Required Report: Required - Public Distribution **Date:** December 20, 2023

Report Number: CI2023-0035

Report Name: Citrus Annual

Country: Chile

Post: Santiago

Report Category: Citrus

Prepared By: Sergio Gonzalez

Approved By: Bret Tate

Report Highlights:

In marketing year (MY) 2023/24, Post projects lemon production to grow by 6.7 percent and reach 175,000 metric tons (MT) due to high profits and an increase in area planted. Exports will increase by 8.8 percent and reach 74,000 metric tons. In MY 2023/24, orange production will decrease by 2.2 percent and total 175,000 MT due to low profits and a decrease in area planted. Orange exports will follow the production decrease and total 90,000 metric tons. Mandarin area planted has grown rapidly over the past 10 marketing years due to high profits. As a result, in MY 2023/24 mandarin exports will increase by 7.3 percent totaling 250,000 metric tons. In March 2023, Chile gained access to the Mexican market for lemons, clementines, and mandarins under an inspection system which avoids fumigation, improving the quality conditions and increasing shelf life.

Commodities:
Lemons, Fresh

Table 1: Production, Supply and Distribution

Lemons/Limes, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Apr 2022		Apr 2023		Apr 2024	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	8040	8040	8080	8080	0	8150
Area Harvested (HECTARES)	8000	8000	8000	8000	0	8050
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total No. Of Trees (1000 TREES)	0	0	0	0	0	0
Production (1000 MT)	136	136	172	164	0	175
Imports (1000 MT)	15	15	12	12	0	10
Total Supply (1000 MT)	151	151	184	176	0	185
Exports (1000 MT)	56	56	75	68	0	74
Fresh Dom. Consumption (1000 MT)	86	86	98	98	0	100
For Processing (1000 MT)	9	9	11	10	0	11
Total Distribution (1000 MT)	151	151	184	176	0	185
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Source: Post Estimates

Production:

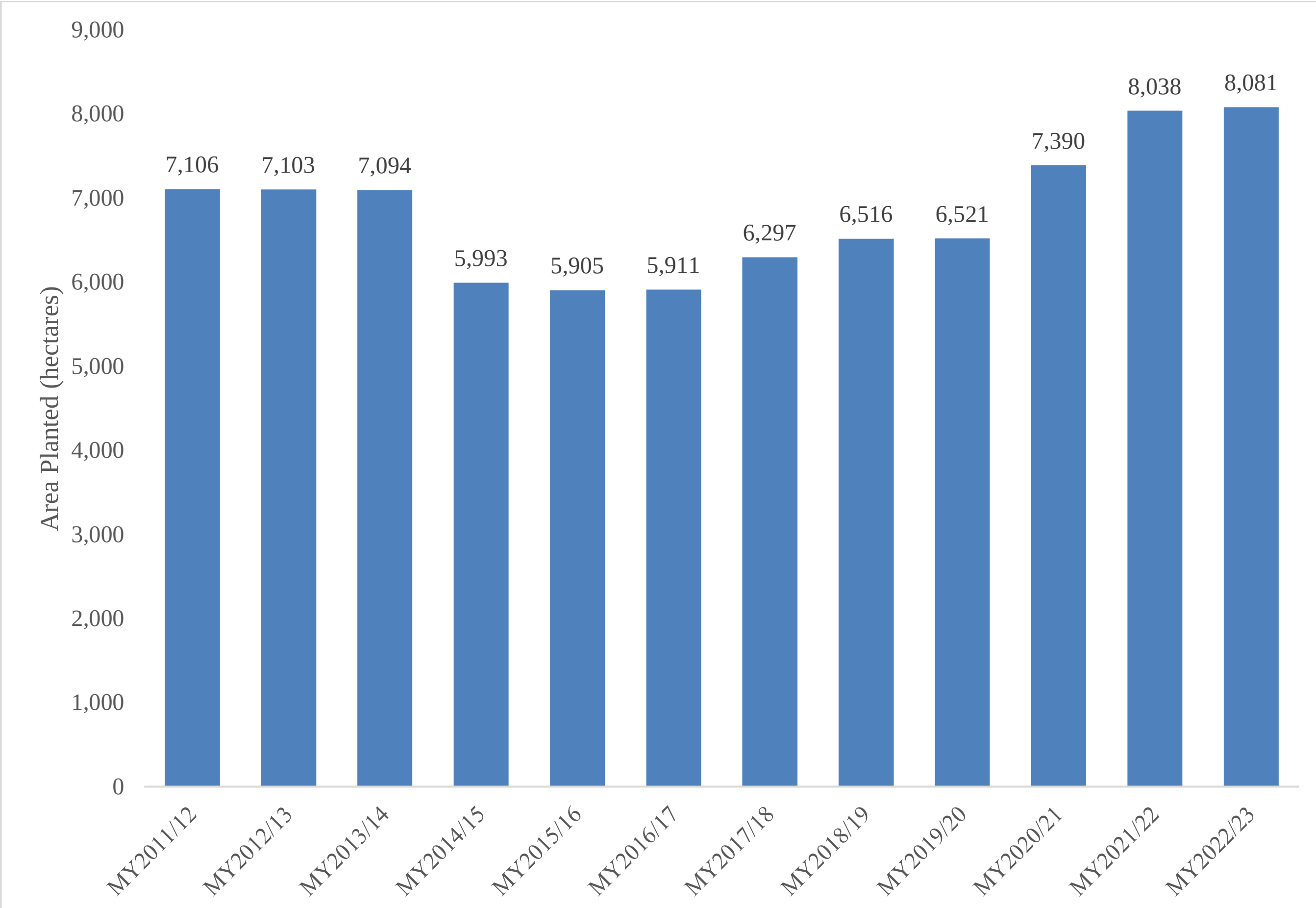
FAS Santiago (Post) estimates MY 2023/24 lemon area planted at 8,150 hectares (ha), a one percent increase from MY 2022/23, following the growth trend of the past three marketing years (Figure 1). Lemon area planted in Chile grew from 5,911 hectares in MY 2016/17 to 8,081 hectares in MY 2022/23, because farmers found lemon production and export a profitable alternative. In the *Valparaiso* and *Coquimbo* regions, citrus became a viable alternative to other crops such as avocado because of its high price and low water requirement.

