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# **Report Name:** Food Processing Ingredients Annual

**Country:** Chile

**Post:** Santiago

**Report Category:** Food Processing Ingredients

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**Report Highlights:**

The Chilean food processing industry is a highly developed and competitive sector, playing a crucial role in the national economy. It benefits from Chile's diverse agricultural production, extensive international trade agreements, and strong export orientation, especially in processed fruits, seafood, and dairy products. The Chilean food processing industry is driven by health trends, sustainability, and exports. The dairy, meat, and processed fruit sectors remain dominant, while plant-based and functional foods are rapidly growing. There are significant opportunities for imported food ingredients in Chile, as the food processing industry imports half of all ingredients.

# MARKET FACT SHEET: CHILE

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## Executive Summary

Chile is a South American country that borders the Pacific Ocean, Argentina, Bolivia, and Peru. In 2024, Chile had a population of 19.6 million, with 8.4 million living in the Santiago Metropolitan region.

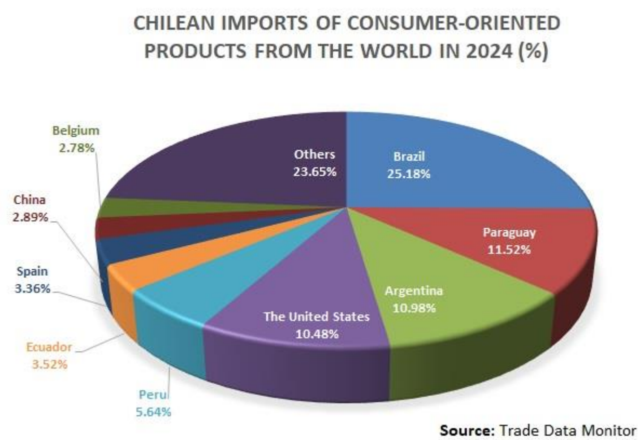
In 2024, Chile's Gross Domestic Product (GDP) in current prices totaled $348.5 billion, a 2.5 percent increase over 2023. For 2025, the Chilean Central Bank projects a GDP growth that will range between 1.5 and 2.5 percent. GDP per capita reached $32,893 PPP in 2023 (World Bank), leaving Chile as one of the highest per capita GDPs, in Latin America.

Chile's economy is driven by exports, concentrated primarily in the mining sector, fresh fruit, forestry, and fishery products. In 2024, Chilean agriculture represented 8.2 percent of the country's GDP ($26.4 billion), 25.3 percent of exports ($25.3 billion), and employed around 10 percent of Chile's labor force.

U.S. agricultural and related exports to Chile totaled $903.7 million in 2024. Chile is the third-largest market in South America for these products, after Colombia and Brazil. U.S. products are important for Chilean consumers: the United States is the fourth-largest supplier of agricultural and related products to Chile with a 9.1 percent market share.

## Import of Consumer-Oriented Products

Chile is an exciting market for U.S. consumer-oriented products, that is, final goods that are high-value and ready for sale to the consumer. In 2024, consumer-oriented agricultural exports summed $562 million, compromising over 62 percent of all agricultural exports. The top U.S. consumer-oriented products exports to Chile are dairy products, condiments and sauces, food preparations, beef and beef products, pork, poultry, pet food, beer, tree nuts, and distilled spirits.




## Food Retail Industry

The Chilean food retail sector is a dynamic and highly consolidated market, dominated by large supermarket chains, such as *Cencosud*, *Walmart Chile*, *SMU*, and *Tottus*, which account for the majority of sales. Consumers are increasingly driven by convenience, value, and health-conscious choices, prompting strong growth in private label products, e-commerce channels, and demand for natural and functional foods.

## HRI Industry

The HRI sector in Chile is a dynamic and steadily growing market, driven by tourism, urbanization, and changing consumer lifestyles. With an increasing demand for diverse, high-quality, and ready-to-eat food options, the sector presents strong opportunities for both local and imported food products, particularly in fast-casual dining, premium restaurants, and institutional catering services.

