

Required Report: Required - Public Distribution

Date: December 01,2020

Report Number: CI2020-0024

Report Name: Avocado Annual

Country: Chile

Post: Santiago

Report Category: Avocado

Prepared By: Sergio Gonzalez

Approved By: Marcela Rondon

Report Highlights:

While there are many avocado varieties planted in Chile, mainly destined for the domestic market, Hass avocado planted area reached nearly 90 percent of the total 30,143 hectares (ha). Chileans consume around 30 percent of the domestic avocado production. Post estimates production will total 220,000 MT and avocado exports will reach 145,000 MT, assuming planted area and productivity remain unchanged.

Production

Chilean avocado planted area totaled 30,143 hectares (ha) in calendar year (CY) 2020 (See Graph 1). Planted area has been remain steady since CY2015, thus Post expects planting area to remain around 30,000 ha in CY2021. Post estimates production in CY2021 will total 220,000 MT assuming planted area and productivity remain unchanged.

The region of Valparaiso is the top avocado production region with 20,318 hectares (ha) which represents 67.4 percent of total avocado planted area. Metropolitana and Coquimbo regions hold 14 percent and 13.2 percent of the avocado planted area respectively (See Table 1).

According to CY2020 data from the Chilean Ministry of Agriculture`s Office of Studies and Policy (ODEPA), the top avocado varieties planted in the Valparaiso region is the Hass variety, with 16,690 ha, followed by the *Edranol* variety with 996 ha, *Negra de la Cruz* with 207 ha, and *Fuerte* with 199 ha. Likewise, in the Metropolitana region there are 3,314 ha of Hass avocado variety in CY2020, and 3,571 ha of Hass in Coquimbo region in CY2018 (last available data point).

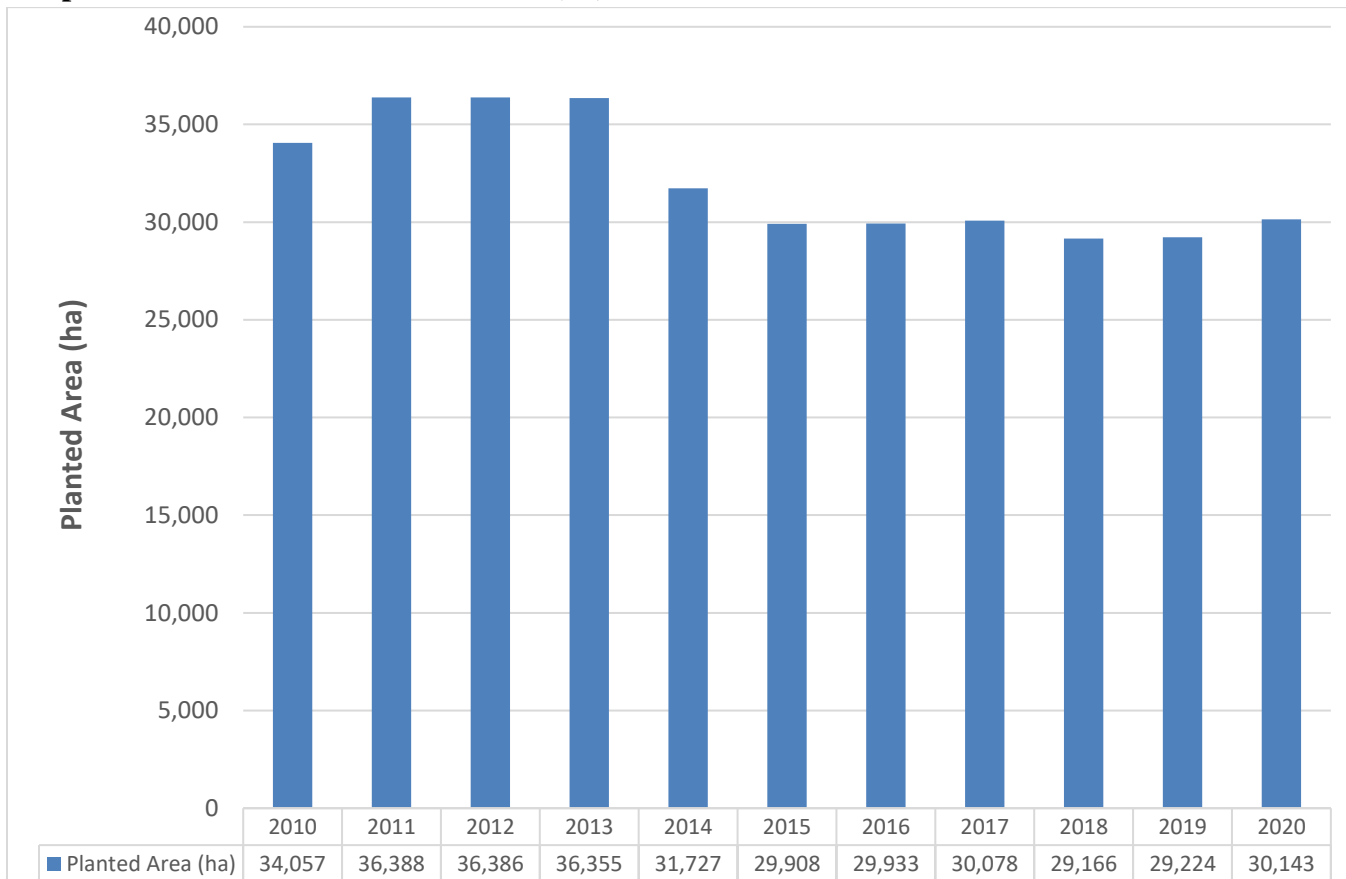
Avocado planted area in the Valparaiso region grew 6.8 percent between CY2017 and CY2020 while in the Metropolitana region, avocado planted area decreased by 5.8 percent during the same period, and in the Coquimbo region, avocado planted area decreased by 20.7 percent between 2015 and 2018 (last available data).