According to Post sources, Chilean lemon producers are currently focused on increasing productivity and yields by better managing water use and disease. In MY 2023/24, due to the increase in area planted and assuming high yields, Post projects lemon production to grow by 6.7 percent and reach 175,000 metric tons.

Chile produces lemons for the domestic market in the summer months, between December and March, when prices are high. During the winter months, between June and September, international prices in northern hemisphere countries are higher than domestic prices, thus most producers export lemons to those markets.

Lemon area planted grew in all of Chile’s producing regions during the past three marketing years (Table 2). The lemon production area spans from the *Coquimbo* region, in the north of the country, to the *O’Higgins* region in the central-south. The *Metropolitana* region, in the central part of Chile holds 41.1 percent of the lemon area planted, making it the top producing region.

Figure 1: Lemon Area Planted (hectares)



Source: ODEPA, 2023

Table 2: Lemon Area Planted by Region MY 2021/22 (hectares)

Region	Area Planted (ha)	Variation* (%)	Share (%)
Atacama	90	160.3%	1.1%
Coquimbo	1,628	13.3%	20.3%
Valparaíso	2,022	22.0%	25.1%
Metropolitana	3,303	18.1%	41.1%
O'Higgins	983	69.2%	12.2%
Others	13	-	0.2%
Total	**8,038**	23.4%	100.0%

**Variation of planted area is measured every third year; data provided are last available*

Source: Based on data from ODEPA

Consumption:

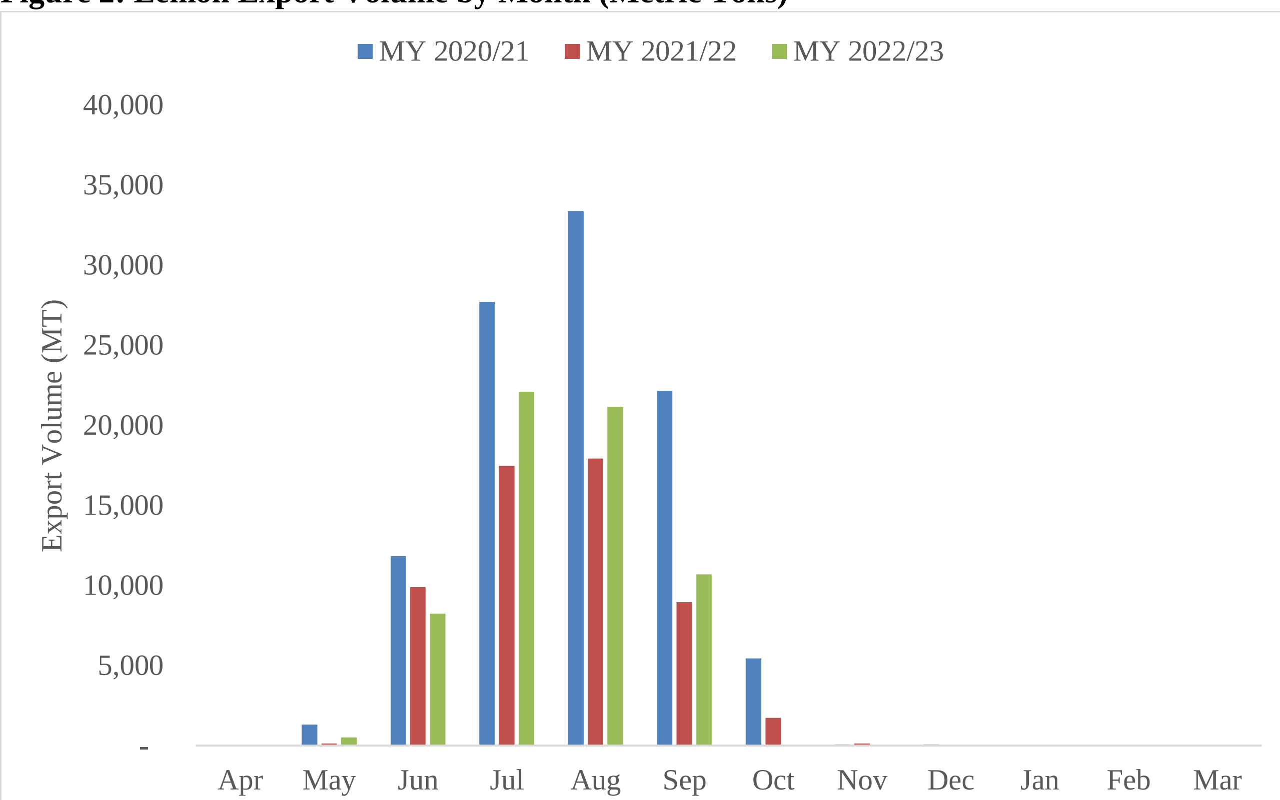
In MY 2023/24, Post projects domestic consumption of lemons will increase by two percent to 99,000 MT, following the growth in population. Domestic lemon consumption is strong and peaks between December and March when the Chilean supply is low, and the price is high in the local market.

