

Voluntary Report – Voluntary - Public Distribution

Date: March 10, 2025

Report Number: CI2024-0024

Report Name: Beer and Ingredients Opportunities in Chile

Country: Chile

Post: Santiago

Report Category: Beverages, Product Brief

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Report Highlights:

Beer is the most consumed alcoholic beverage in Chile and represents 77 percent of total sales of alcohol beverages by volume. Per capita consumption of beer has grown rapidly in the past 20 years Chile reaching 59 liters in 2022. The United States is the top beer supplier to Chile. Today, Chilean consumers are willing to spend more for higher quality beer. This has led to a large increase in the sales of craft and imported beers in the past five years. There is an opportunity to expand U.S. high-quality beer sales, as consumption is expected to grow. The United States is top supplier of hops to Chile with 78.2 percent market share of imports. There are also opportunities to expand hop exports due to the rising number of local craft breweries looking for premium inputs.

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1. Key Findings

In Chile, beer consumption has grown rapidly over the past 20 years, reaching 59 liters per capita in 2022. Beer is the most consumed alcoholic beverage in Chile by volume and represents 77 percent of total alcohol sales. The Santiago *Metropolitana* region is where most beer is sold in Chile, followed by the *Biobío* and *Valparaíso* regions.

Light lagers are the preferred type of beer among Chilean consumers. The three most consumed brands of beer in Chile are *Cristal*, *Escudo*, and *Becker*. The Chilean beer market is led by *Compañía de las Cervecerías Unidas (CCU)* and *Anheuser-Busch InBev SA (Ab InBev)* who have market shares of 65 percent and 30 percent respectively. *Viña Concha y Toro* is the third largest player in the industry and has a market share of around five percent.

Two developments are taking place in the Chilean beer market: increasing consumption of non-alcoholic beer (beer with zero percent alcohol) and increasing consumption of premium beer. Today, consumers are willing to pay a higher price for a high-quality beer, which has led to a large increase in the sales of craft and imported beers in the past five years.

Chile is the third top importer of U.S. beer in the world. There are no trade barriers for U.S. companies in the Chilean market and, with the U.S. - Chile Free Trade Agreement, U.S. beer faces zero tariffs. The two major suppliers of beer to Chile are the United States and Brazil.

In 2023, the top Chilean beer importer was *Viña Concha y Toro* – with \$30.7 million in beer imports in 2022. *AB InBev* was the second largest importer of beer with \$23.0 million in imports in 2022. Historically, *AB InBev* was the top Chilean importer of beer, however, they recently constructed a beer production plant which allows them to produce previously imported beer brands in Chile, thus reducing the volume of imports.

Liquor stores are the primary sales channels for beer sales in Chile. Around 60 percent of beer sales occur in liquor stores, while a further 30-35 percent of beer is sold in supermarkets, and 5-10 percent is sold in restaurants, pubs, and clubs.

The United States is top supplier of hops to Chile with 78.2 percent of hop imports. The United States has not established a presence in Chile's import market for malt. Currently, Chile mostly imports malt from Argentina.

2. The Beer Market in Chile

2.1. Chilean Economy

According to the World Bank, Chile is considered a high-income economy. In 2022, Chile's GDP per capita reached \$30,208 purchasing power parity (PPP), amongst the highest in the Americas along with the United States, Canada, and Panama. Chile continues to perform well on indices related to ease of conducting business. The country ranks 59 out of 190 economies worldwide, and first in South America, with regards to ease of trading across borders. In 2023, GDP grew 0.2 percent, and is expected to grow between 1.25 and 2.25 percent in 2024.

Table 1: Quick Facts About Chile

Population: 19.6 million	Annual Inflation rate: 3.9 percent (Dec 2023)	U.S. agricultural and related exports to Chile in 2023: \$1.1 billion
GDP 2024: \$340 Billion GDP growth: 0.2 percent in 2023 and 1.25-2.25 percent in 2024.	Major agricultural and related exports: Salmon, fresh fruit, , forestry products, and wine.	U.S. market share of agricultural and related products by value in 2023: 11 percent
GDP per capita: \$30,208 PPP in 2022	Major agricultural and related production: Salmon, fresh fruit, forestry products, wine, wheat, corn, beef, pork, poultry, and dairy.	Chilean agricultural and related exports to the U.S. in 2023: \$6.5 billion

Source: Chilean Statistics Institute, Chilean Central Bank, World Bank, and Trade Data Monitor LLC.

2.2 The Chilean Beer Market

According to Post sources, the latest data available from 2022 shows total Chilean alcoholic drink sales reached \$8.947 billion (Table 2). The market is led by wine sales, which are valued at \$3.83 billion. However, the beer and spirits industry also generate a significant proportion of overall sales with \$2.78 billion and \$1.84 billion respectively, followed by cider with \$0.49 billion. Sales revenue from alcoholic beverages is forecasted to continue growing at a rate of 12.97 percent until 2025.

The beer market in Chile is composed of 85 percent local production and 15 percent imports. It has grown strongly over the past two decades. Consumers are demanding more beer. The Association of Beer Producers in Chile (*ACECHI*) reported that beer consumption in Chile displayed its largest annual growth ever in 2021, reaching 65.6 liters per capita. Total 2021 consumption was 1.27 billion liters due to rapid growth in the Chilean economy after the Covid-19 pandemic. In 2022, as economic growth slowed, beer production volume dropped accordingly, and per capita consumption totaled 59 liters. Sales revenue in the beer industry is forecasted to grow at a rate of 13.4 percent until 2025.

Table 2: Quick Facts About the Chilean Beer Market

Total alcoholic drinks sales in 2022: \$8.95 billion	Beer sales revenue annual growth forecast: 13.4 percent until 2025	Beer import value: \$71 million per year
Wine sales in 2022: \$3.83 billion	Beer per capita consumption: 59 liters in 2022	Chile is the third largest market for U.S. beer exports. The United States provides 51 percent of Chilean beer imports
Beer sales in 2022: \$2.78 billion Beer sales in 2023: \$2.86 billion	Share of beer consumption over total alcoholic beverages (volume): 77 percent	
Spirits sales in 2022: \$1.84 billion	Total beer consumption in Chile: 1.27 billion liters per year	Top beer suppliers to Chile: United States, Brazil, Spain, Germany, and Belgium.

Source: Euromonitor and Post Estimates

The Chilean beer market is led by two companies: *CCU* and *AB In-Bev*. *CCU* has a market share of 65 percent, while *AB In-Bev* has a market share of 30 percent. The companies exhibit two largely distinct portfolios. *AB In-Bev* is the largest producer of beer globally and, as a result, its portfolio includes imported beer from the United States, Europe, and Mexico.

CCU has a portfolio consisting of brand ownership and representation/licensing agreements. For example, it has licensing agreements to produce and distribute the brands *Blue Moon*, *Miller*, *Coors*, and *Sol* in Chile. Agreements to import and distribute well-known beer brands became increasingly popular in recent years, especially among large wineries such as *Viña Concha y Toro* and *Santa Rita*, who do not produce beer but have large, effective distribution channels.

Viña Concha y Toro began to establish itself in the beer market through acquisitions of breweries. Conversely, the *Santa Rita* winery has opted to enter the beer market using distribution agreements with *Peroni* (Italy) and *Asahi Super Dry* (Japan). In 2013, distribution agreements only constituted one percent of *Santa Rita*'s turnover, now it constitutes over 15 percent. Similar agreements were replicated by *Embotelladora Andina* and *Capel*, who import and distribute *Carlsberg* and *Estrella Galicia* beer brands respectively.

