorado Dark (Dark Red Kidney), Cranberry, and chickpeas. Black bean production has historically ranged between 200 and 400 hectares — roughly 1.5% of total planted area — reflecting a deliberate orientation toward higher-value specialty crops. Between 20% and 50% of total export volume is currently sourced from third-party producers through a recently formalized Origination and External Fields department, requiring in-field quality validation before product moves to the processing facility. The delegation visited several field blocks, including an 800-hectare Colorado Light section already being windrowed — the company's dominant crop at approximately 12,000 hectares, with historical yields of 1,800–1,900 kg/ha. Grain size was notably superior to the prior season, though field representatives noted visible color deficiency attributed to insufficient solar radiation during the final grain-filling stage. A 90-hectare Cranberry block had passed its optimal harvest window by approximately one week, with roughly 70% of pods showing advanced dryness — a critical threshold, as Gabriel noted, beyond which pods split and grain is lost to the ground. For Colorado Dark (approximately 4,000 hectares), the company works with two varietal lines with differentiated market destinations: "Escarlata," an INTA-developed variety suited for retail packaging, and "Richi," preferred by the canning segment for its non-bleeding profile.

A technically notable practice observed at Desde El Sur is the use of the "Sistema Santa Fe," a Brazilian-origin intercropping model in which maize is sown alongside Brachiaria grass to form a vegetative mat that shields the soil from extreme summer heat and retains moisture for the subsequent legume rotation. The primary disease concern in the region is Sclerotinia (white mold), managed with Fluazinam (Omega) applications at approximately USD 25 per hectare every 10 days — a fungicide that, as U.S. delegation members noted, faces significant Maximum Residue Limit restrictions in the United States, though company representatives indicated no export rejections related to its use.

An extended drought between approximately January 10 and March 2 — roughly 50 days — caused widespread flowering abortion in legumes and plant mortality in field margins, according to company sources, followed by atypical June precipitation estimated at 30 millimeters that saturated field soils and elevated grain moisture well above commercial thresholds. Regarding black bean origination, company sources reported difficulty sourcing Grade 1 product, with the majority of available supply carrying 20–21% moisture and visible mold infection.

Company leadership also questioned Argentina's Ministry of Agriculture figures reporting approximately 800,000 hectares under legume cultivation nationally, placing the actual planted area at closer to 400,000 hectares. On market outlook, company representatives noted that carryover stock from the 2025 black bean season — estimated at approximately 35,000 metric tons out of a total production they cited at 120,000 metric tons — had largely been absorbed, and that a meaningfully reduced planted area for the new season was expected to generate upward price pressure on black beans in the months ahead. Following lunch with company representatives and a walk-through of the processing facility, the delegation checked in at Hotel Altos del Bermejo in Embarcación, Salta.







Tuesday, June 16, 2026

Salvita — Large-Scale Producer & Processor, Northern Salta Region, Argentina

The delegation departed Embarcación early on June 16, returning into the northern Salta production zone for back-to-back field visits with two producers operating in the same region. The morning session was with Salvita, a large-scale producer and processor whose primary commercial identity is anchored in alubia (white kidney bean) production. The delegation was received by Gonzalo Fernández, the company's commercial manager responsible for export markets, contracts, and destination planning, alongside the plant's technical supervisor, who guided the group through processing operations.

Salvita reported a total planted area of approximately 31,700 hectares across all varieties in the current season, with alubia exceeding 15,000 hectares as the dominant crop. Black bean area was held to approximately 2,000 hectares this season — a deliberate reduction that company representatives attributed to unfavorable economics, noting that black beans "were not interesting this year." Mung bean, which matures earlier, had already been harvested and processed by the time of the visit, with field yields reported at approximately 1,800 kg per hectare. Unlike Desde El Sur, Salvita operates exclusively on owned or leased land, with no third-party origination — all production entering the plant is grown under company management.

The delegation toured the Pampa Blanca processing facility, which handles approximately 60% of the company's consolidated volume — covering mung, alubia, and color varieties — with the remaining 40% processed at a second facility near Salta City equipped with an international customs zone and direct rail access to port. The Pampa Blanca line includes pre-cleaning equipment, size-grading screens that separate large-grade and secondary-grade product, three Mireti gravity separators, two polishing passes using wheat and maize bran applied under pressure, and a double-pass electronic color sorter that removes defective grains optically. Final packaging is done in 25 kg bags, 50 kg bags, or Big Bags depending on buyer specifications. The plant does not use artificial drying — incoming grain is required to arrive at or below 16% moisture to avoid breakage during handling, with final stabilized humidity between 14% and 15%. A sampled lot at the time of the visit was reading 18% moisture, above the plant's intake standard. Lot-level traceability cards are generated for each intake, and a formal certification process for the Pampa Blanca facility was reported to be underway.