In MY 2023/24, consumption of lemons for processing will total 11,000 MT, a 10 percent increase over MY 2022/23, following the increase in production. Lemons are processed to produce juice, essential oils, or concentrates for confectionary.

Trade:

In MY 2022/24, Post projects exports to increase by 8.8 percent and reach 74,000 MT assuming higher yields and strong overall production. In Chile, the lemon marketing year starts April with the beginning of the harvest season. The bulk of exports takes place between June and September each year and peaks in July or August depending on the climatic and market conditions (Figure 2).

Figure 2: Lemon Export Volume by Month (Metric Tons)



Source: Trade Data Monitor, LLC

In MY 2022/23 (data until September), due to higher production, lemon exports increased by 15.4 percent totaling 62,709 metric tons (Table 3). Post estimates MY 2022/23 lemon exports at 68,000 MT, which represents a 21.4 percent increase from MY 2021/22.

Over 60 percent of Chilean lemon exports go to the United States making it the top market for Chilean lemons. In MY 2022/23, Chile exported 37,736 MT to the United States, which represented 60.2 percent of export volume (Table 3). Other top markets for Chilean lemons are Japan, South Korea, and China.

Table 3: Lemon and Limes Export Volume to the World (MT)

Commodity: 080550, Lemons And Limes, Fresh Or Dried						
Partner Country	Marketing Year			Year to Date		
	MY 2020/21 (MT)	MY 2021/22 (MT)	Variation (%)	Apr 22 - Sep 22 (MT)	Apr 23 - Sep 23 (MT)	Variation (%)
The World	101,996	56,217	-44.9%	54,346	62,709	15.4%
United States	65,682	31,222	-52.5%	29,714	37,736	27.0%
Japan	17,056	15,578	-8.7%	15,508	16,656	7.4%
South Korea	4,999	4,423	-11.5%	4,154	4,978	19.8%
China	6,532	1,558	-76.1%	1,558	99	-93.6%
Denmark	962	1,434	49.1%	1,434	48	-96.7%
Netherlands	4,630	901	-80.5%	901	1,634	81.4%
Spain	858	689	-19.7%	689	432	-37.3%
Italy	617	209	-66.1%	209	576	175.6%
Colombia	54	58	7.4%	45	74	64.4%
Dominican Republic	56	54	-3.6%	44	62	40.9%
Panama	49	39	-20.4%	39	37	-5.1%
Costa Rica	12	21	75.0%	21	26	23.8%
Canada	95	12	-87.4%	12	25	108.3%
Guatemala	10	9	-10.0%	9	12	33.3%
Honduras	0	7		7	11	57.1%
Others	384	3	-99.2%	2	303	15050.0%

Source: Trade Data Monitor, LLC

In MY 2022/23 (data until September), Chile imported 5,645 MT of lemons. Chile imported 63.3 percent from Peru, which is the top supplier (Table 4). Chile also imports lemons in lower quantities from Brazil, Colombia, and the United States.

Table 4: Lemon and Limes Import Volume from the World (MT)

Commodity: 080550, Lemons And Limes, Fresh Or Dried						
Partner Country	Marketing Year			Year to Date		
	MY 2020/21 (MT)	MY 2021/22 (MT)	Variation (%)	Apr 22 - Sep 22 (MT)	Apr 23 - Sep 23 (MT)	Variation (%)
The World	12,703	12,267	-3.4%	5,273	5,645	7.1%
Peru	10,350	8,567	-17.2%	3,107	3,575	15.1%
Brazil	202	3,057	1413.4%	1,752	1,264	-27.9%
Colombia	1,827	500	-72.6%	374	804	115.0%
United States	324	142	-56.2%	41	0	-100.0%

Source: Trade Data Monitor, LLC

Policy:

Chile is looking for ways to diversify lemon exports to countries other than the United States. In March 2023, Chile gained access to the Mexican market for lemons under an inspection system. Under the inspection system, the Chilean export industry expects to provide higher quality fruit to the Mexican market since it will no longer require fumigation.