2.3. Company Profiles

1. [CCU \(Compañía de las Cervecerías Unidas\)](#)

- Largest beer producer in Chile, holding 65 percent of the market.
- Third largest importer of beer in Chile.
- *CCU* owns 51 percent of Chilean-owned *Kunstmann* brewery. Since 2002, *Cervecería Kunstmann* and *CCU* have developed a strategic alliance that has allowed both companies to

cooperate in the areas where their strengths lie. In the case of *CCU*, its extensive distribution network, and in the case of *Kunstmann*, its craft brewery experience. For this reason, *CCU* often channels their acquisition of craft breweries through *Kunstmann* while utilizing their own distribution networks to sell the product.

- *CCU*'s brand portfolio includes both domestically produced and imported beers:
 - *Cristal*
 - *Escudo*
 - *Royal Guard*
 - *Stones*
 - *Morenita*
 - *Imperial*
 - *Dorada*
 - *Blue Moon*
 - *Coors*
 - *Heineken*
 - *Sol*
 - *Austral*
 - *Dolbek*
 - *Guayacan*
 - *Kuntsmann*
 - *Szot*

2. [AB InBev](#)

- Second largest beer manufacturer in Chile, holding 30 percent of the market.
- Top beer importer in Chile.
- *AB InBev* owns *Cervecerías Chile* which began operations in 1991.
- *AB InBev* is the largest beer producer worldwide.
- In November 2020, *AB InBev* signed a distribution contract with two Chilean beverage distribution companies: [Embotelladora Andina](#) and [Embonor](#). *AB InBev* uses the distribution networks of these two companies as opposed to direct distribution.
- The company invested almost \$180 million in an infrastructure project to expand their production facility in *Quilicura*, Chile. This project is expected to increase production capacity by 300 percent and to help the company reach its sustainability targets by shifting the business model from one that is centered in imports to one that is centered in production.
- Beer brands:
 - *Corona*
 - *Budweiser*
 - *Stella Artois*
 - *Becker*
 - *Beck's*

- *Baltica*
- *Pilsen del Sur*
- *Cusqueña*
- *KM 24.7*
- *Leffe*
- *Hoeggarden*
- *Michelob Ultra*

3. [Viña Concha y Toro](#)

- *Viña Concha y Toro* is the largest wine producer in Latin America.
- Second largest importer of beer in Chile.
- In 2011, the company acquired 40 percent of the *Southern Brewing Companies*, the producer of *Kross* beer. In 2017, the company increased its participation in the *Southern Brewing Company* to 77 percent.
- In 2021, *Concha y Toro*'s sales of beer increased by 43 percent in volume while their sales of wine decreased.
- The company currently distributes three beer brands:
 - *Damm*
 - *Kross*
 - *Miller*

2.4. Market Trends

The Chilean market adapts to foreign brands and Chilean consumers usually seek variety and new products. The consumption of different types of beer varies depends on the season. Local consumers prefer drinking stronger flavored type of beers (Indian Pale Ale, Stout, and Porter) on colder days and light beers on warmer days.

The primary consumers of beer in Chile are between the ages of 18 and 35 years old. The regions that consume the greatest volumes of alcohol are the *Metropolitana* Region, *Biobío*, and *Valparaíso* all of which house major cities. In the *Metropolitana* Region, *Central Santiago* registers the highest level of gross consumption, followed by *Las Condes*, *Nuñoa*, *Maipu*, and *Puente Alto*.

According to Post sources, light lagers are the preferred by 58 percent of Chilean beer drinkers. Amber and red ales are favored by 13 percent, Indian Pale Ale (IPA) by 11 percent, and stouts and porters by a further 5 percent.

The five most consumed beer brands in Chile are:

- Cristal (CCU) – 27 percent
- Escudo (CCU) - 22.2 percent
- Becker (AB InBev) - 11.8 percent
- Corona (AB InBev) - 5.7 percent

Heineken (AB InBev) - 5.5 percent

Non-alcoholic Beer: The sales of non-alcoholic beer in Chile increased by 127 percent in the five years preceding 2018, reaching \$192.8 million in 2022 (40.88 million liters). While growth has slowed slightly since then, the sector continues to grow, and its sales revenue is set to increase by another 100 percent between 2020 and 2025. A July 2020 press release by *CCU* talks of the growing impact that the nonalcoholic beer industry is having on the consumption habits of consumers and suggests that the principal factors driving the growth of the sector are likely to be health and safety related.

The millennial generation in Chile is becoming increasingly health-conscious, with four in ten millennials expressing a dislike for alcoholic beverages. Furthermore, the Chilean government passed a series of laws which increased the severity of penalties for drunk driving, which has brought the safety issues of consuming alcohol into the spotlight to a greater extent in recent years. In response, beer producers have launched numerous non-alcoholic offerings of popular brands.

Premium Beer: Chilean consumers are willing to spend a greater amount for a higher quality beer. This trend has favored the growth of the craft beer and imported beer sectors. *CCU* has led the charge in the acquisition of craft beer companies by purchasing at least one craft beer company in each of the past five years. The proportion of the company's sales attributed to premium beers has grown from 27 percent to 43 percent in the past two years alone.

The increase in consumption of premium products is not exclusive to the beer industry, it is a general trend happening in alcoholic beverage consumption. In 2021 *Viña Concha y Toro's* annual report, the company acknowledged that their 8.8 percent growth rate was in large part driven by the premium products in its portfolio. *Viña Concha y Toro* has also broadened their portfolio by incorporated beer.

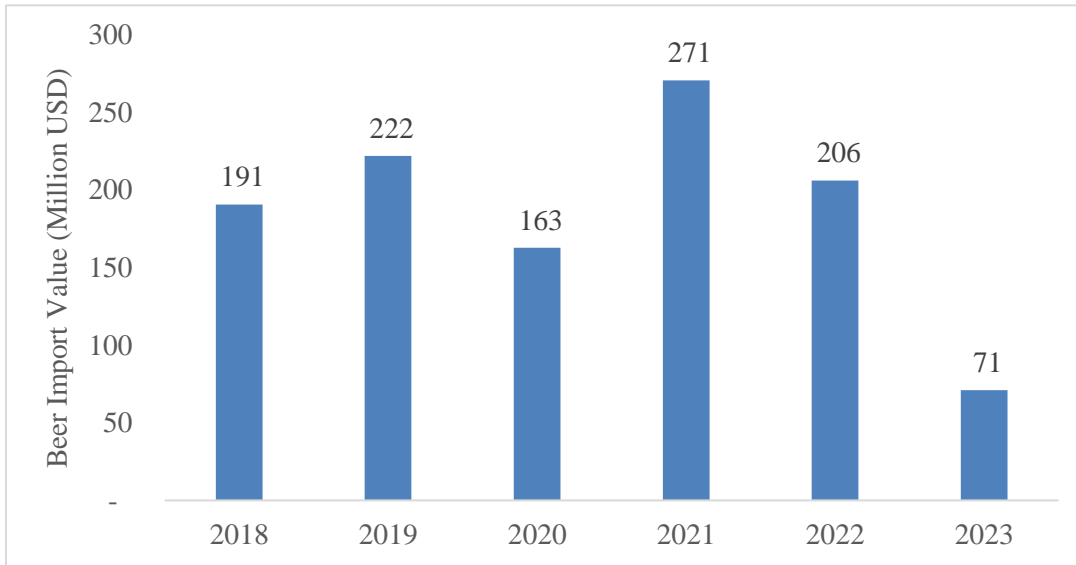
2.5. Beer Imports

In 2023, the United States exported \$36.3 million in beer to Chile. Chile is the third top market for U.S. beer exports globally, after Honduras and Canada. Chile is a significant importer of beer relative to the size of its population. In 2023, Chile imported a total of \$71 million worth of beer (Figure 1). Imports dropped significantly in 2023, because *AB InBev*, the top Chilean importer of beer until 2022, constructed a beer production plant which allows it to produce beer brands such as *Corona* and *Budweiser* in Chile, thus reducing the volume of imports.