Table 1: Avocado Planted Area by Region (ha)

Regions	Planted Area (ha)	Share (%)
Valparaíso	20,318	67.4%
Metropolitana	4,229	14.0%
Coquimbo	3,983	13.2%
O'Higgins	1,355	4.5%
Others	257	0.9%
Total	30,143	100.0%

Source: Based in ODEPA

Graph 1. Chile: Avocado Planted Area (ha)



Source: Based in data from ODEPA.

Consumption

Chileans consume around 30 percent of avocado production, which amounts to around 65,000 MT per year. Additionally, Chile imports avocados from Peru, Mexico, and the United States in May and June, when local supplies are low. Nearly all avocados in Chile are consumed fresh, however, there is a small quantity destined for the agri-food industry.

Policy

On August 4, 2020, Chile’s Minister of Agriculture, Antonio Walker, [announced](#) that Australia granted market access for Chilean avocados. Currently, only New Zealand and Chile have market access to export avocados to Australia. According to Trade Data Monitor (TDM) data, Australia imports 15,000 MT annually of avocados and solely from New Zealand. According to data from ODEPA, Chile exported 250 MT of avocados to Australia between August and October 2020.

On September 23, 2020, Minister Walker [announced](#) that Chilean avocados gained market access to the South Korean market. The first shipment of Chilean avocados [arrived in November](#). The Chilean Fruit Exporters Association (ASOEX) celebrated the news as Chile continues to work on diversifying Chilean fruits export destinations.

Trade

In CY2019, Chilean avocado exports increased by 9.1 percent in volume over CY2018 totaling 144,620 MT (See Table 2) and \$301 million (See Table 3).

In CY2020 (January to September data), Chilean avocado exports have increased by 46.1 percent in volume and 43.3 percent in value. Chile's main export market for avocados is the Netherlands, followed by Argentina, and the United Kingdom (UK).