Salvita management confirmed that the 2026 black bean crop had been affected by white mold (Sclerotinia sclerotiorum), with company management estimating that 30–40% of their lots showed meaningful infection. The fungal pressure was attributed directly to unusual moisture conditions during harvest: persistent humidity and rainfall during what is normally the region's driest month created the environmental conditions under which Sclerotinia thrives. Company representatives noted that fields planted closer to the Bolivian border fared comparatively better, while those positioned further south received heavier rainfall and sustained greater quality losses. The practical consequence was a widespread downgrade of black bean grain from Grade 1 to Grade 2, significantly eroding market value. Harvest operations had been delayed by approximately two weeks relative to the normal calendar. The broader strategic message from Salvita was consistent with what the delegation encountered across the Argentine leg: the economics of black bean production have deteriorated relative to competing crops, resulting in what company leadership described as a contraction that may take more than one season to reverse.

Gustavo García — Large-Scale Producer, Northern Salta Region, Argentina

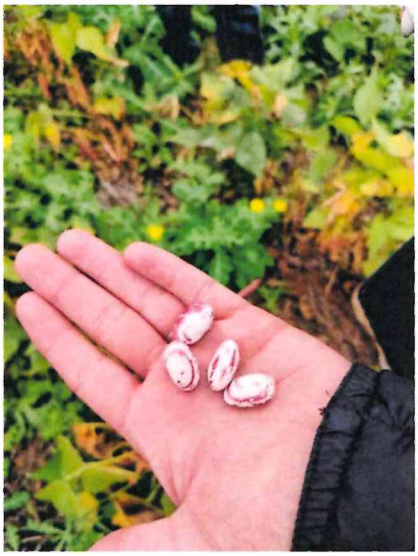
The afternoon session brought the delegation to a large-scale farming operation in the same northern Salta region, managing a diverse portfolio of crops across more than 10,000 hectares — spanning properties including Cuchuy, La Carolina, and Las Palmas — with black bean cultivation representing over 2,000 hectares of that total. The owner, who also operates a substantial poultry and swine production business, was not present during the visit;

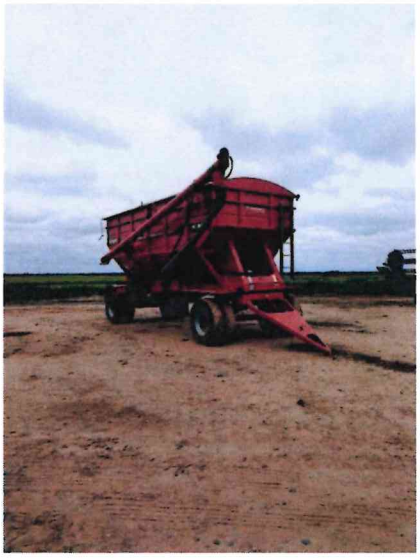
field coordination was handled by Gustavo, an on-site technical contact who guided the delegation through the lots.

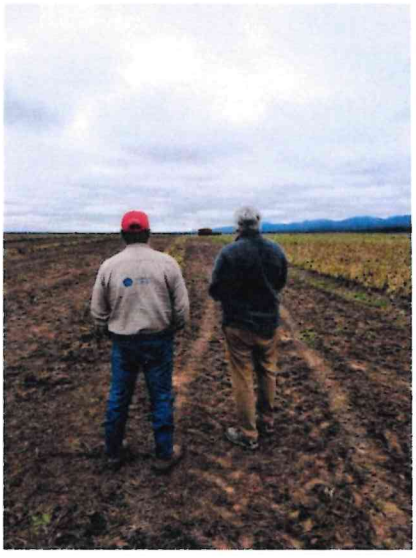
The delegation visited several active field blocks across multiple varieties. Black bean production centers on the L15 variety — locally known as Leales 15, developed by the Instituto Nacional de Tecnología Agropecuaria de Argentina (INTA) Tucumán and attributed in the region to the work of Salvador Muñoz, Carlos Caldo, and Nano Diácono — which field contacts described as notably resilient under extreme weather conditions. Historical yields for L15 in this region reach 2,400 kg/ha under optimal conditions; 2026 actual yields of 1,500–1,600 kg/ha represented, according to the producer, a 30–35% reduction versus historical averages, with some late-planted lots sustaining 30–40% foliar area loss from fungal pressure under excess moisture and reduced solar radiation. A Dark Red Kidney block planted on March 29 — at 140 to 145 days from sowing at the time of the visit — had experienced severe drought stress early in the season, receiving only 18 mm of rainfall after planting, reducing expected yields from a potential 2,000–2,100 kg/ha to approximately 1,200 kg/ha, according to field estimates. The operation also includes approximately 1,000 hectares of Colorado, 600 hectares of Adzuki — which was being threshed during the visit — and 300 hectares of Canela, a variety being cultivated for the first time this season and exported to Central America and Europe. A notable agronomic adjustment observed was a shift in row spacing from 52 cm to 70 cm, which field contacts explained reduces seed use from 150 to 120 kg/ha while improving plant ventilation, grain quality, and fungal disease resistance.