The United States and Brazil are the top sources of Chile's beer imports and collectively hold 78 percent of the market. The United States currently accounts for 51 percent of import value, while Brazil accounts for 27 percent of imported beer value. The next most popular imported brands are Miller and Budweiser, which comprise 11 percent and six percent of imported beers respectively. Behind the United States and Brazil are Spain, Germany, and Belgium (Figure 2).

In 2023, the top Chilean beer importer was *Viña Concha y Toro* totaling \$30.7 million in beer imports in 2022 (Figure 3). *AB InBev* was the second largest importer of beer with \$23.0 million in imports in 2022. *CCU*, the top beer production company in Chile, was the third top importer with \$7.1 million worth of imports in 2023. Among the top importers, *Cencosud*, *Tottus*, and *Walmart Chile* are supermarkets that import beer directly. The other top importers specialize in premium beers and distribute to retail and restaurants.

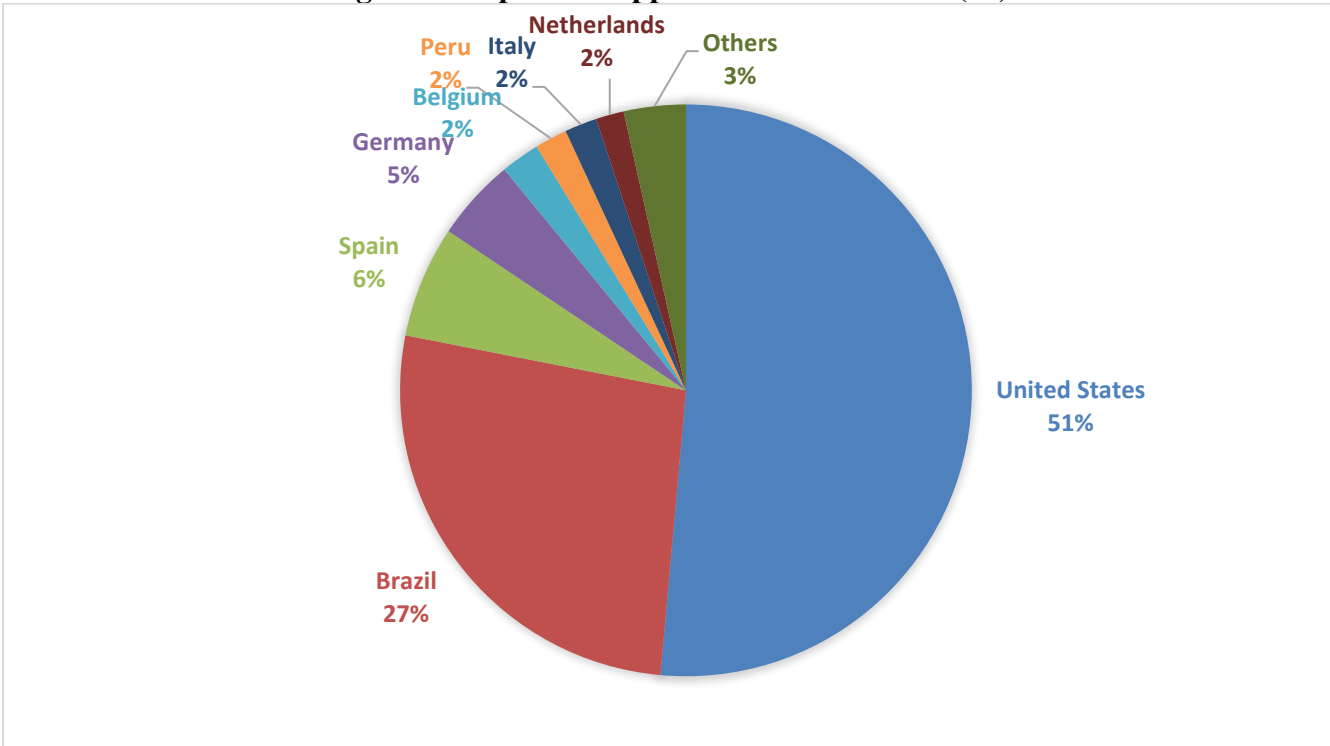
Figure 1: Chilean Beer Annual Imports (Million USD)



Source: Trade Data Monitor, LLC.

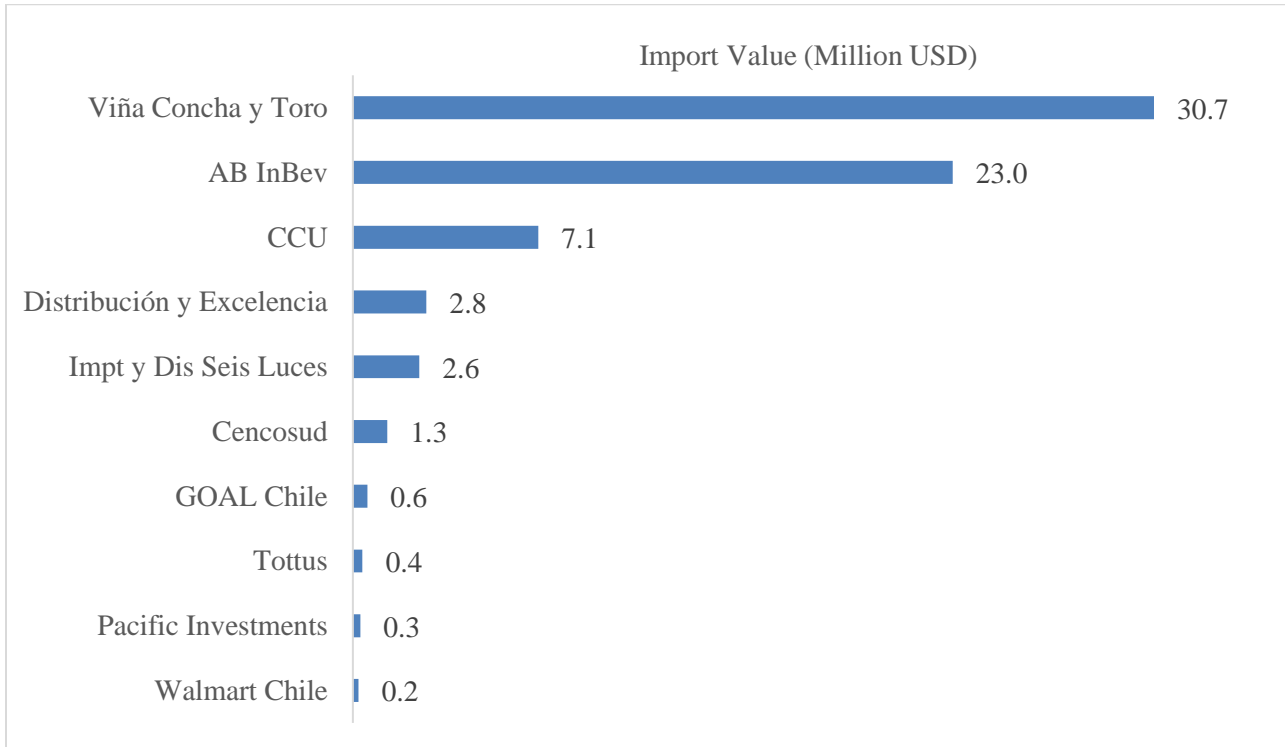
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Figure 2: Top Beer Suppliers to Chile in 2023 (%)



Source: Trade Data Monitor, LLC.