Table 2. Chile: Avocado Exports to the World (Volume in MT)						
Commodity: 080440, Avocados, Fresh or Dried						
Partner	Calendar Year			January-September		
	2018	2019	Variation (%)	2019	2020	Variation (%)
World	132,525	144,620	9.1%	73,474	39,585	-46.1%
Netherlands	55,341	64,649	16.8%	32,824	21,158	-35.5%
Argentina	11,786	14,461	22.7%	8,618	6,196	-28.1%
United Kingdom	12,386	21,049	69.9%	7,248	4,964	-31.5%
China	12,199	11,270	-7.6%	5,064	2,753	-45.6%
United States	25,780	14,697	-43.0%	10,696	794	-92.6%
Switzerland	1,140	1,155	1.3%	497	611	22.9%
Spain	5,574	9,456	69.6%	4,449	586	-86.8%
Belgium	1,452	1,257	-13.4%	589	571	-3.1%
Germany	1,465	2,199	50.1%	1,152	463	-59.8%
Costa Rica	2,510	1,190	-52.6%	902	410	-54.5%
Uruguay	599	590	-1.5%	328	345	5.2%
France	777	623	-19.8%	266	336	26.3%
Hong Kong	400	375	-6.3%	256	197	-23.0%
Brazil	391	554	41.7%	163	95	-41.7%
Others	725	1,095	51.0%	422	106	-74.9%

Source: Trade Data Monitor, LLC.

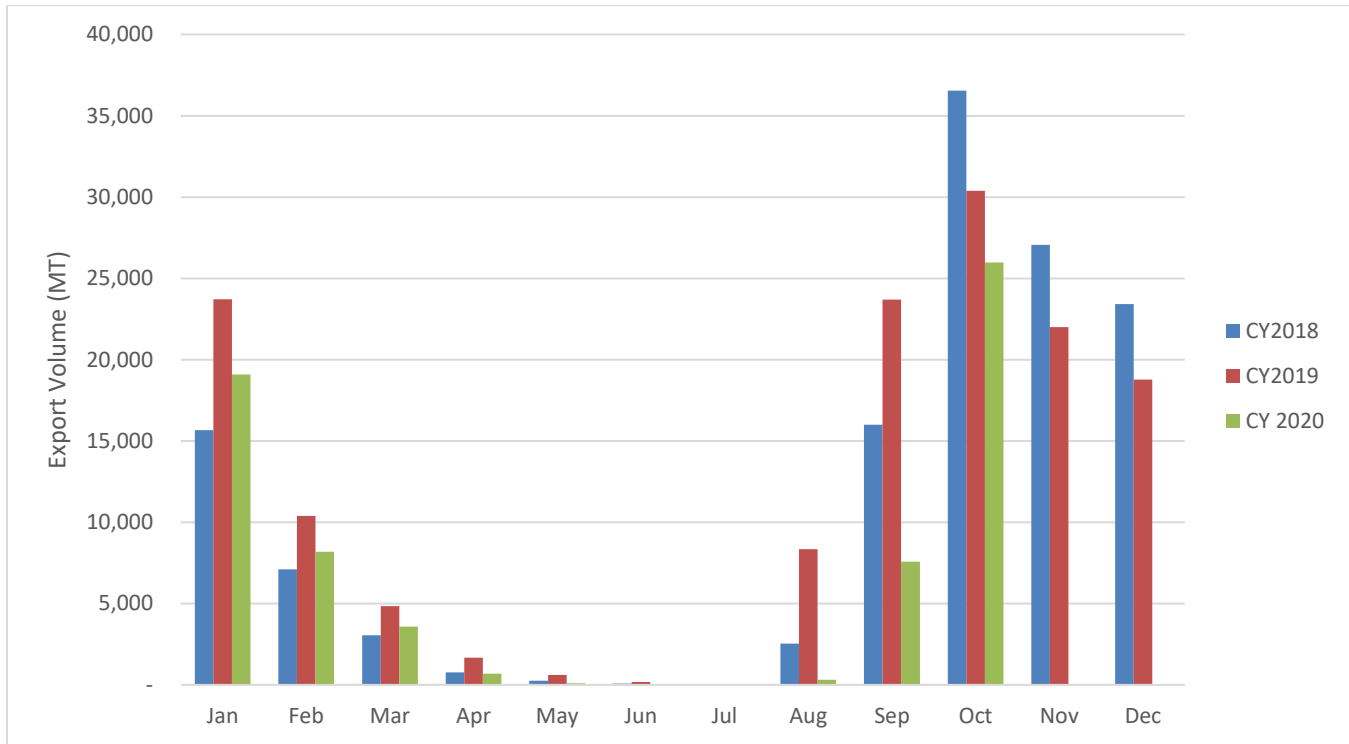
Table 3. Chile: Avocado Exports to the World (Value in \$)						
Commodity: 080440, Avocados, Fresh or Dried						