A significant concern raised during the visit was the condition of retained inventory from prior seasons. The operation holds approximately 7,000 metric tons of Black Bean, Dark Red Kidney, and Cranberry stock from the 2023, 2024, and 2025 harvests, stored in Big Bags under plastic tarps in open-sided sheds. The delegation noted that extended storage under these conditions had resulted in severe oxidation, with grain presenting a brown coloration no longer meeting commercial standards for visual quality. The delegation observed that once fresh 2026 product reaches the market, buyers would be unlikely to accept oxidized old-crop stock at commercially viable prices. The operation was evaluating the potential import of vacuum-sealed hermetic bags from the United States — in 500 to 1,000 kg formats — as a solution to extend storage life and prevent color deterioration, which under current conditions occurs within three to six months.

On pricing and market outlook, Gustavo indicated that the operation was withholding black bean supply from the market pending higher prices, having declined multiple purchase offers in the USD 450–680 per metric ton range. The owner's stated price expectation was USD 800 per metric ton. Cranberry bean stock was referenced at USD 1,150–1,200 per metric ton FOB, with a pre-harvest forward reference cited at USD 1,450. The delegation noted that the combination of retained old-crop stock in deteriorating condition and a reduced new-season planted area is likely to create a bifurcated market dynamic: fresh 2026 product commanding a meaningful premium, while oxidized carry-over inventory faces significant buyer resistance regardless of seller price expectations. The delegation returned to the Sheraton Salta for the evening.







Wednesday, June 17, 2026

Alimar S.A. — Dry Bean Exporter, Salta City, Argentina

Alimar S.A. is one of the most significant dry bean export operations in northwestern Argentina, with an integrated platform spanning sourcing, processing, quality control, and export logistics through rail access to port at Zárate, Buenos Aires Province. The company was founded by Eduardo and Ricardo, who transitioned from bean producers to processors when they acquired Alimar in 1996. Following Ricardo's passing, César joined as co-owner in 2016, currently holding a 50/50 partnership with Eduardo's family. The delegation was received by Iván Martín, Commercial Manager, who guided the group through both the commercial discussion and the processing facility tour.

Alimar's production base covers approximately 24,000 acres (approximately 9,700 hectares), yielding between 20,000 and 25,000 metric tons annually, with 90% of origination sourced from owner-operated land. Third-party purchasing has been deliberately reduced to approximately 10% of total volume, driven by the traceability requirements imposed by European Union buyers regarding pesticide use. The company's commercial footprint covers multiple varieties — Black Beans, Alubia, Dark Red Kidney, Cranberry, and Light Red Kidney — with Europe representing approximately 80% of export volume, primarily Spain, France, Portugal, and Italy, and roughly 70% of Alubia destined for the canning industry. Additional markets include the UAE, Colombia, and Algeria.

The discussion with Iván Martín, Commercial Manager, offered the most comprehensive commercial intelligence of the Argentina leg. On the 2026 season, company contacts confirmed that persistent above-normal rainfall had prevented natural field drying, with incoming grain expected at 18–19% moisture — requiring immediate mechanical stabilization through natural-air silo systems, without chemical desiccants prohibited under EU requirements. Sclerotinia pressure was reported across fields at an advanced crop stage where fungicide application was no longer feasible. Black Bean planted area was estimated to have fallen 30–35% from the prior season, with Mung Bean adopted by many regional producers as an alternative, though with widely reported quality problems. He also noted severe quality and rehydration issues affecting Brazilian Black Bean production due to late-season frost damage, a factor he described as contributing meaningfully to regional supply tightening.