Figure 3: Top Ten Beer Importers in Chile by Value in 2023 (Million USD)



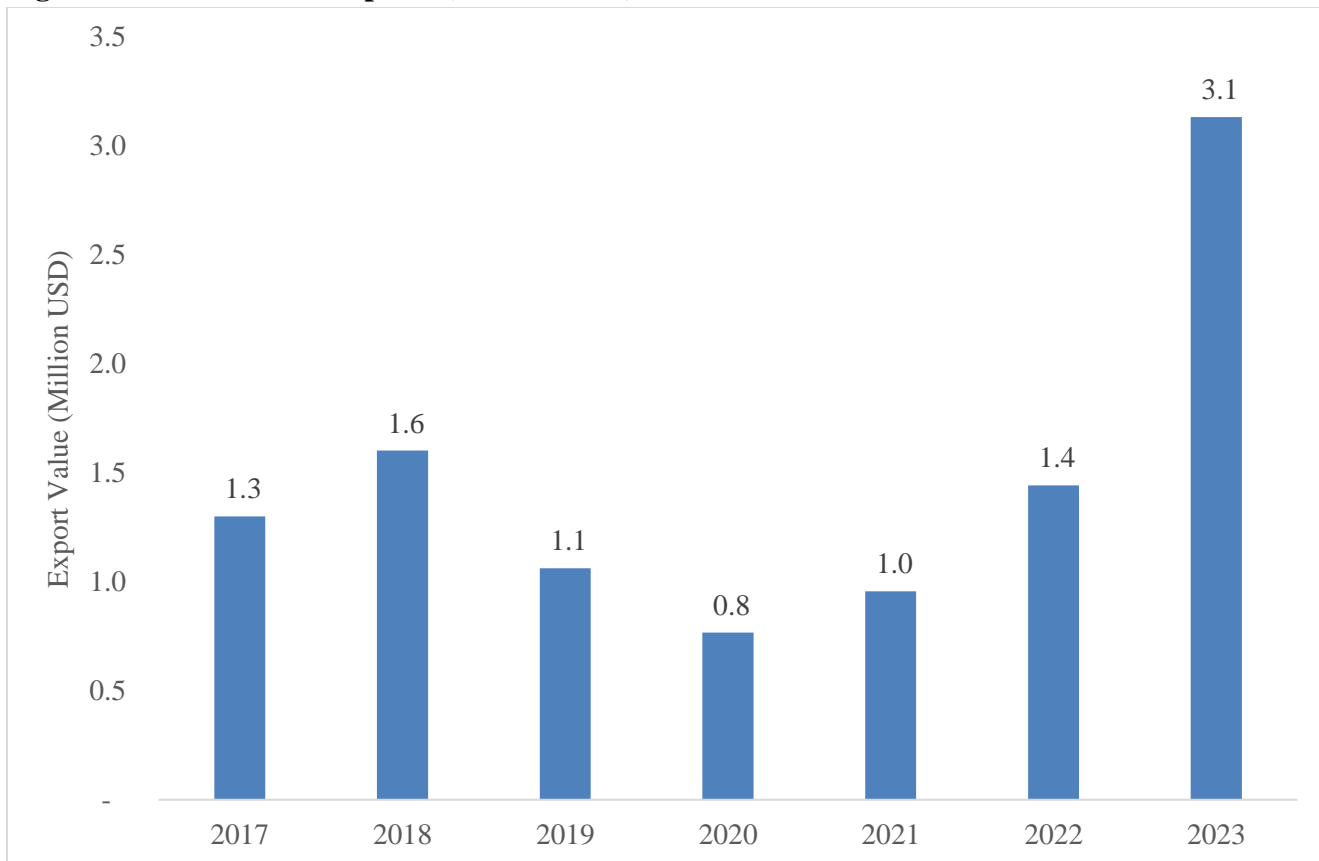
Source: Chilean Customs

2.6. Chilean Beer Exports

Chile is not a major beer exporter, as the local players produce, import, and distribute mainly to the domestic market. In 2023, Chile exported \$3.1 million worth of beer, to countries like Paraguay (56 percent), Uruguay (11 percent), Cuba (nine percent), and Argentina (seven percent). Between 2017 and 2022, 2018 marked the best year for beer exports at \$1.6 million (Figure 4). Between 2019 and 2021 exports decreased due to the rise in local demand, the logistic issues generated by Covid-19 pandemic, and the acquisition of beer exporters by *CCU* and *AB InBev*.

The main Chilean exporters of beer are *CCU*, *Kunstmann*, and *Viña Concha y Toro*. Beer exports are led by the company *CCU* with over 60 percent of export value.

Figure 4: Chilean Beer Exports (Million USD)



Source: Trade Data Monitor, LLC.

3. Distribution and Sales Channels

There are three main sales channels in Chile: liquor stores, super/hypermarkets, and food service. Most beer sales occur in liquor stores. According to post sources, 60 percent of beer sales are made in liquor stores, 30-35 percent occur in supermarkets, and a further 5-10 percent are sold in restaurants.

It is likely that liquor stores will continue to be the main distribution channel for beer sales. In fact, the growing prevalence of food delivery will increase the importance of liquor stores given that consumers

order beer using their delivery apps. In the first half of 2021, more than 32,000 units of beer were sold in the ‘drinks’ category of a popular food delivery app called *Rappi*. The digitalization of numerous specialized stores, including liquor stores, is promoting a new way of consuming and acquiring products.

Retailers and wholesalers buy their products from distributors. Distributors either buy from local breweries or import beer. Supermarkets buy from distributors but also import directly. Restaurants and food service source their products from a mix of distributors, wholesalers, and retailers.

3.1. Distribution Agreements - The beer producer or exporter sells directly to a distributor who could either sell the product on to a retailer or to a wholesaler.

Pros:

- Using distributor simplifies the sales process for the beer exporter, since they then need to deal only with the distributor and not with many importers/buyers.
- The distributor helps products gain faster traction in local markets because of the distributor’s reputation and established connections.
- A distributor may commercialize higher volumes, leading to lower export costs.
- Distributors facilitate the logistics process as they often take care of documentation and warehouse arrangements.
- Distributors have a vested interest in the profitability of the product and cover marketing expenses.
- The local distributor is likely to have a greater knowledge of the local business culture.
- Distributors have a greater reach than a wholesaler, since they supply a wide variety of stores and establishments.

Cons:

- Due to the number of business partners, distributors may be unable or unwilling to focus on the exporting company.
- Distributors often desire some form of exclusivity.
- Sometimes using a distributor demands conferring certain rights with regards to the pricing policy of the product.

3.2. Retail and Wholesale - The beer producer or exporter sells directly to retailers.

Pros:

- Selling direct to retail can streamline the supply chain and present a faster entrance to the market.
- Retailers have a direct link to consumers and target a specific market or niche.
- There might be higher demand for products since the retailers serve a large customer base.

Cons:

- Wholesalers focus on the demands for the retail companies and for this reason they are often less willing to assist exporters in the market entrance process.

- Retailers offer numerous brands and product varieties, which may limit the attention given to your specific product.

3.3. Licensing Agreements – A licensing agreement gives a company the right to produce and sell the products under a specific brand.