**Quick Facts**

**Chile Food & Ag Exports to the World (U.S. billion):** $25.3
**Chile Food & Ag Imports to the World (U.S. billion):** $10.8

**Imports of U.S. Consumer-Oriented Products 2024:** $562 million

**Top Ten U.S. Ag and Related Products Exports to Chile:**

| | |
|---|---|
| 1. Dairy Products | 2. Wheat |
| 3. Feeds, Meals, Fodders | 4. Condiments & Sauces |
| 5. Food Preparations | 6. Beef, and products |
| 7. Pork, and products | 8. Poultry, and products |
| 9. Seafood products | 10. Dog and Cat Food |

**Top Retailers in Chile:**
1. Walmart Chile (Líder, Express de Líder, Super Bodega, aCuenta, and Central Mayorista)
2. Cencosud (Jumbo, Santa Isabel and Spid)
3. SMU (Unimarc, Mayorista 10, Alvi, Maxi Ahorro, and Mayorsa)
4. Falabella (Tottus)

**Food Industry by Channels (U.S. billion) 2024:**

| | |
|---|---|
| Total Retail Food Sales | $29.76 |
| Supermarket Only Food Sales | $15.93 |
| Total Retail (includes non-food) | $66.45 |

**GDP/Population 2024:**
Population (millions): 19.6
GDP (billions USD): $348.5
GDP per capita (USD PP): $32,893 PPP

**Sources**: Trade Data Monitor (TDM), Euromonitor, World Bank, Chilean Central Bank and trade interviews

## Strengths/Weaknesses/Opportunities/Threats

| Strengths | Weaknesses |
|---|---|
| Chile has a high per capita income. | Relatively small-size market compared to neighboring countries. |
| **Opportunities** | **Threats** |
| The U.S.-Chile Free Trade Agreement resulted in zero percent duties for all U.S. agricultural products. | High inflation in recent years. |

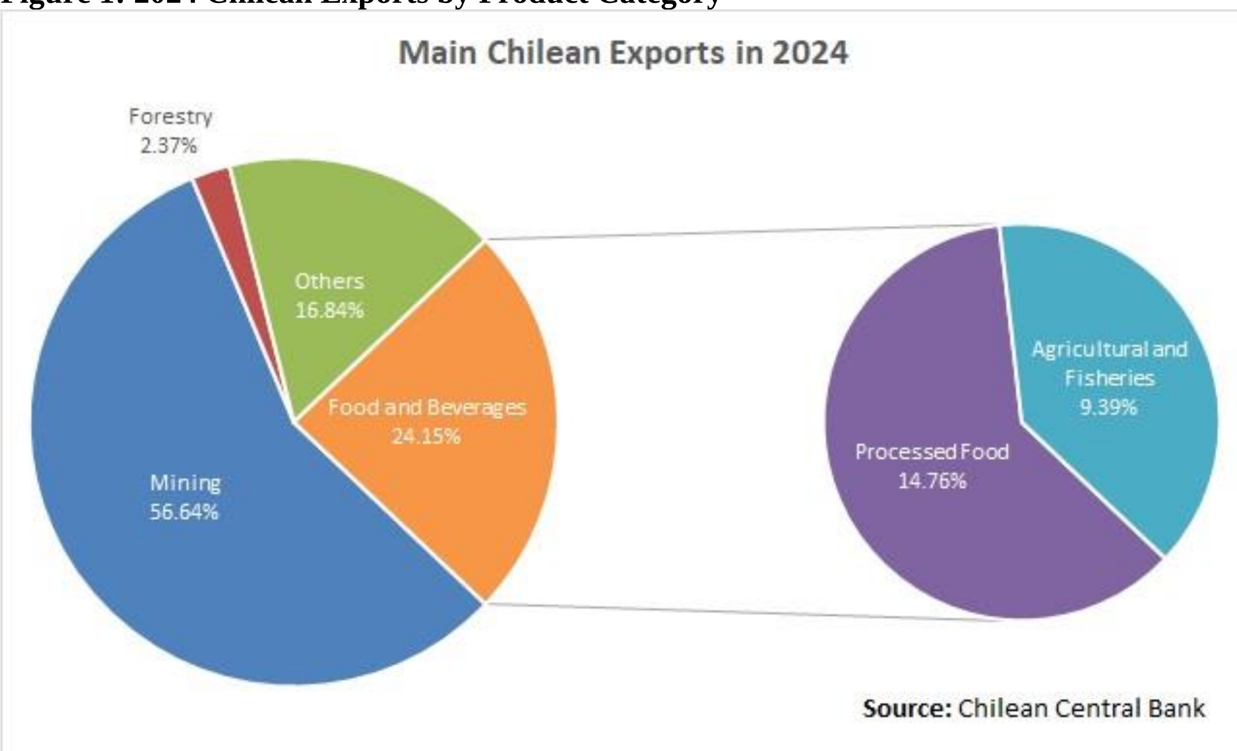
**Data Sources:** Global Agricultural Trade System; Trade Data Monitor; Chilean Central Bank; World Bank; Chilean National Institute of Statistics; Euromonitor.