Commodities:

Oranges, Fresh

Table 5: Production, Supply and Distribution

Oranges, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Apr 2022		Apr 2023		Apr 2024	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	6371	6371	6362	6362	0	6300
Area Harvested (HECTARES)	6180	6180	6200	6200	0	6150
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total No. Of Trees (1000 TREES)	0	0	0	0	0	0
Production (1000 MT)	164	164	174	179	0	175
Imports (1000 MT)	3	3	3	3	0	3
Total Supply (1000 MT)	167	167	177	182	0	178
Exports (1000 MT)	86	86	90	95	0	90
Fresh Dom. Consumption (1000 MT)	71	71	76	76	0	77
For Processing (1000 MT)	10	10	11	11	0	11
Total Distribution (1000 MT)	167	167	177	182	0	178
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Source: Post Estimates

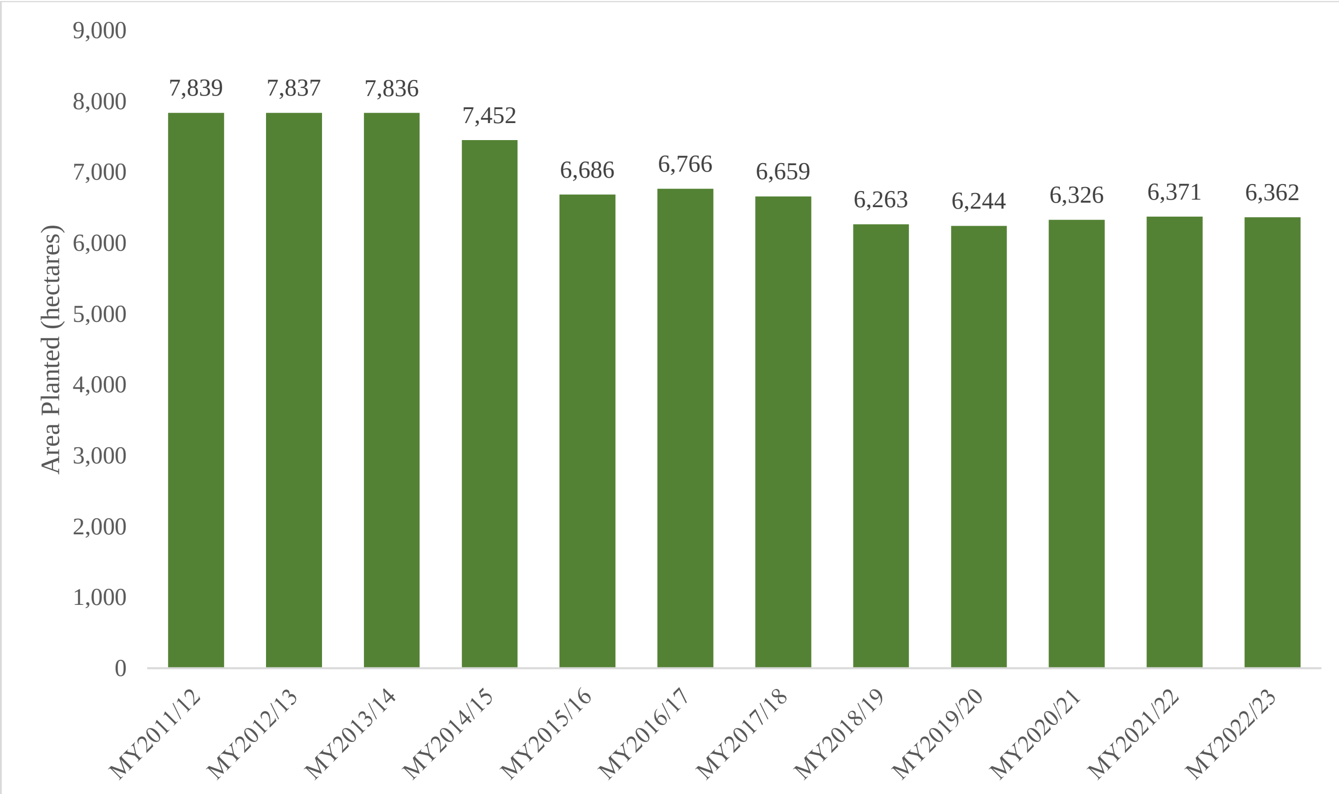
Production:

In MY 2023/24, orange production will decrease by 2.2 percent and total 175,000 MT, assuming a one percent reduction in area planted to 6,300 hectares. In MY 2022/23, orange area planted totaled 6,362 hectares, a 0.14 percent decrease from MY 2021/22 (Figure 3). In MY 2011/12, orange area planted totaled 7,389 hectares but it gradually decreased as producers shifted to mandarins and lemons because of their higher profitability.

The *Metropolitana* region is still the top orange producing region in Chile, holding 39.3 percent of the orange area planted (Table 6). The *O'Higgins* region holds 31.3 percent of the area planted. The *Coquimbo* and *Valparaiso* regions are also important orange production centers in Chile.

Area planted in the *Metropolitana* and the *O'Higgins* regions increased in the past three marketing years by 8.5 percent and 13.5 percent, respectively. Conversely, in the *Coquimbo* and *Valparaiso* regions, area planted decreased by 22.6 and 8.9 percent, respectively, due to a shift of planted area to mandarins and lemons. However, total area planted with oranges does not change drastically because the decrease in the *Coquimbo* and *Valparaíso* regions is offset by the increase in *Metropolitana* and *O'Higgins* regions.