Pros:

- Increase profit through royalty payments while facing much lower capital requirements.
- Increase brand recognition as more people see licensed merchandise.
- Licensing allows companies to expand into foreign territories without added tariffs.
- If issuing a license to an established business, there can be benefit from local experience, infrastructure, and distribution networks. Local firms are also more likely to understand the business culture and target audience in greater detail.
- Opportunity to gain experience and skills from the licensee.

Cons:

- It can be difficult to monitor all the uses of the brand and intellectual property.
- Potential competition if choosing to enter the market where products are licensed.
- A lack of strict licensing requirements risks the production of lower quality products.

3.4. Supermarket Chains

In 2023, supermarket food and beverage sales totaled \$16.4 billion, representing 55.5 percent of total grocery retailer sales in 2023. There are four major supermarket chains in Chile which are described in Tables 4 to 7.

Table 4: Walmart Chile

Walmart Chile S.A.	Walmart Chile is the largest supermarket chain in Chile with 20.0 percent of the market.
Ownership	Walmart Stores, Inc. (United States)
Hypermarkets	Hiper de Líder (www.lider.cl)
Supermarkets	Líder (www.lider.cl) Express de Líder (www.lider.cl)
Wholesale Discount Stores	Central Mayorista (www.centralmayorista.cl) Super Bodega aCuenta (www.superbodegaacuenta.cl)
Number of Stores	480
Private Labels	Líder, Great Value, aCuenta, Selección

Table 5: Cencosud

Cencosud S.A.	Cencosud S.A. is the second largest retailer in Chile with 17.3 percent of total retail value. It owns two supermarket chains: Jumbo and Santa Isabel. Jumbo is well known for its wide variety of imported products.
Ownership	Cencosud S.A. (Chile)
Hypermarkets	Jumbo (www.jumbo.cl)
Supermarkets	Jumbo (www.jumbo.cl) Santa Isabel (www.santaisabel.cl)
Number of Stores	258
Private Labels	Jumbo Artesanal, Jumbo ready, Jumbo Premium, Cuisine & Co., Santa Isabel

Table 6: SMU

SMU S. A	SMU S.A. is the 3rd biggest supermarket chain in Chile with 11.1 percent of the market. SMU owns the Unimarc retail stores as well as the OK Market convenience stores.
Ownership	SMU S.A. (Chile)
Hypermarkets	Unimarc (www.unimarc.cl)
Supermarkets	Unimarc (www.unimarc.cl)
Wholesale Discount Stores	Mayorista 10 (www.mayorista10.cl) Club Alvi Mayorista (www.alvi.cl)
Number of Stores	285
Private Labels	Fundo Río Alegre, Nuestra Cocina, Smart Clean

Table 7: Tottus

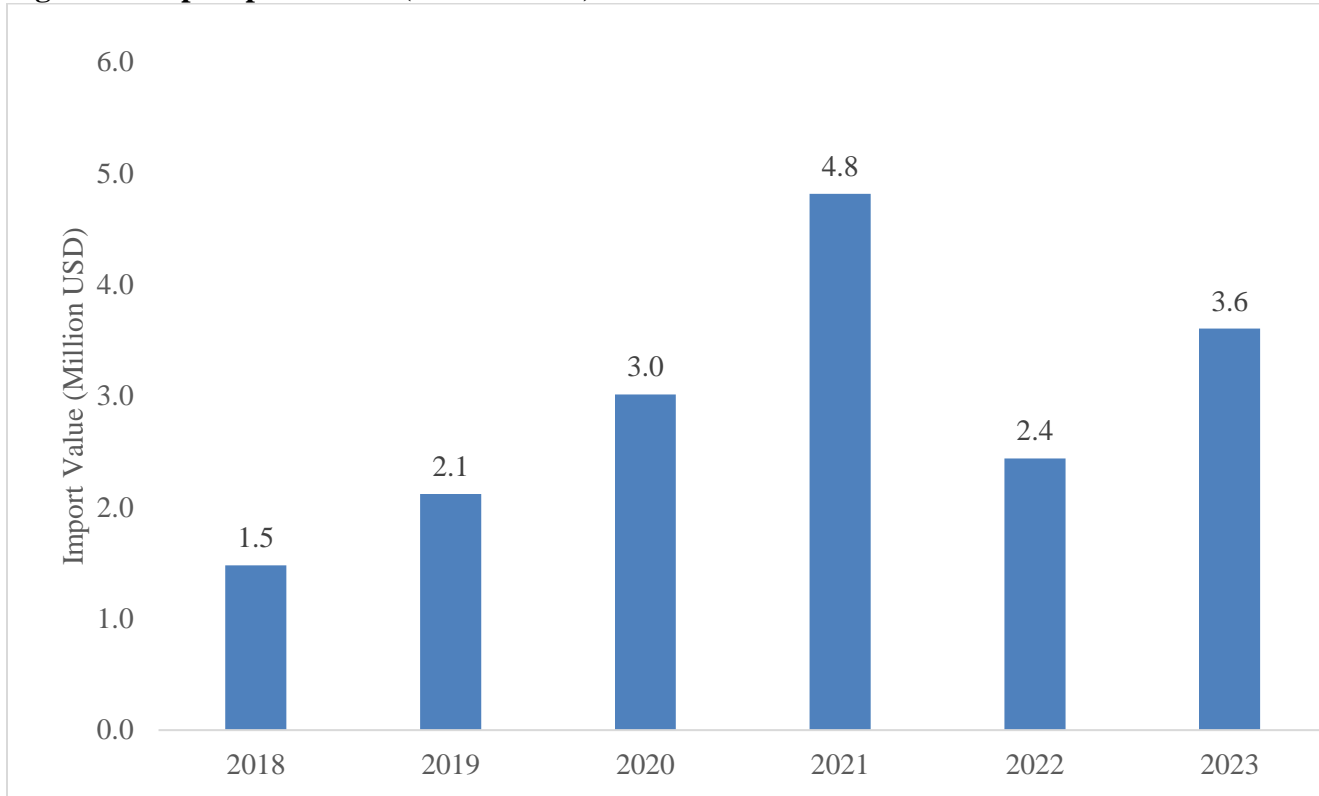
Tottus S.A.	Tottus S.A. is the fourth largest supermarket chain in Chile, with a 4.0 percent of the market.
Ownership	Falabella S.A.I.C. (Chile)
Hypermarkets	Tottus (www.tottus.cl)
Supermarkets	Tottus (www.tottus.cl)
Number of Stores	72
Private Labels	Tottus

4. Beer Ingredients Market

4.1. Hops

In 2021, due to a record production year, Chilean imports of hops reached \$4.8 million (Figure 5). In 2022, imports decreased to 2.5 million due to lower beer production volume in that year. Last year, imports bounced back to 3.6 million, as production recovered.