## Section I: Market Overview

Chile is an open economy with a developed and competitive food industry. The food processing industry is one of the largest segments of the Chilean economy. The food and beverage processing industry represents 24.15 percent of Chile's exports, at $23.9 billion in 2024. The sector contributed 4.7 percent to national GDP in 2024 and employed over two million workers. Chile is known for exporting a wide variety of products including salmon, fresh fruit, wine, and forestry products. In 2024, Chile exported 18 percent of its agricultural and related products to the United States, totaling $621 million, and making it the top export market for this category of products. While Chile is an agricultural producer and exporter of many high-value agricultural products, there are certain products where the domestic supply is not enough to cover domestic consumption needs, such as wheat, corn, beef, and dairy products.

Chile's food and agriculture sector is dynamic and adaptable, responding to consumer needs with key attributes like quality, traceability, and safety. It is well-regarded and highly valued in international markets, with advancements in innovation and sustainability further enhancing its global reputation. The industry comprises around 27 subsectors linked to export activities.

**Figure 1: 2024 Chilean Exports by Product Category**




Chile exports 92 percent of the food it produces to markets with trade agreements such as the United States, China, European Union, Japan, and the Southern Common Market (MERCOSUR). Chilean food processors sell their products nationally or internationally. The Foreign Investment Agency of Chile (*InvestChile*) reports that 54 percent of Chile's total food production is destined for the domestic market, and 46 percent is exported to more than 180 countries worldwide.

Chilean regulation requires labeling of food products high in sugar, saturated fat, calories, and sodium. The Chilean food industry continues searching for new formulations and different ingredients to avoid mandatory labeling associated with the regulation.

**Table 1: Advantages and Challenges Facing U.S. Exporters**

| Advantages | Challenges |
|---|---|
| The United States is a strong trading partner for Chile: the U.S.-Chile Free Trade Agreement (FTA) facilitates commerce. | Chilean importers prioritize quality ingredients and traceability of those products, while also being price-sensitive, particularly during economic slowdowns. |
| The United States is recognized as a reliable supplier of high-quality food products. | Chilean consumers are used to competitive prices due to the openness of the economy. |
| Demand for healthier ingredients has increased. | The United States competes with MERCOSUR and European countries in the ingredients sector. |
| U.S. products and ingredients are perceived as innovative and trendy, and Chilean consumers are likely to pay higher prices for them. | |
| Consumers' demand for premium processed foods and beverages continue to increase year after year. | |
| Chilean food processing companies use global certifications and standards. | |