Partner	Calendar year			January-September		
	2018	2019	Variation (%)	2019	2020	Variation (%)
World	273,628,466	300,698,600	9.9%	150,730,350	85,509,754	-43.3%
Netherlands	99,462,929	112,795,920	13.4%	55,855,982	39,332,818	-29.6%
Argentina	26,572,020	27,851,012	4.8%	17,684,327	15,640,090	-11.6%
United Kingdom	29,233,855	54,653,782	87.0%	18,263,060	12,438,077	-31.9%
China	25,389,704	24,901,643	-1.9%	11,107,665	6,668,552	-40.0%
United States	57,791,476	37,372,626	-35.3%	26,788,778	1,985,262	-92.6%
Spain	11,606,052	21,300,290	83.5%	9,613,762	1,474,095	-84.7%
Switzerland	2,486,112	2,243,211	-9.8%	1,028,085	1,450,035	41.0%
Costa Rica	8,413,519	3,757,172	-55.3%	2,766,298	1,353,408	-51.1%
Belgium	2,578,110	2,792,288	8.3%	1,252,280	1,345,256	7.4%
Germany	3,111,725	4,754,585	52.8%	2,494,745	1,049,581	-57.9%
Uruguay	1,460,720	1,361,311	-6.8%	779,519	888,444	14.0%
France	1,598,532	1,516,961	-5.1%	636,426	793,282	24.6%
Hong Kong	1,102,645	1,078,463	-2.2%	753,167	629,862	-16.4%
Brazil	906,209	1,143,345	26.2%	355,344	253,442	-28.7%
Others	1,914,858	3,175,991	65.9%	1,350,912	207,550	-84.6%