From a competitive intelligence standpoint, Alimar provided a detailed assessment of price dynamics across origins. Argentine Black Bean FOB prices moved from approximately USD 450 per metric ton at the start of 2026 to USD 650 by the time of the visit, driven in part by direct Brazilian purchasing of unprocessed Argentine grain — at a reported USD 200 premium per ton — to blend with frost-affected domestic product. U.S. Black Bean prices from North Dakota were referenced at USD 925 FOB. For Dark Red and Light Red Kidney, U.S. pre-harvest prices were cited at USD 1,300–1,400 FOB, currently trading at USD 1,400–1,500 and reaching USD 2,000 CFR in Colombia. On Alubia, Egyptian competition has pressured prices to USD 1,000–1,100 CFR, down from USD 2,000 in 2024 — a market dynamic Iván Martín described as unprecedented in recent years. Bolivia and Ecuador were also cited as growing competitive threats in Kidney Bean markets, where lower-cost product is displacing both Argentine and U.S. origins in destinations such as Colombia.


Allmar

ArgenCrops — Specialty Legume Exporter, Salta City, Argentina

The afternoon brought the delegation to ArgenCrops, a specialty legume exporter whose commercial focus is concentrated on high-margin, export-grade varieties targeted at European food manufacturers and importers. The company handles an extensive variety portfolio — including Alubia, Black Beans, Cranberry, Colorado (Light Red Kidney), Canela, lentils, and chickpeas — operating with a quality-first orientation at the premium end of the Argentine export market. The delegation was received by Silvia Said, Production Manager, who guided the group through the processing facility, followed by a commercial meeting with Silvia and Rita, the company's General Manager. ArgenCrops operates exclusively as an originator, with no owned production land; 100% of its grain volume is sourced through long-term agreements with trusted producers and direct field purchasing.

At the time of the visit, harvest operations across the region were effectively stalled. Company contacts reported grain moisture levels of 20–21% in the field, making mechanical harvesting inefficient and exposing product to further quality risk. Rita noted that unlike the two prior seasons — in which late-planted crops lost approximately 50% of area to frost damage — the 2026 season had been largely spared from frost, with only minor early-season events causing no significant crop loss. However, an extended period of excess rainfall and humidity of one to two weeks had prevented natural field drying, creating a logistical challenge that Rita described as unfamiliar territory, given that Argentina's historically dry winters had never required the use of artificial grain dryers. Incoming grain quality assessment is conducted lot by lot upon truck arrival, measuring wrinkled, stained, dented, broken, and foreign matter defects; a sample lot reviewed during the visit showed a total defect rate of 17.7%, negotiated down to an effective shrinkage of approximately 6.5–7% for commercial purposes.

ArgenCrops processing infrastructure includes color sorters, customer-brand packaging lines, a camera inspection circuit, and an in-house glyphosate testing machine — an investment the company made in response to increasingly stringent European pesticide residue controls, which company contacts described as having required significant laboratory testing expenditure in the prior season. The plant processes 27 metric tons per 8-hour shift, operating double shifts during peak season, with approximately 3,000 tons pending loading at the time of the visit. The company holds FSSC 22000 certification, one of only three certified facilities in Argentina, and conducts finished product analysis every hour and reject analysis every three hours, targeting zero quality claims. The facility is fully customs-bonded, enabling on-site container consolidation, fumigation, and conditioning.

The commercial discussion with Rita provided important market intelligence on European demand dynamics and regulatory barriers affecting Black Bean trade. With no dry inventory available and price direction uncertain, the company had suspended Black Bean offers to European buyers at the time of the visit — a posture reflecting broader supply uncertainty across the region. Rita noted that Brazilian processors had been purchasing Argentine Black Beans aggressively, paying cash and operating outside the timeline constraints of European buyers, while Brazilian Black Bean product itself faces increasing rejection in European markets due to pesticide residue levels, particularly glyphosate, exceeding EU maximum residue limits. This dynamic, Rita suggested, represents a structural opening for Argentine and U.S. product in European markets. On the demand side, Rita described European buyers as actively seeking Black Bean supply given the simultaneous tightening from both Argentine and Brazilian origins, while parallel purchasing by Algeria, Egypt, and Turkey had driven significant upward pressure on white bean prices as well. U.S. Black Bean planted area was referenced by delegation members as having declined 25–30% across all states, further compressing global available supply. Following the ArgenCrops visit, the delegation prepared for their early 5:30 AM departure the following morning.