## Section II: Roadmap for Market Entry

### Entry Strategy

Chile is a highly competitive market for food ingredients, which are products used to make food. These include fruits, vegetables, grains, spices, food additives, flavorings, and more. Prospective U.S. exporters should consider Chile as a stable market. U.S. exporters of food ingredients have two main ways of entering the Chilean market: by selling to importers/distributors or exporting directly to Chilean companies. The use of distributors, agents, or representatives depends on the type of product and the size of the food processing company. Larger food processors prefer to buy directly from exporters to benefit from competitive prices and avoid paying commissions to intermediaries. Smaller processors are more likely to buy from Chilean importers/distributors. Importers and distributors offer various packaging, quality control, and inspection services.

Alternatively, U.S. food ingredients exporters that plan to sell large volumes of their products can establish a local subsidiary or set up a regional office. Once successfully established, these producers may expand operations and use Chile as an exporting platform for other countries in Latin America. Establishing domestic production guarantees customer service, product quality, and helps establish a solid local presence.

Personal relationships are essential in Chile. Post recommends building connections to become a trusted business partner. These connections may rely on good customer services, personal visits, and extensive follow-up. A personal relationship can be achieved either directly or by hiring a local representative. It is worth noting that the reputation of a U.S. supplier is strongly influenced by the quality of its representative.

U.S. suppliers should offer solid business proposals to potential buyers that compete in quality, price, and payment conditions. Exporters of new-to-market products should approach buyers with a well-organized plan that outlines product specifications, shipment terms, and financial obligations.

**Import Procedure**

For details on how to export to Chile, please refer to Chile's Global Agricultural Information Network (GAIN) reports: Exporter Guide, FAIRS Export Certificate Report, FAIRS Country Report, and 2016 Nutritional Labeling and Advertising Law.

**Distribution Channels**

The distribution flow of food ingredients varies based on the origin of the ingredients and the size of the food processor. Local ingredients are primarily sourced directly from producers, whereas foreign products are purchased from distributors and importers of food ingredients. Larger food processors are able to import directly due to their higher production volumes and expertise.

**Market Structure**

According to data from the Chilean Internal Revenue Service (SII), in 2023, there were 30,582 food and beverage processing companies in Chile, which represents two percent of the total number of companies in the country. Some large international companies use their production plants in Chile to serve other markets in Latin America. Chilean food processing companies sell 60 percent of all processed food products to supermarkets and hypermarkets. Meanwhile, 38 percent of packaged food is sold through traditional grocery retailers such as independent small grocers or food/drink specialists. *Agrosuper*, *Nestlé Chile*, *Empresas Carozzi S.A.*, and *Coca-Cola* are among the largest food and beverage processing companies in Chile.

According to Chilean Food Processing Companies Association (*Chilealimentos A.G.*), the Chilean food industry mainly produces processed fruit and vegetables; chocolates and confectionary products; wine, beer, and drinks; beef, pork, and poultry products; potato chips and similar snacks; dairy products; frozen meals; pasta and noodles; oils; sugar and sweeteners; pet food; breakfast cereals; and seafood.

**Share of Major Segments in the Food Processing Industry**

The industry is structured into three main segments:

1. Large multinational and national companies, who dominate key categories like dairy, meat, and beverages. Companies like *Nestlé Chile*, *Empresas Carozzi S.A.*, *Agrosuper*, *Watt's Alimentos*, *and Embotelladora Andina S.A.*,
2. Mid-sized processors and specialized brands with focus on value-added products, such as organic, gourmet, and functional foods. Companies like *Quillayes-Surlat* and *Iansa*, and
3. Small and artisanal producers with emphasis in local ingredients, sustainability, and traditional recipes. Their products are often found in premium and niche markets.