Figure 3: Oranges Area Planted (hectares)



Source: ODEPA, 2022

Table 6: Orange Area Planted by Region MY 2021/22 (hectares)

Region	Area Planted (ha)	Variation* (%)	Share (%)
Tarapaca	42	-0.6%	0.7%
Atacama	14	-54.8%	0.2%
Coquimbo	603	-22.6%	9.5%
Valparaíso	1,186	-8.9%	18.6%
Metropolitana	2,506	8.5%	39.3%
O'Higgins	1,996	13.5%	31.3%
Others	23	-	0.4%
Total	**6,371**	**1.7%**	**100.0%**

**Variation of planted area is measured every third year; data provided are last available*

Source: Based on data from ODEPA

Consumption:

Out of total orange production, Post estimates around half goes to export and half to domestic consumption. Orange consumptions consists of fresh domestic consumption and processing for orange juice. In MY 2023/24, fresh domestic consumption will increase by 1.3 percent to 77,000 MT following population growth. Post estimates MY 2023/24 consumption for processing, at 11,000 MT, unchanged from MY 2022/23.

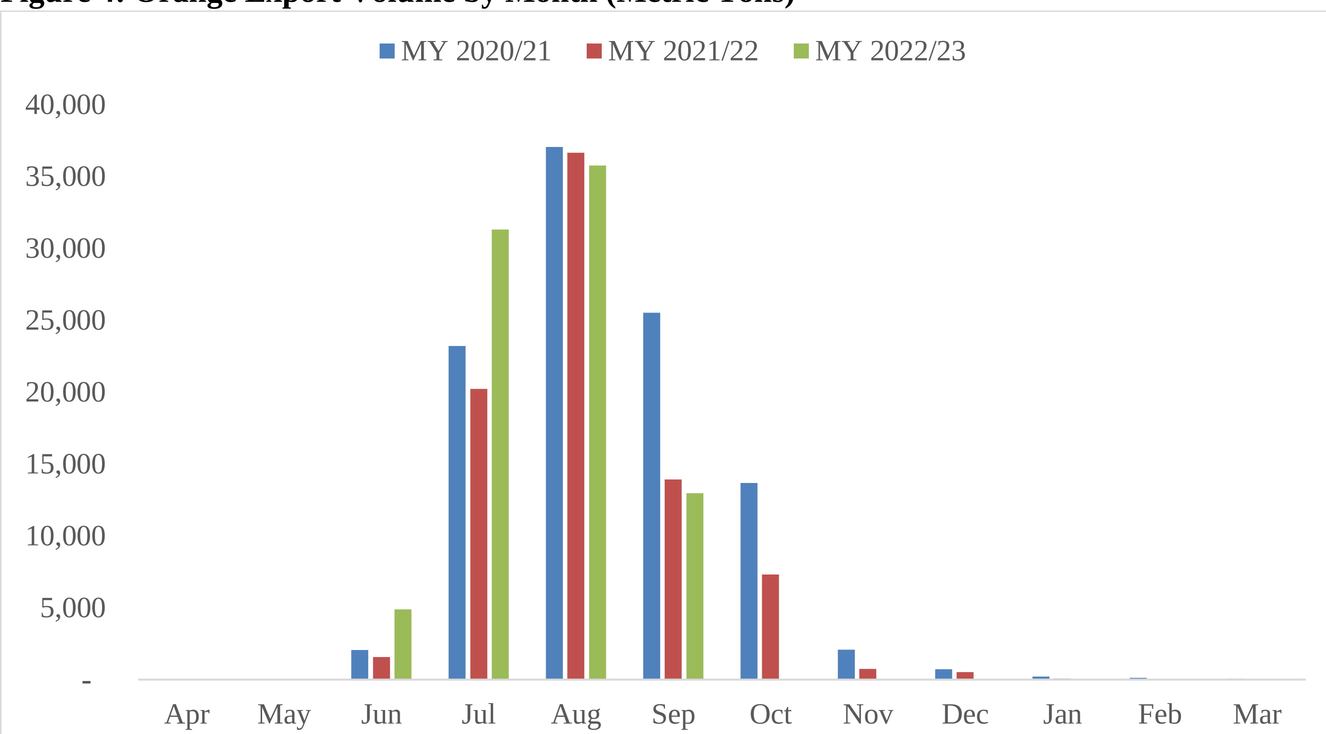
Trade:

In MY 2023/24, Post projects exports to decrease by 5.5 percent and total 90,000 MT due to a decrease in production and high competition in international markets. In Chile, the orange marketing year starts April with the beginning of the harvest season. The bulk of Chilean orange exports is between July and September each year and peaks around August (Figure 4). In MY 2022/23, monthly orange exports until July were higher than the same period in MY 2022/23, suggesting a successful start of the orange export season in Chile.

In MY 2022/23 (data until September), orange exports increased by 17.3 percent from MY 2021/22 and totaled 84,953 MT (Table 7). The largest market for Chilean oranges is the United States and represents 93 percent of total exports. In MY 2022/23, exports to the United States increased by 16.0 percent and totaled 78,964 metric tons. Chile exports oranges to various other countries, such as the Dominican Republic, Ecuador, and Canada, but in smaller quantities compared to the volumes shipped to the United States.

In MY 2022/23 (data until September), Chile imported 370 MT of oranges, a 9.1 decrease from MY 2021/22 (Table 8). The United States was the top supplier of oranges, with 99 percent market share and totaling 369 metric tons. However, the peak import season is during the summer months in Chile, between December and May, so year-end volumes may still be in line with previous seasons.