Thursday, June 18, 2026 – Travel Day

The delegation departed the Sheraton Salta at 5:30 AM for an early transfer to Martín Miguel de Güemes International Airport (SLA). All four participants traveled together on AR 1489, departing Salta at 8:05 AM and arriving at Buenos Aires Jorge Newbery Airport (AEP) at 10:10 AM. After a connection in Buenos Aires, the group boarded LA 8033, departing Jorge Newbery at 12:55 PM for São Paulo Guarulhos (GRU), arriving at Terminal 3 at 3:35 PM. The final leg to Brazil was completed aboard LA 4550, departing São Paulo Guarulhos Terminal 2 at 5:30 PM and arriving at Curitiba Afonso Pena International Airport (CWB) at 6:30 PM. The delegation checked in at the Radisson Hotel Curitiba.

Friday, June 19, 2026

Cebal Agro — Bean Trader & Processor, Paraná, Brazil

The Brazil leg of the Harvest Tour opened with a morning meeting at Cebal Agro, a family-owned bean trading and processing company operating in Paraná with a focus on the export channel for Brazilian Black Beans. The delegation was received by Leandro, owner and primary representative of the operation, who described the company as a family enterprise dedicated exclusively to trading — purchasing from producers, processing, and commercializing both domestically and internationally — with no owned production land. Cebal Agro transitioned out of domestic retail packaging in 2010–2012 to focus on export, which currently represents approximately 70% of its commercial activity, with offices and purchasing presence in Mato Grosso and Goiás in addition to its main Paraná facility.

Leandro provided the broadest picture of the 2026 Brazilian Black Bean supply situation encountered during the tour. He explained that Paraná accounts for approximately 90% of Brazil's Black Bean production, with the remaining 10% concentrated in Minas Gerais. Historical yields in Paraná under rainfed conditions range from 3,000 to 3,200 kg/ha, rising to 3,500–4,000 kg/ha under pivot irrigation. The first crop of the 2026 season, however, underperformed significantly — yields of only 1,500–2,000 kg/ha were reported due to abnormally cold temperatures during the growing period that prevented adequate plant development. The second crop, harvested at approximately 99% completion at the time of the visit, was additionally impacted by the May frost event. Leandro estimated total 2026 Black Bean production at a maximum of 400,000–420,000 metric tons — roughly half of the approximately 800,000 metric tons produced in 2025 — against Brazil's annual domestic consumption of 500,000–550,000 metric tons, implying a structural supply deficit for the current season.

The commercial implications of this supply contraction were already evident at the time of the visit. Cebal Agro had fully liquidated its remaining 2025 carryover inventory — approximately 4,000 metric tons — into the domestic market in May, attracted by rapidly rising internal prices. Black Bean producer prices, which had ranged between USD 30–40 per sack (60 kg) earlier in the year, surged to USD 45 per sack by May, with wholesale prices reaching USD 730 per metric ton before easing slightly to USD 680 in June amid supermarket resistance, though Leandro anticipated prices consolidating back toward USD 730–750 in the near term. With no remaining stock and domestic demand absorbing all available product, Cebal had suspended its export activity and was actively exploring import options to fill the gap — a complete reversal of its commercial position from twelve months earlier, when Brazil had competed aggressively against Argentina in export markets including Central America and Mexico.

Cebal closed the discussion with a reference that Leandro indicated was widely shared among Brazilian industry players: in 2016, during the last comparable supply crisis tied to El Niño-related disruption, Brazil imported directly from the United States to cover its domestic deficit. Leandro indicated that the largest urban packagers — companies requiring consistent Grade 1 product — would likely need to import between 50,000 and 70,000 metric tons in the coming months, with Argentina as the primary candidate origin if quality conditions permitted. He also noted that fear of a strong El Niño forecast was already discouraging some Paraná producers from committing to the next Black Bean planting cycle — with the September sowing window approaching, several Brazilian producers had already told him they were considering not planting at all — adding further uncertainty to the 2027 supply outlook. That historical precedent, he noted, remained very much in play.