Figure 5: Hop Import Value (Million USD)



Source: Trade Data Monitor, LLC.
(HS Code: 1210)

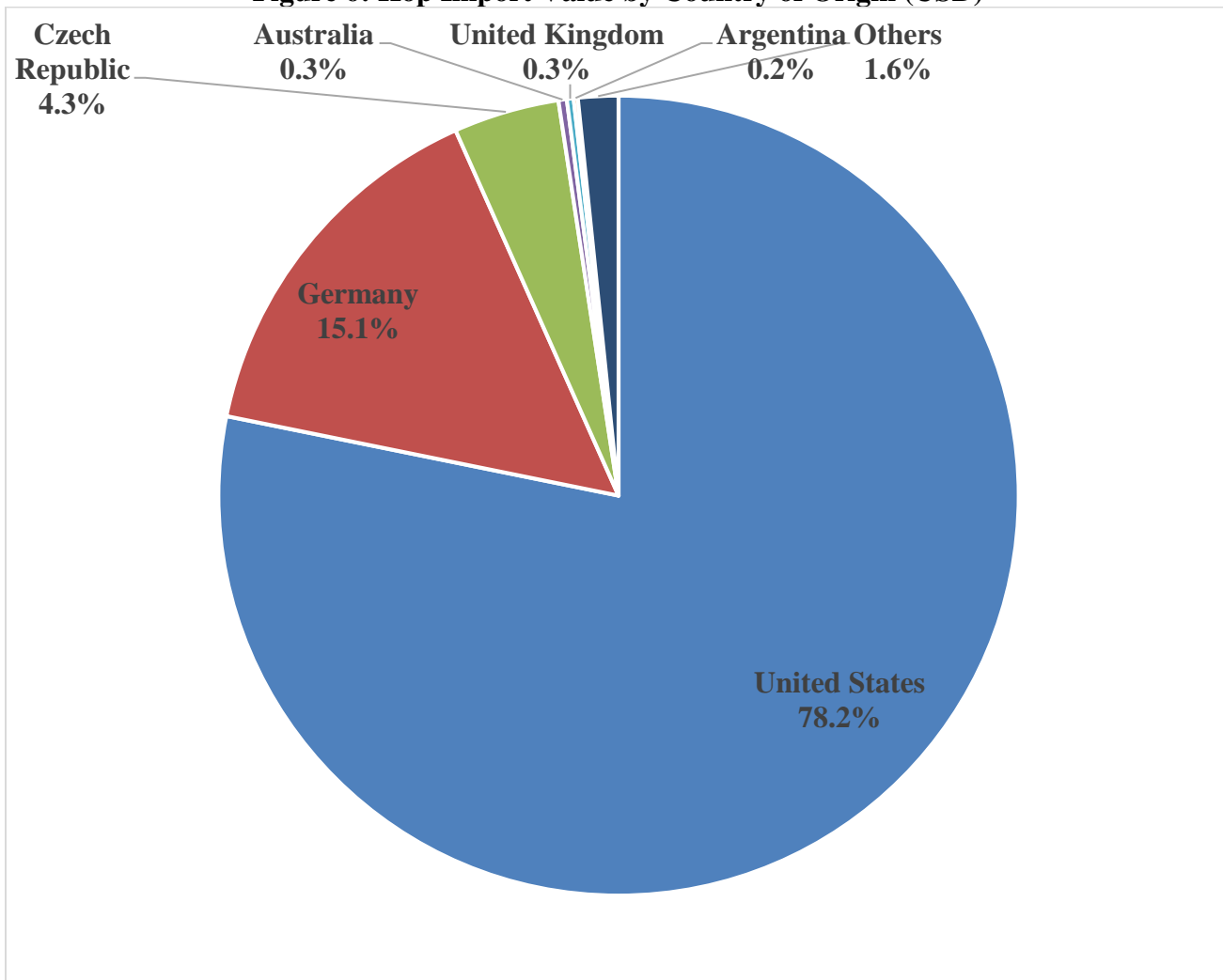
The top importers of hop pellets are *AB InBev*, *Navarro y Cia*, and *Kunstmann*. *AB InBev* imports 49 percent of hop pellets that arrive in Chile, while *Navarro y Cia* imports 17 percent, and *Kunstmann* 4.0 percent. Eighty seven percent of hop pellets arrive via sea, 12 percent arrive by air, and the remaining one percent arrives via courier. The top hop importers are:

- *AB InBev* – Chile’s second largest brewer.
- *Navarro y Cia* - Distributor and retailer for inputs for the development of the Brewery, Wine, Industrial and Food markets.
- *Kunstmann* - Chilean beer brand and subsidiary of *CCU*.
- *CCU* - Chilean producer of diversified beverages.
- *Cervecería Austral* – Chilean beer producer and brand from *CCU*.

The top brands of Chilean hop imports include *S.S Steiner-Fen*, *Mosaic*, *Hopsteiner*, *John I.HAAS*, *Bohemia-Fen*, *Yakima Chief*, *ISO 30%*, *Pike WHC*, *Hollingberry*, and *Tipo 45*.

Hops are primarily sourced from either the United States or Germany and over 99 percent of Chilean hop imports are in the form of pellets (Figure 6). Hops are imported rather than produced locally as they are challenging to grow and not produced in significant quantity domestically. Given the popularity of light lagers in Chile, there is a general preference for bittering and aroma hops exhibiting a lower alpha acid percentage. However, the growing demand for hoppy beers such as IPAs, has led to an increase in the demand for bittering hops with higher alpha acid percentages.

Figure 6: Hop Import Value by Country of Origin (USD)



Source: Trade Data Monitor, LLC.
(HS Code: 1210)

4.2. Malt

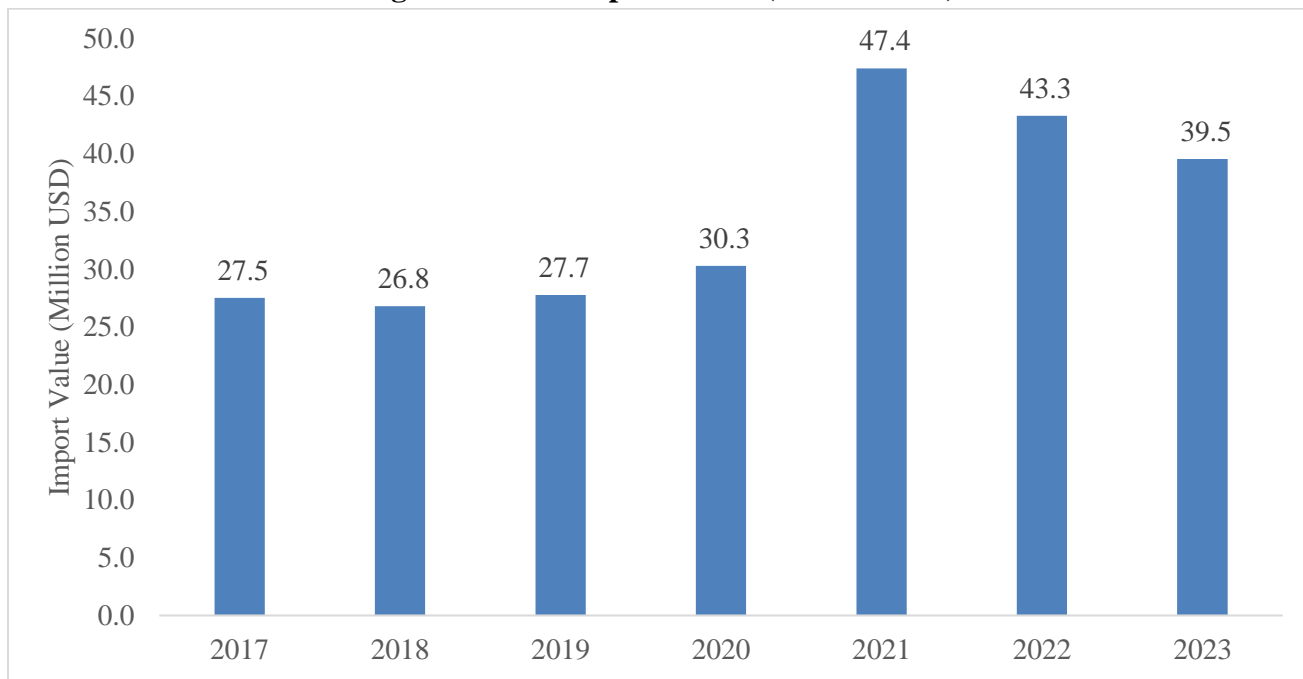
Total imports of malt in 2023 totaled \$39.5 million (Figure 7). The top suppliers are Argentina, with 92.9 percent of the market, and the Netherlands with 2.7 percent. Other countries exporting malt to Chile are Germany, Belgium and Spain, although in smaller volumes (Figure 8).