Figure 4: Orange Export Volume by Month (Metric Tons)



Source: Trade Data Monitor, LLC

Table 7: Orange Export Volume to the World (MT)

Commodity: 080510, Oranges, Fresh						
Partner Country	Marketing year			Year to Date		
	MY 2020/21	MY 2021/22	Variation (%)	Apr 22 - Sep 22 (MT)	Apr 23 - Sep 23 (MT)	Variation (%)
The World	104,714	81,062	-22.6%	72,404	84,953	17.3%
United States	96,319	73,916	-23.3%	68,087	78,964	16.0%
Dominican Republic	1,309	1,559	19.1%	1,020	1,061	4.0%
Ecuador	1,596	1,258	-21.2%	631	1,011	60.2%
Canada	898	670	-25.4%	627	1,049	67.3%
Guatemala	890	644	-27.6%	536	702	31.0%
Costa Rica	774	638	-17.6%	339	515	51.9%
Brazil	91	621	582.4%	252	378	50.0%
Panama	564	536	-5.0%	313	397	26.8%
Colombia	465	407	-12.5%	202	261	29.2%
Peru	378	373	-1.3%	252	164	-34.9%
South Korea	468	209	-55.3%	22	96	336.4%
El Salvador	137	88	-35.8%	35	147	320.0%
Honduras	140	71	-49.3%	41	102	148.8%
Unidentified	49	46	-6.1%	24	0	-100.0%
Venezuela	0	24		24	0	-100.0%
Others	636	2	-99.7%	-	106	

Source: Trade Data Monitor, LLC

Table 8: Orange Import Volume from the World (MT)

Commodity: 080510, Oranges, Fresh						
Partner Country	Marketing year			Year to Date		
	MY 2020/21	MY 2021/22	Variation (%)	Apr 22 - Sep 22 (MT)	Apr 23 - Sep 23 (MT)	Variation (%)
_World	3,107	1,704	-45.2%	407	370	-9.1%
United States	2,983	1,555	-47.9%	344	369	7.3%
Argentina	105	147	40.0%	63	0	-100.0%
Others	19	2	-89.5%	0	1	

Source: Trade Data Monitor, LLC

Policy:

No new policy developments to report.

Commodities:
Tangerines/Mandarins, Fresh

Table 9: Production, Supply and Distribution

Tangerines/Mandarins, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Apr 2022		Apr 2023		Apr 2024	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	11194	11194	11184	11184	0	12000
Area Harvested (HECTARES)	11000	11000	11000	11000	0	11800
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total No. Of Trees (1000 TREES)	0	0	0	0	0	0
Production (1000 MT)	170	158	215	268	0	287
Imports (1000 MT)	1	1	1	1	0	0
Total Supply (1000 MT)	171	159	216	269	0	287
Exports (1000 MT)	144	131	180	233	0	250
Fresh Dom. Consumption (1000 MT)	25	25	33	33	0	34
For Processing (1000 MT)	2	3	3	3	0	3
Total Distribution (1000 MT)	171	159	216	269	0	287
(HECTARES) ,(1000 TREES) ,(1000 MT)						