Farmers' Cooperative Frisia — Paraná, Brazil

The midday visit brought the delegation to Cooperativa Frisia, a farmer-owned cooperative with membership spread across Paraná and Tocantins, managing approximately 190,000 productive hectares and specializing in integrated grain production and technical assistance to member farms. The delegation was received by Richard Struiving, Agronomist with the cooperative's Technical Assistance division since 2019, and Hélio Antônio Wood Joris, Researcher with Fundação ABC — the cooperative's applied research arm — focused on variety development and evaluation across soybeans, maize, cereals, and beans. Frisia operates two bean cleaning and processing facilities in Carambeí and Tibagi, approximately 50 kilometers apart, though bean storage infrastructure is limited; between 80% and 90% of member production is sold directly from the field, with buyers loading grain onto trucks at harvest without the product passing through cooperative facilities.

Frisia provided useful structural context on the composition of Paraná's second-crop plantings: Black Beans represent approximately 31% of total bean area cultivated by cooperative members, with Carioca accounting for the remaining 69%. The dominant Black Bean variety among members is Uirapuru, which represents approximately 97% of Black Bean plantings due to its agronomic stability and suitability for mechanical harvesting; emerging alternatives include FPRA, an Embrapa-developed material, and IPR Tapicuru, a newer variety showing yield potential of up to 4,000 kg/ha under favorable conditions. Cooperative members consistently achieve yields approximately 30% above the Paraná state average, which Richard Struiving attributed to the cooperative's structured technical assistance framework. On disease pressure, Richard Struiving identified Sclerotinia, anthracnose, Fusarium, and bacterial pathogens as the primary concerns, alongside whitefly, which generated significant crop uncertainty in the prior season and contributed to reduced planting decisions in the current cycle.

Frisia's assessment of the May frost impact was more measured than that of other Brazilian companies visited during the tour. Richard Struiving noted that the majority of member Black Bean crops had reached near-full maturity by the time the frost event occurred on May 10–11, limiting area losses to an estimated 5–10% of total Black Bean plantings. Hélio Joris offered a cautious perspective on the broader supply implications, suggesting that a supply deficit severe enough to drive Brazilian imports would require extremely favorable exchange rate conditions to make imported product economically viable for domestic industry — a threshold he did not consider imminent based on current market dynamics, though he acknowledged the tightening supply context.

In a candid exchange, Richard Struiving and Hélio Joris noted a medium-term structural concern shared by delegation members: per capita bean consumption in Brazil has been declining steadily as younger generations shift toward convenience foods and reduce time spent cooking. Both acknowledged this as a long-term demand risk, particularly for Black Beans, which carry strong cultural associations — notably the traditional feijoada — that may not translate to younger consumer cohorts. Lisa White noted that recent U.S. policy changes restricting the use of food assistance benefits for ultra-processed foods may provide a relevant model for stimulating renewed demand for basic unprocessed foods such as dry beans, highlighting their nutritional profile and fiber content as a potential platform for consumer demand promotion initiatives.

Pontarollo — Large-Scale Bean Processor, Ponta Grossa/Castro, Paraná, Brazil

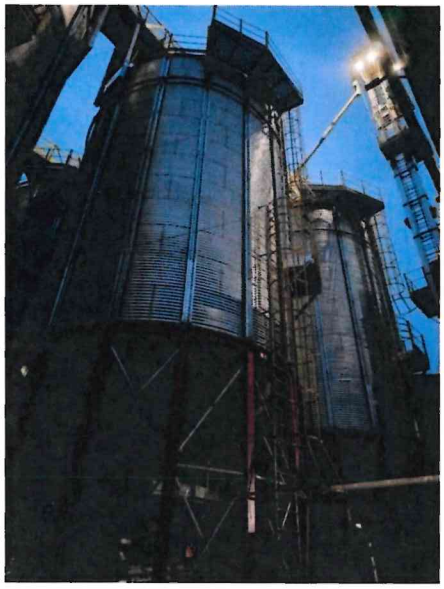
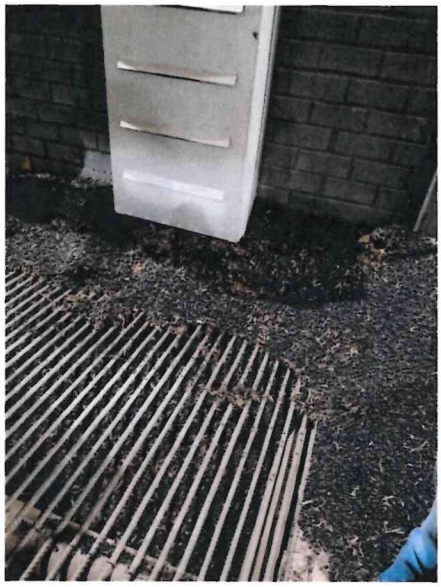
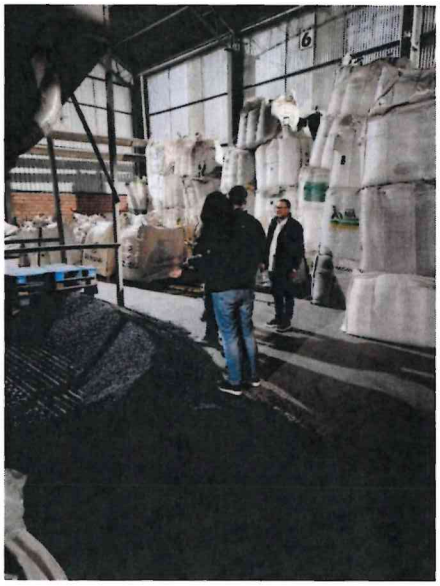
The final company visit of the tour was to Pontarollo, described by company management as one of the largest Black Bean processors in Brazil, handling approximately 60,000 metric tons of dry beans annually — equivalent to one million 60-kg sacks — with Black Beans accounting for roughly 80% of that volume. The delegation was received by Laurival Pontarollo, the company's founder and president, accompanied by his son Jonathan, who handles administration and sales, and a second son responsible for production and operations. The company sources from approximately 300 registered producers and occasional spot sellers, at times providing advance financing to producers for planting costs. Processing is split between two facilities: a primary processing plant in Ponta Grossa and a dedicated storage unit three times larger in Castro, approximately 40 kilometers away, with logistics supported by a fleet of 27 company-owned trucks.