**Company Profiles & Company Products**

**Table 2: Main Food Processing Companies in Chile**

| Company | Key Products |
|---|---|
| *Agrosuper S.A.* | Chicken, pork, turkey, salmon, and processed foods |
| *Agrícola Ariztía S.A.* | Chicken, turkey, sausage, eggs, cheese, and butter |
| *Cial Alimentos S.A.* | Ham, sausage, processed meats, and frozen meals |
| *Colún Ltda.* | Dairy products |
| *Embotelladora Andina S.A.* | Production and distribution of bottled fruit drinks, mineral water, energy drinks, iced tea, and carbonated beverages, including Coca-Cola. The company also manufactures processed fruit |
| *Empresas Carozzi S.A.* | Pasta, rice, noodles, chocolates, candy, snacks, jams, breakfast cereals, confectionary, sauces, tomato paste, desserts, fruit pulp, flour, beverages, olive oil, and pet food |
| *Evercrisp Snack Productos de Chile S.A. (PepsiCo, Inc.)* | Snacks, potato chips, cookies, breakfast cereals, oat products, soft drinks, energy drinks, iced tea, cranberry juice, and orange juice |
| *Nestlé Chile S.A.* | Coffee, dried milk, baby food and purees, breakfast cereals, chocolates, cookies, candies, dairy products, pet food, ice cream, infant formula, and sauces and condiments |
| *Soprole S.A.* | Dairy products |
| *Tresmontes Lucchetti S.A. (Grupo Nutresa)* | Pasta, snacks, canned tuna, powdered chocolate, instant coffee, tomato sauces, soups, cooking oil, tea, and powdered juice |
| *Watt's Alimentos S.A.* | Fruit (including juice, nectar, jam); dairy products; oil (cooking oil and margarine); frozen fruit and vegetables; fresh pasta; canned legumes and fruit, and wine |

Chilean processed foods have solid and well-positioned brands (*Empresas Carozz*i S.A., *Watt's Alimentos S.A., Tresmontes, Lucchetti,* etc.) with high level of consumer loyalty. Chilean consumers have increasing concerns about health-related issues, opening the market to products and ingredients marketed as healthy. In addition to healthy products, many Chilean consumers can afford to buy high-end U.S. products like beef, pork, dairy products, and distilled spirits. There is intense competition among food importers seeking to maintain or expand their market share. U.S. food ingredients exporters need to consider the longer freight time and higher transport costs to Chile than regional competitors. Nearby competitors like Argentina, Brazil, and Peru operate with relatively low shipping costs.

## Section III: Competition

There are significant opportunities for imported food ingredients in Chile, as the food processing industry imports half of all ingredients. Argentina is the top supplier, sending mostly corn, vegetable oils, sugar and sweeteners, and dairy products (Table 3). From Brazil, Chile imports dextrin, peptones and proteins, sugar and sweeteners, cocoa products, and coffee. The United States is the third-largest supplier of food ingredients to Chile, providing a diverse range of products. These include wheat, dairy products, condiments and sauces, vegetable oils, and almonds (Table 4). Paraguay supplies corn, rice, vegetable oils, and animal fats to Chile. Peru supplies mostly chocolate and cocoa products, palm oil, vegetable oils, and dairy products.

**Table 3: Chilean Food Ingredients Imports from the World (by country)**

| Partner Country | Import Value | | Share (%) | Variation (%) |
|---|---|---|---|---|
| | 2023 | 2024 | 2024 | 2023/2024 |
| _World | $4,148,988,655 | $4,177,331,289 | 100 | 0.68 |
| Argentina | $1,381,333,763 | $1,572,853,701 | 37.65 | 13.86 |
| Brazil | $463,563,185 | $447,344,388 | 10.71 | -3.50 |
| United States | $403,040,925 | $421,467,786 | 10.09 | 4.57 |
| Paraguay | $357,066,835 | $191,665,895 | 4.59 | -46.32 |
| Peru | $108,140,445 | $162,656,423 | 3.89 | 50.41 |
| Uruguay | $127,390,259 | $152,708,836 | 3.66 | 19.87 |
| Canada | $235,523,368 | $137,328,288 | 3.29 | -41.69 |
| Colombia | $147,732,674 | $133,688,378 | 3.20 | -9.51 |
| Germany | $94,582,488 | $91,673,492 | 2.19 | -3.08 |
| Guatemala | $105,803,628 | $90,226,791 | 2.16 | -14.72 |
| China | $79,759,481 | $86,593,568 | 2.07 | 8.57 |
| Mexico | $73,974,364 | $82,263,513 | 1.97 | 11.21 |
| The Netherlands | $68,326,905 | $64,006,230 | 1.53 | -6.32 |
| Spain | $40,872,480 | $63,057,883 | 1.51 | 54.28 |
| Italy | $35,910,505 | $43,963,350 | 1.05 | 22.42 |
| Others | $425,967,348 | $435,832,769 | 10.43 | 2.26 |
| **Source:** Trade Data Monitor, LLC | | | | |