According to the Association of Beer Producers in Chile (ACECHI), most Chilean companies import barley grains for malting and beer production; however, the company *Maltexco* produces and imports malt to sell base malts to brewing companies.

Both base malts and specialty malts are sold in Chile. Base malts tend to be produced from lighter non-roasted barley and are used heavily across all breweries. Out of total malt imports, 98 percent are base malts.

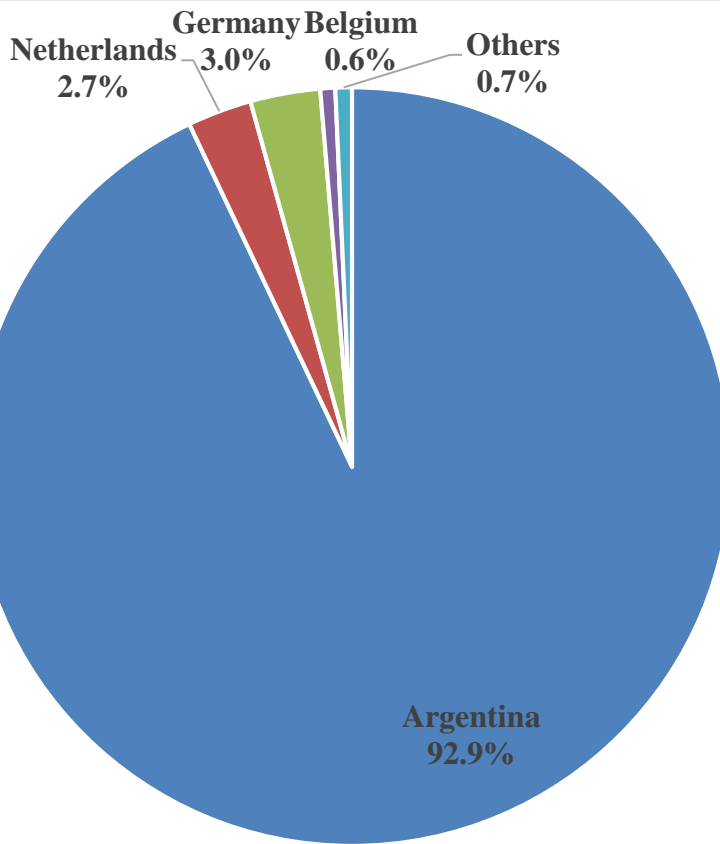
Specialty malts made from darker roasted barley and are used to produce darker beers and specialized products. Roasted malts contribute a wide range of flavors and aromas including caramel, toffee, burned sugar, nutty, biscuit, chocolate, and coffee and hues ranging from golden to red to black, depending upon the roasting process and degree of roast.

Figure 7: Malt Import Value (Million USD)



Source: Trade Data Monitor, LLC.
(HS Code: 1107)

Figure 8: Malt Imports by Country of Origin (%)



Source: Trade Data Monitor, LLC.
(HS Code: 1107)

The top Chilean importer of malt is *CCU Chile* which purchases over 31 percent of total malt imports. The top malt importers are:

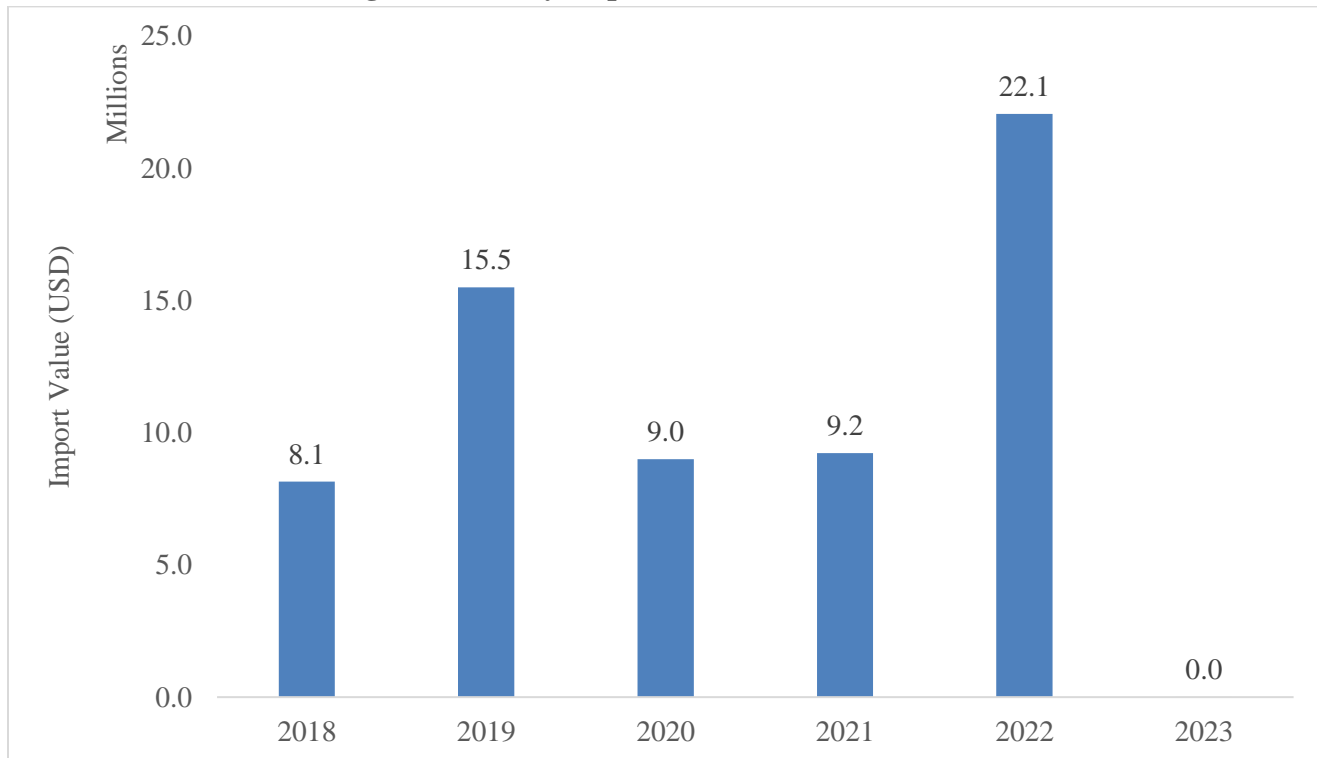
- *CCU* – Chile’s top beer producer
- *AB InBev* – Chile’s second largest beer producer
- *Maltexco* – company specialized in malt production
- *Navarro y Cia LTDA* - distributor and retailer for inputs for the development of the brewery, wine, industrial, and food markets.
- *Kunstmann*

Some popular imported malt brands are *Weyermann*, *Bestmaltz*, *Castle Malting*, *Holland*, and *Boormalt*.