The visit included a full tour of the Ponta Grossa processing facility, which operates up to 20,000 sacks (60 kg each) per day across both units during peak harvest. Incoming grain passes through four to seven cleaning and classification stages depending on initial quality — including pre-cleaning, static batch dryers operating on gas or biomass, brushing machines for grain polish, gravity density tables, and electronic optical color sorters — before being packed for domestic or export channels. Artificial drying is essential under current conditions: raw grain arriving at the facility was carrying approximately 20% moisture, requiring batch drying cycles of more than ten hours per load to reach the 14–15% moisture standard required for export. The company packs under its own brands — Pontarollo and Caro Chefe — and provides contract processing services for major Brazilian retail brands including Camil and Urbano, dispatching between 10,000 and 20,000 retail packs per run. Domestic market packaging reaches approximately 3 million kilograms per month, while export channels cover Cuba, Venezuela, Costa Rica, Mexico, and Guatemala for Black Beans, and New York — through traders — for Dark Red Kidney, which the company exports exclusively to the U.S. market in 10-unit retail packs.

Pontarollo's inventory position provided additional context on the supply dynamics reported across the Brazil leg. The company entered the current season with substantial carryover from the January first-crop harvest — more than 200,000 sacks (60 kg each) held in storage — which Laurival Pontarollo indicated was sufficient to cover processing requirements through the end of December 2026 without depending on new-crop supply. The recently harvested May–June second crop arrived in poor condition, with high moisture, low uniformity, and significant out-of-type grain, which Laurival Pontarollo described as the worst quality situation seen in approximately three years. Domestic Black Bean procurement prices had risen from historical lows of around BRL 220 per sack to an anticipated BRL 270 as inventory is drawn down over the coming months, with the company having deliberately accumulated stock during the low-price window and now preparing to pause purchasing ahead of anticipated price increases.

One of the most strategically relevant pieces of intelligence from the Pontarollo visit concerned the company's decision, taken approximately five years prior, to discontinue purchasing Argentine Black Beans. Laurival Pontarollo cited a consistent pattern of quality deterioration when Argentine export prices declined — receiving good product when prices were high and inferior product when market conditions softened — as the basis for a loss of commercial trust that has not been rebuilt. At current Argentine FOB reference prices of approximately USD 750 per metric ton — equivalent to roughly BRL 243–250 per sack delivered in Brazil including freight — imported Argentine product was also considered commercially uncompetitive relative to domestic supply. Laurival Pontarollo acknowledged, however, that consistently certified, traceable Grade 1 product could represent a differentiated sourcing option should commercial and logistical conditions align.



Saturday, June 20, 2026 – Return Day

The delegation departed Curitiba on the morning of June 20. Lesa White and Jose Barrios traveled via Lima, with Lesa continuing to Denver and Jose returning to Bogotá. Antonio Campoverde also connected through Lima before returning to Quito, Ecuador. Chad Bauer traveled via São Paulo Guarulhos and Dallas/Fort Worth, returning to Detroit. All participants arrived at their home destinations on June 20–21, 2026.