**Note:** Ingredients include the following categories of products: Animal Fats; Chocolate & Cocoa Products, Coarse Grains (ex. Corn), Cocoa Beans, Coffee, Roasted and Extracts, Coffee, Unroasted; Condiments & Sauces, Corn, Dairy Products, Dextrin, Peptones & Proteins, Eggs & Products, Essential Oils, Fruit & Vegetable Juices, Industrial Alcohol & Fatty Acids, Milled Grains & Products, Oilseeds, Palm Oil, Peanuts, Pulses, Rice, Soybean Oil, Spices, Sugar & Sweeteners, Tree Nuts, Vegetable Oils, and Wheat

**Table 4: Chilean Imports of Food Ingredients from the United States by Product**

| Partner Country | Import Value | | Share (%) | Variation (%) |
|---|---|---|---|---|
| | 2023 | 2024 | 2024 | 2023/2024 |
| Total | $403,040,925 | $421,467,786 | 100.00 | 4.57 |
| Wheat | $107,412,758 | $106,639,631 | 25.30 | -0.72 |
| Dairy Products | $93,864,406 | $102,694,148 | 24.37 | 9.41 |
| Condiments & Sauces | $66,048,199 | $63,797,208 | 15.14 | -3.41 |
| Vegetable Oils NESOI | $22,775,887 | $39,526,899 | 9.38 | 73.55 |
| Tree Nuts | $19,042,727 | $27,621,060 | 6.55 | 45.05 |
| Essential Oils | $21,390,225 | $20,409,993 | 4.84 | -4.58 |
| Chocolate & Cocoa Products | $16,640,167 | $16,629,656 | 3.95 | -0.06 |
| Dextrins, Peptones, & Proteins | $13,661,307 | $14,580,639 | 3.46 | 6.73 |
| Coffee, Roasted and Extracts | $9,719,093 | $9,134,621 | 2.17 | -6.01 |
| Sugars & Sweeteners | $3,414,469 | $4,022,066 | 0.95 | 17.79 |
| Pulses | $3,710,603 | $3,903,005 | 0.93 | 5.19 |
| Animal Fats | $3,299,699 | $3,050,672 | 0.72 | -7.55 |
| Milled Grains & Products | $6,149,683 | $2,236,277 | 0.53 | -63.64 |
| Industrial Alcohols & Fatty Acids | $1,458,555 | $1,969,848 | 0.47 | 35.05 |
| Soybean Oil | $1,249,376 | $1,238,004 | 0.29 | -0.91 |
| Fruit & Vegetable Juices | $2,877,315 | $1,057,328 | 0.25 | -63.25 |
| Eggs & Products | $862,592 | $770,941 | 0.18 | -10.63 |
| Corn | $7,908,610 | $767,766 | 0.18 | -90.29 |
| Spices | $791,980 | $541,890 | 0.13 | -31.58 |
| Rice | $302,368 | $413,864 | 0.10 | 36.87 |
| Oilseeds | $375,543 | $311,403 | 0.07 | -17.08 |
| Peanuts | $70,254 | $111,543 | 0.03 | 58.77 |
| Coarse Grains (ex. corn) | $12,993 | $39,321 | 0.01 | 202.63 |
| Cocoa Beans | 0 | 0 | 0.00 | 0 |
| Coffee, Unroasted | $158 | 0 | 0.00 | -100.00 |
| Palm Oil | $1,958 | 0 | 0.00 | -100.00 |
| **Source:** Trade Data Monitor, LLC | | | | |