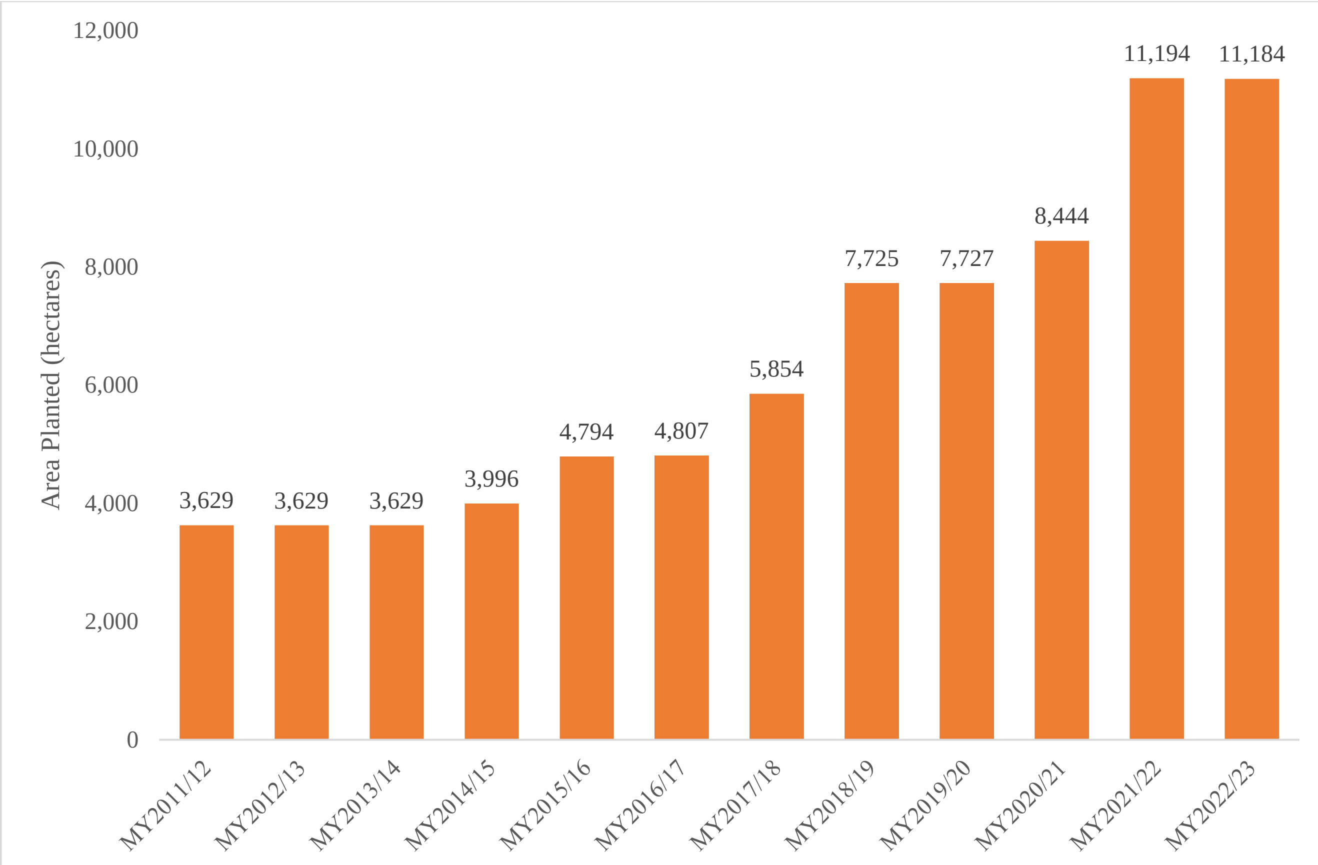
Source: Post Estimates

Production:

In MY 2023/24, Post projects that production will increase by 7.1 percent and total 287,000 metric tons. This assumes an increase in area planted and standard yields, with no adverse climatic events that could hinder production (Table 9).

Post projects mandarin area planted to increase nearly 1,000 hectares per year and reach 12,000 hectares in MY 2023/24. Due to high profits, mandarin area planted grew significantly in the past ten marketing years (Figure 5). Specifically, the W. Murcott variety became a viable alternative to replace other crops such as oranges or table grapes. The *Coquimbo* region is the top mandarin production region in Chile, holding 5,309 hectares, which represents 47.4 percent of area planted (Table 10). The *O'Higgins* and the *Valparaiso* regions, in the central part of the country, hold 21.9 percent and 20.7 percent of the area planted, respectively. Area planted in all mandarin producing regions grew in the past three marketing years.

Figure 5: Mandarin Area Planted (hectares)



Source: ODEPA, 2023

Table 10: Tangerine/Mandarin Area Planted by Region MY 2021/22 (hectares)

Region	Area Planted (ha)	Variation* (%)	Share (%)
Atacama	89	23.9%	0.8%
Coquimbo	5,309	40.3%	47.4%
Valparaíso	2,321	21.5%	20.7%
Metropolitana	1,005	43.7%	9.0%
O'Higgins	2,454	97.0%	21.9%
Others	16		0.1%
Total	**11,194**	**44.9%**	**100.0%**

**Variation of planted area is measured every third year; data provided are last available*

Source: Based on data from ODEPA

Consumption:

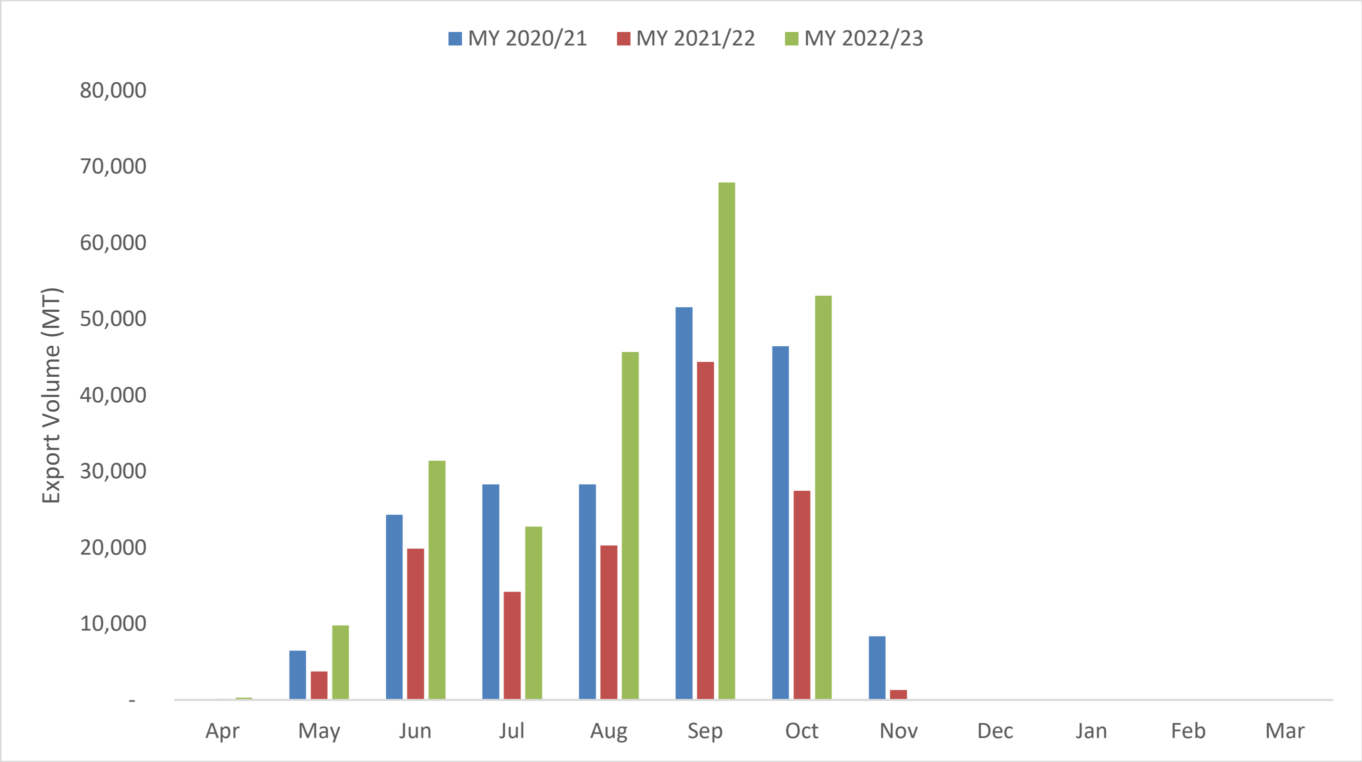
In MY 2023/24, due to higher production and population growth, Post projects fresh domestic consumption to increase by 3.0 percent and total 34,000 metric tons. Mandarin consumption for processing is mainly used in juice and will remain unchanged at 3,000 metric tons.