Conclusions

The 2026 Argentina/Brazil Harvest Tour documented a convergence of supply-side pressures across both major Southern Hemisphere Black Bean producing countries that, taken together, represent one of the most significant shifts in the global Black Bean supply landscape in recent years. The findings below reflect direct field observations and company-level intelligence gathered across nine visits and are presented in order of strategic relevance for U.S. producers and exporters.

The single most consequential finding of the tour is that both Argentina and Brazil simultaneously reduced Black Bean planted area heading into the 2026 season — and for the same underlying reasons. Across every Argentine company visited, the message was consistent: low Black Bean prices in 2025, combined with the relative attractiveness of soybean and maize returns, drove producers to rotate away from Black Beans in meaningful proportions. Alimar S.A. and ArgenCrops both estimated area reductions of 30–35% in the northern Salta region. In Brazil, Cebal Agro and Cooperativa Frisia confirmed a comparable dynamic in Paraná, where the same price environment discouraged second-crop Black Bean commitments. This simultaneous contraction across the two dominant Southern Hemisphere origins — consistently reported across all company visits and corroborated by field observations during the tour — carries significant implications for available export supply in the second half of 2026 and into 2027.

Compounding the area reduction, both countries experienced adverse climatic conditions that further eroded production quality and volume. In Argentina, an extended drought between January 10 and March 2 — approximately 50 consecutive days — caused widespread flowering abortion and plant mortality during the critical pod-fill stage across northern Salta, followed by atypical June rainfall that delayed harvest operations by approximately two to three weeks relative to the normal calendar and elevated grain moisture to 20–21% across the region. Quality deterioration from Sclerotinia infection and moisture damage was reported across the Argentine companies visited during the tour. In Brazil, a May 10–11 frost event struck at the tail end of the second crop cycle, compounding what was already a below-average first crop season due to abnormally cold growing temperatures. Cebal Agro estimated total 2026 Brazilian Black Bean production at a maximum of 400,000–420,000 metric tons — roughly half of the 800,000 metric tons produced in 2025 — against annual domestic consumption of 500,000–550,000 metric tons, a gap that, according to Cebal Agro, may require Brazil to seek imported supply before the end of the current marketing year.

Multiple Brazilian companies visited during the tour — including Cebal Agro, Cooperativa Frisia, and Pontarollo — independently indicated that Brazil's domestic supply situation may not be sufficient to cover national consumption through the remainder of 2026. Cebal Agro's Leandro estimated that the country's largest urban packagers would likely need to import between 50,000 and 70,000 metric tons in the coming months. Leandro of Cebal Agro cited the 2016 El Niño-driven supply crisis as the last comparable episode, during which Brazil imported Black Beans directly from the United States to cover its domestic deficit — a precedent that, in his view, remains relevant to the current market environment. Meanwhile, Alimar S.A. reported that Brazilian processors had been purchasing Argentine Black Beans aggressively prior to the tour — paying a reported USD 200 premium per metric ton for unprocessed field grain — a dynamic that Alimar S.A. identified as a primary driver behind the appreciation of Argentine FOB prices from approximately USD 450 per metric ton in January 2026 to USD 650–750 by June.

One of the most relevant commercial intelligence findings of the tour concerns the shifting value equation between Argentine and U.S. Black Bean supply. Argentine Black Bean FOB prices appreciated significantly over the first half of 2026 — rising from approximately USD 450 per metric ton in January to USD 650–750 by June, according to Alimar S.A. — narrowing the historical price gap with U.S. Black Beans from North Dakota, referenced at approximately USD 925 FOB. While U.S. product remains priced approximately USD 175–275 per metric ton above current Argentine levels, quality conditions observed across the five companies visited in the northern Salta region suggest a challenging season: representatives of Desde El Sur, Salvita, Gustavo García, Alimar S.A., and ArgenCrops consistently reported elevated moisture levels, Sclerotinia infection, and color deficiency across their operations — conditions that, according to these companies, were broadly shared across the northern Salta production zone during the 2026 season.

Alimar S.A. and ArgenCrops independently noted that Brazilian Black Bean product faces increasing rejection in European markets due to pesticide residue levels — particularly glyphosate — exceeding EU maximum residue limits. Both companies suggested that this regulatory dynamic represents a structural advantage for Argentine and U.S. product in European market channels, at least under current regulatory frameworks.