The United States and Chile are strategic partners whose agricultural relationship has been guided by collaboration and trade capacity building, allowing Chile to become a regional leader with a competitive market. In 2024, U.S. agricultural and related exports to Chile totaled $903.7 million. The United States is the fourth largest supplier of agricultural and related products to Chile, after Argentina, Brazil and Paraguay, holding a 9.1 percent market share.

Chile is the second largest market in South America for U.S. agricultural products, after Colombia. In 2024, consumer-oriented agricultural exports summed $562 million, comprising over 62 percent of all U.S. agricultural exports to Chile. Competition from MERCOSUR and regional suppliers remains fierce for consumer-oriented products, grains, soybean products, and pet food.

## Section IV: Best Product Prospects

Chile dropped all tariffs on agricultural products to zero as of January 2015, due to the U.S.-Chile Free Trade Agreement. The United States and Chile are strategic partners whose agricultural relationship has been guided by collaboration and trade capacity building, allowing Chile to become a regional leader with a competitive market.

Figure 3 shows the ingredients with the top prospects in Chile in 2024. All the ingredients in Table 5 had high levels of import value and growing consumption trends. The ingredient with the highest import value in 2024 was wheat, which Chilean mills use to manufacture bread, pasta, and other bakery products. The second top ingredient is essential oils, which are commonly used in the food and drink industry, including flavored oils used to manufacture carbonated beverages. Additionally, condiments, seasonings, and sauces ranked among the top imported products, serving the food processing industry, foodservice, and retail sector.