Trade:

In MY 2023/24, due to the increase in production, Post projects that exports will increase by 7.3 percent totaling 250,000 metric tons. Chile exports mandarins from April until December. However, Chilean mandarin exports peak around September each year (Figure 6). MY 2022/23 exports have been higher during the peak export months because of a recovery in production due to favorable climatic conditions.

In MY 2022/23 (data until October), Chile exported 230,917 MT of mandarins to the world, a 77.6 percent increase over MY 2021/22 (Table 11). The top export market for mandarins is the United States, which receives 95 percent of Chilean mandarin exports. Other markets for Chilean mandarins are Puerto Rico, the Dominican Republic and Canada, although volumes exported to these markets are much lower.

Figure 6: Tangerine/Mandarin Export Volume by Month (Metric Tons)



Source: Trade Data Monitor, LLC

Table 11: Tangerine/Mandarin Export Volume to the World (MT)

Commodity: 080520,080521,080522,080529, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried/Mandarins (including tangerines and satsumas)/Clementines/Other citrus hybrids						
Partner Country	Marketing Year			Year to Date		
	MY 2020/21	MY 2021/22	Variation (%)	Apr 22 - Oct 22 (MT)	Apr 23 - Oct 23 (MT)	Variation (%)
The World	193,821	131,363	-32.2%	130,018	230,917	77.6%
United States	183,957	128,468	-30.2%	127,273	219,254	72.3%
Puerto Rico	951	776	-18.4%	776	1,072	38.1%
Dominican Republic	599	582	-2.8%	549	411	-25.1%
Canada	2,867	493	-82.8%	472	2,396	407.6%
United Kingdom	2,795	193	-93.1%	193	670	247.2%
Spain	0	179		179	1,805	908.4%
Brazil	0	175		154	162	5.2%
Russia	385	92	-76.1%	92	1,236	1243.5%
Costa Rica	53	91	71.7%	76	136	78.9%
Netherlands	946	68	-92.8%	68	1,062	1461.8%
El Salvador	10	59	490.0%	26	138	430.8%
Honduras	42	55	31.0%	55	125	127.3%
Japan	48	30	-37.5%	30	208	593.3%
Guatemala	60	28	-53.3%	28	345	1132.1%
Panama	157	23	-85.4%	3	91	2933.3%
Others	951	51	-94.6%	44	1,806	4004.5%

Source: Trade Data Monitor, LLC

Chilean import volume of mandarins is low compared to exports. In MY 2022/23 (data until October), Chile imported 483 MT of mandarins, a 144 percent increase from MY 2021/22. Peru is the top supplier of mandarins with 36.6 percent market share followed by the United States with 30.6 percent market share (Table 12).

Table 12: Tangerine/Mandarin Import Volume from the World (MT)

Commodity: 080520,080521,080522,080529, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried/Mandarins (including tangerines and satsumas)/Clementines/Other citrus hybrids						
Partner Country	**Marketing Year**			**Year to Date**		
	MY 2020/21	**MY 2021/22**	**Variation (%)**	**Apr 22 - Oct 22 (MT)**	**Apr 23 - Oct 23 (MT)**	**Variation (%)**
The World	588	529	-10%	198	483	144%
United States	305	419	37%	88	148	68%
Peru	283	110	-61%	110	177	61%
Others	0	0		0	158	

Source: Trade Data Monitor, LLC

Policy:

Chile is looking for ways to diversify mandarin exports to countries other than the United States. In March 2023, Chile gained access to the Mexican market for mandarins, and clementines under an inspection system. Previously, Chile had access using methyl bromide fumigation. Under the inspection system, the Chilean export industry expects to provide higher quality fruit to the Mexican market, since methyl bromide fumigation reduces fruit shelf life and deteriorates the condition of the fruit.

Attachments:

No Attachments