Source: Trade Data Monitor, LLC.

Chilean avocado exports peak between October and December along the bulk of the harvest season. Avocado exports in September and October of 2020 have been lower than in the same period in 2019 (See Graph 2). However, Post expects shipments will catch up in November and December, thus Post estimates avocado exports volume will remain unchanged from the previous year at 145,000 MT.

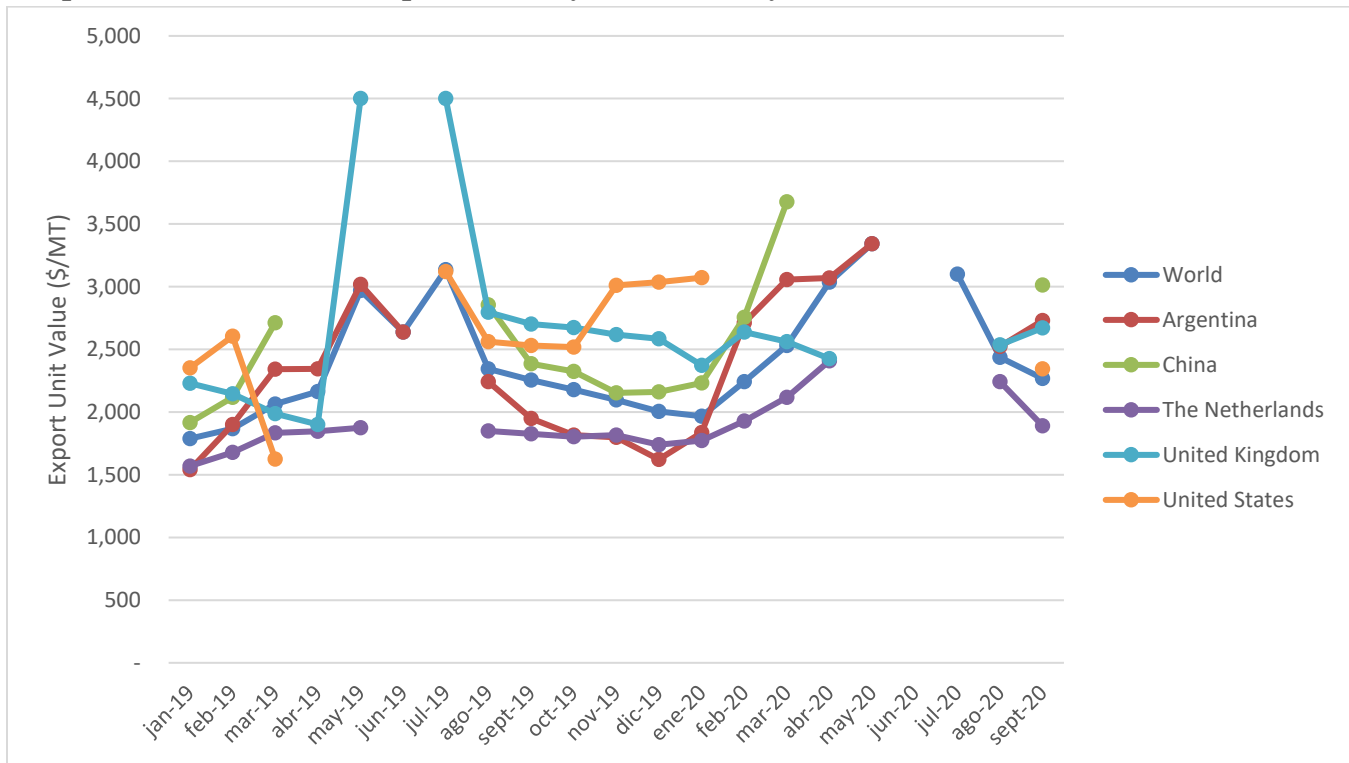
Graph 3 shows the average unit value (\$/MT) for Chilean avocados in the top export destinations and how it fluctuates throughout the year. The unit value increases when the supply decreases, which usually happens between May and June. In addition, the unit value fluctuates according to the destination market. The unit values in the UK are higher compared to the overall average unit value and are lower in the Netherlands.

Graph 2. Chile: Avocado Export Volume by Month (MT)



Source: Trade Data Monitor, LLC and ODEPA.

Graph 3. Chile: Avocado Export Monthly Unit Value by Month (\$/MT)



Source: Trade Data Monitor, LLC.

On the other hand, in CY2020 (January to September data), avocado imports increased by 87.5 percent in volume and 54.3 percent in value (See Table 4 and Table 5). The main supplier of avocados to Chile is neighboring country, Peru, with 99 percent market share.

Table 4. Chile: Avocado Imports from World (Volume in MT)						
Commodity: 080440, Avocados, Fresh or Dried						
Partner	Calendar Year			January-September		
	2018	2019	Variation (%)	2019	2020	Variation (%)
World	23,801	17,300	-27.3%	17,263	32,363	87.5%
Peru	19,736	15,654	-20.7%	15,636	31,948	104.3%
Mexico	3,786	1,595	-57.9%	1,595	221	-86.1%
Argentina	229	-	-100.0%	-	160	
Israel	-	29		10	12	20.0%
Chile	-	22		22	-	-100.0%
United States	50	-	-100.0%	-	-	-
Others	-	-	-	-	22	-

Source: Trade Data Monitor, LLC.

Table 5. Chile: Avocado Imports from World (Value in US\$)						
Commodity: 080440, Avocados, Fresh or Dried						
Partner	Calendar Year			January-September		
	2018	2019	Variation (%)	2019	2020	Variation (%)
World	41,104,778	28,127,022	-31.6%	27,496,856	42,418,140	54.3%
Peru	33,743,664	24,404,295	-27.7%	24,382,136	41,517,493	70.3%
Mexico	6,683,417	2,756,404	-58.8%	2,756,404	401,657	-85.4%
Israel	48,250	911,782	1789.7%	303,775	257,716	-15.2%
Argentina	497,631	-	-100.0%	-	206,418	-
Ecuador	-	-	-	-	34,816	-
United States	131,816	-	-100.0%	-	-	-
Others	-	-	-	54,541	40	-99.9%

Source: Trade Data Monitor, LLC.

Attachments:

No Attachments