**Figure 2: 2024 Sales of Top Ingredients with Strong Sales Potential**

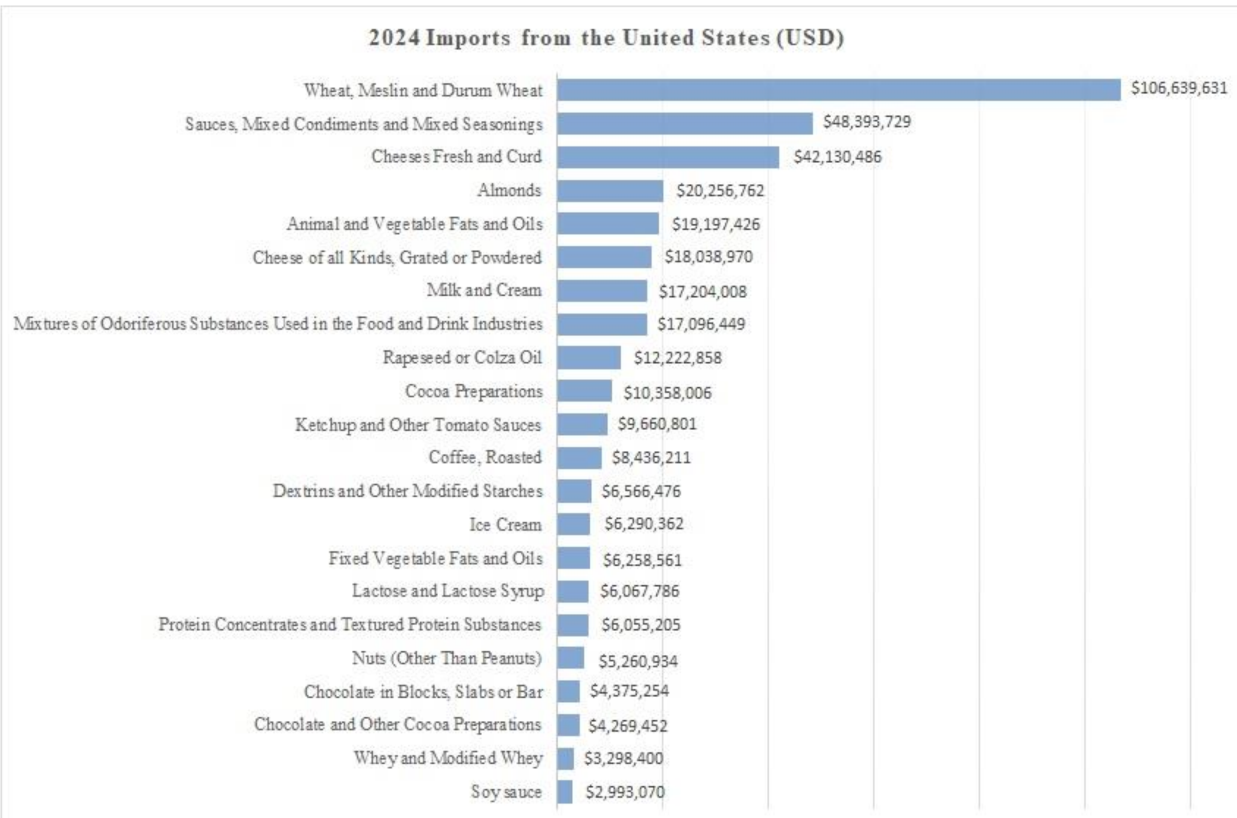


**Table 5: Products with Good Sales Potential**

| Products present in the market which have good sales potential | Products not present in significant quantities, but which have good sales potential |
|---|---|
| • Wheat<br>• Bakery Ingredients<br>• Essential oils (beverage industry)<br>• Vegetable oils<br>• Condiments and sauces (mayonnaise, ketchup, bbq sauce, and salad dressing) | • Flours and starches<br>• Plant extracts<br>• Animal and vegetable fats or oils<br>• Corn<br>• Whey<br>• Peptones and other protein derivatives |

## Section V: Key Contacts and Further Information

| | |
|---|---|
| Ministry of Agriculture - Office of Agricultural Policies and Studies (ODEPA)<br>Teatinos 40 Piso 7 – Santiago<br>Tel.: +56 2 800-360-990<br>www.odepa.gob.cl | Ministry of Economy, Development and Tourism<br>National Institute of Statistics (INE)<br>Morandé 801 Piso 22 – Santiago<br>Tel.: +56 2 3246-1010 – 3246-1018<br>ine@ine.cl<br>www.ine.cl |
| Ministry of Agriculture - Agriculture and Livestock Service (SAG)<br>Av. Bulnes 140 – Santiago<br>Tel.: +56 2 2345-1100<br>Office Directory:<br>https://www.sag.gob.cl/directorio-oficinas<br>www.sag.gob.cl | Ministry of Health<br>Seremi de Salud (SEREMI)<br>Padre Miguel de Olivares 1229 – Santiago<br>Office Directory:<br>https://www.minsal.cl/secretarias-regionales-ministeriales-de-salud/<br>https://seremi13.redsalud.gob.cl/ |
| Chilean Institute of Public Health<br>Av. Maratón 1000 – Ñuñoa, Santiago<br>Tel.: +56 2 2575-5101 - 2575-5202<br>oirs@ispch.cl<br>www.ispch.cl | Instituto de Nutrición y Tecnología de los Alimentos – INTA<br>Universidad de Chile<br>Av. El Líbano 5524<br>Casilla 138 Correo 11 Santiago<br>Tel.: +56 2 2978-1411 / 2978-1400<br>www.inta.cl |
| National Customs Agency<br>Plaza Sotomayor 60 – Valparaíso<br>Tel.: +56 2 600-570-7040<br>www.aduana.cl | |

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**Attachments:**
No Attachments