4.3. Barley

Chile also imports barley as raw material for malt production. In 2022, barley imports reached over \$22 million. However, in 2023 barley imports dropped to \$12,730 (Figure 9). Over 99 percent of the barley is sourced from Argentina which suffered from drought in 2023. According to the information gathered from Chilean customs, the company *Maltexco* is the primary importer of barley - accounting for 99.9 percent of the imports into the country. Irina and Scarlett are the most imported types of barley.

Figure 9: Barley Imports in Chile (Million USD)



Source: Trade Data Monitor, LLC.
(HS Code 1003: Barley)

4.4. Yeast

Brewing companies use mostly dried yeast. Import data for yeast does not differentiate yeast for bread baking and for beer making. In 2023, Chile imported 20.2 million of yeast. However, according to Post sources, approximately 10 percent of Chile's yeast imports is used in beer and wine production. Companies such as *Gecorp* and *Navarro y Cía LTDA* import yeast for beer production.

5. Costs and Prices

5.1. Import Regulations

It is important to highlight that Chile has a Free Trade Agreement with the United States, allowing food and agricultural products to enter duty-free, including alcoholic beverages, ethyl alcohols, and vinegars.

According to the Chilean Animal and Plant Health Inspection Service, SAG (*Servicio Agrícola y Ganadero*), importers of alcoholic beverages must register their imports. More information on registration can be found on the SAG [website](#). Chilean authorities [do not require testing for beer from the United States \(Resolution 978\)](#). Registration can be completed online, and requires the information detailed below.

- Name of the producer
- Name of the beer
- Country of origin
- Alcohol content (%)
- Volume
- Ingredients

The commercial forms used by both local importers and exporters are commercial invoices, certificates of origin, bills of lading, freight insurance, and packing lists. Additional certificates, and approval documents, such as sanitary and phytosanitary certificates, are required for some agricultural products.

5.2. Labeling

The labeling must comply with what is specified in article No. 35 of Law No. 18,455 of the Ministry of Agriculture and article No. 63 of Decree No. 78 of the Ministry of Agriculture (detailed under the legal framework section):

- Must be labeled in Spanish
- Must include additives
- Must include nutritional factors
- Must include substance of chemical composition
- Must include incorporated sugar

5.3. Tariff Rates and Import Duties.

All beer and ingredient imports from the United States enter Chile duty-free. All products in Chile, including imports, are subject to 19 percent value added tax (*Impuesto al Valor Agregado*, IVA). Additionally, alcoholic beverages, are subject to a specific tax rate. Beer has a 20.5 percent specific tax rate. Table 8 specifies the duties paid for U.S. exports of beer and ingredients to Chile.

Table 8: Duties and Taxes

HS Code	Tariff (%)	Value Added Tax (%)	Specific Tax (%)
2203.00.00: Beer	0%	19%	20.5%
1107.10.00: Not Roasted Malt	0%	19%	0%
1107.20.00: Roasted Malt	0%	19%	0%
1210.10.00: Hop Cones Not Ground	0%	19%	0%
1210.20.00: Hop Cones Ground	0%	19%	0%
2102.10.00: Yeast Active	0%	19%	0%
1003.00.00: Barley	0%	19%	0%

Source: Santander Trade and Chilean Customs, 2024

5.4. Prices

The price survey that follows is based on field observations and online pricing. Prices are presented for the following categories of beer:

Standard Beer: Light lagers, mainly produced in Chile.

Premium Quality Beer: High-quality beer, both imported and domestic.

Craft Beer: Best beer quality, generally produced in Chile.

Prices are detailed by sale channel.

Table 9: Supermarket Beer Prices (USD)

Regular Beer (six units[355cc] in USD)	
Minimum	2.33
Average	4.59
Maximum	6.31
Premium Quality Beer (six units[355cc] in USD)	
Minimum	6.31
Average	7.02
Maximum	8.34
Craft Beer (four units[355cc] in USD)	
Minimum	7.23
Average	7.47
Maximum	7.70

Source: Field Observations and Online Prices, 2022

Table 10: Liquor Stores and e-Commerce (USD)

Regular Beer (six units[355cc] in USD)	
Minimum	2.57
Average	4.73
Maximum	6.10
Premium Beer (six units[355cc] in USD)	
Minimum	5.34
Average	6.65
Maximum	8.42
Craft Beer (four units[355cc] in USD)	
Minimum	6.21
Average	6.78
Maximum	7.24

Source: Field Observations and Online Prices, 2022

Table 11: Restaurants and Bars

Regular Beer (single unit[500cc] in USD)	
Minimum	3.21
Average	3.59
Maximum	3.96
Premium Quality Beer (single unit[500cc] in USD)	
Minimum	3.43
Average	3.72
Maximum	3.96
Craft Beer (single unit[500cc] in USD)	
Minimum	3.75
Average	4.75
Maximum	5.46

Source: Field Observations and Online Prices, 2022

6. Opportunities and Challenges

6.1. Beer Market Opportunities

- Chile is the third top largest for U.S. beer exports. The United States is Chile's top beer supplier. The top importer of beer is *Viña Concha y Toro*.
- Light beers are the most popular type of beer in Chile. Chilean consumers also look for stronger beer such as amber, red ales, IPA, stouts, and porters.
- Beer consumption of craft beer and imported beer is increasing. There are opportunities for IPA's and flavored beers that can be exported to retailers and specialty stores.
- Chilean beer companies are expanding their portfolios to include premium beers. Non-alcoholic beers are also increasing in popularity.
- Wine companies are looking to expand their portfolio by importing or distributing foreign beers via licensing or distribution agreements.

6.2. Beer Market Challenges:

- Highly competitive domestic craft beer market. It is likely that smaller craft brewers in the U.S. will face strong competition when entering the Chilean beer market. The primary reason for this is the increasing quality, popularity and variety of Chilean craft beer. According to the Chilean Tax Service (SII), the number of Chilean companies involved in beer production has increased significantly, from 30 in 2005 to almost 600 in 2022.
- Consumer preferences for domestically produced beers. Some Chilean beer consumers favor domestic craft beers over those that are imported.

6.3. Beer Ingredients Opportunities

- Beer production in Chile is growing. There is an increase in demand for beer ingredients, and other products necessary for beer production.
- The United States has the highest market share in hop imports. Chile imports 78.2 percent of the hops from the United States.
- There are no trade barriers or tariffs for U.S. beer or U.S. beer ingredients, due to the U.S. - Chile Free Trade Agreements.

6.4. Beer Ingredients Challenges

- The malt import market in Chile is very price competitive. Therefore, the United States will have to develop competitive advantages to increase trade to Chile.
- Domestic hop production may increase. Growing investment in research and development from public and private institutions in Chile. Currently Chile's hop industry is in its early years. The growing of hops in Chile is still being studied and researchers are developing strains of hops designed to thrive in *Valdivia's* wet climate.

7. Key Contacts and Further Information

<u>Name</u>	<u>Description</u>	<u>Contact Details</u>
SAG (<i>Servicio Agrícola y Ganadero</i>)	Chilean regulator for food and agricultural products.	Contacts for Inscription in SAG: Eugenia Pimentel eugenia.pimentel@sag.gob.cl Gonzalo Lara gonzalo.lara@sag.gob.cl Office: +56 2 2345 1100
SEREMI de Salud (<i>Secretaría Regional Ministerial</i>)	Regional representative of the Ministry of Health.	Metropolitan Region Office oficinadepartesmma@mma.gob.cl +56 2 2573 5800

U.S. exporters can request a detailed list of wholesalers, distributors, brewers, and ingredients importers in Chile. Please contact agsantiago@usda.gov

Attachments:

No Attachments.