

Required Report: Required - Public Distribution

Date: October 30,2020

Report Number: CI2020-0022

Report Name: Fresh Deciduous Fruit Annual

Country: Chile

Post: Santiago

Report Category: Fresh Deciduous Fruit

Prepared By: Sergio Gonzalez

Approved By: Marcela Rondon

Report Highlights:

In the winter of MY2020/21 rainfall was abundant, especially in the month of June and climatic conditions during the spring have been favorable, thus fruit producers are expecting higher production volumes. In MY2020/21, Post estimates that fresh apple exports will total 655,000 metric tons (MT), a 3.9 percent increase over MY2019/20. The United States remains the main market for Chilean table grape exports. Table grape exports are expected to reach 620,000 MT, a 1.6 percent increase over MY2019/20. Pear exports will decrease by 4.3 percent and total 111,000 MT due to the decline in pear planted area. Regarding COVID-19 pandemic, Chilean fruit exporters have taken necessary precautions and are expecting normal trade flows.

Commodities:

Apples, Fresh

Table 1. Production, Supply and Distribution Statistics

Apples, Fresh Market Year Begins	2018/2019		2019/2020		2020/2021	
	Jan 2019		Jan 2020		Jan 2021	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	34,427	34,427	32,371	32,371	0	32,314
Area Harvested (HA)	33,000	33,000	31,300	31,300	0	31,300
Bearing Trees (1000 TREES)	36,300	36,300	34,430	34,430	0	34,430
Non-Bearing Trees (1000 TREES)	2,500	2,500	2,400	2,400	0	2,400
Total Trees (1000 TREES)	38,800	38,800	36,830	36,830	0	36,830
Commercial Production (MT)	1,200,000	1,200,000	1,134,650	1,115,000	0	1,160,000
Non-Comm. Production (MT)	10,000	10,000	9,000	9,000	0	10,000
Production (MT)	1,210,000	1,210,000	1,143,650	1,124,000	0	1,170,000
Imports (MT)	3,200	3,200	2,000	2,000	0	2,000
Total Supply (MT)	1,213,200	1,213,200	1,145,650	1,126,000	0	1,172,000
Domestic Consumption (MT)	529,500	529,500	495,650	496,000	0	517,000
Exports (MT)	683,700	683,700	650,000	630,000	0	655,000
Withdrawal from Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	1,213,200	1,213,200	1,145,650	1,126,000	0	1,172,000
(HA) ,(1000 TREES) ,(MT)						

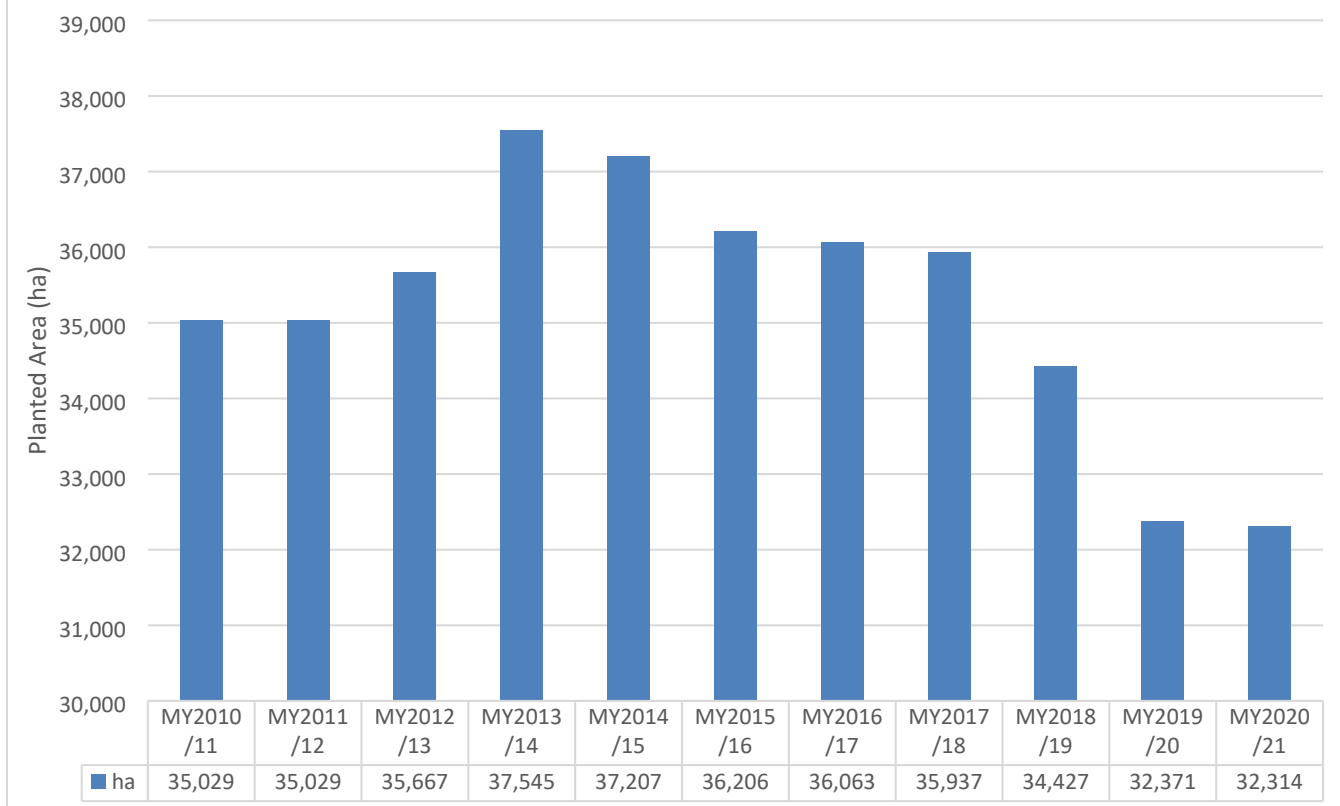
Source: Post estimations.

Production:

Climatic conditions in the winter of MY2020/21 were better than the previous marketing year since rainfall was abundant, especially in the month of June. During the spring there was no significant damage by frosting that could imply a large reduction in production volume. Overall, yields and thus apple production volume, is expected to increase by four percent in MY2020/21 totaling 1,160,000 MT (See Table 1).

In MY2020/21, Chile's apple planted area totals 32,314 hectares (ha), unchanged from MY2019/20 (See Graph 1). Located in the central-south part of the country, *Maule* region holds 19,637 ha of apple planted area, which represent 61 percent of the total apple planted area. *O'Higgins* region, which is right next to *Maule* region, holds 7,734 ha and 24 percent of the planted area. *Araucania* region, in the southern part of the country holds 3,061 ha, which makes up for 9 percent of the planted area.

Graph 1. Chile: Apple Planted Area (ha)



Source: ODEPA, 2020.

Consumption:

In MY2020/21, Post estimates domestic consumption of apples (fresh and processed) will total 517,000 metric tons or 45 percent of the total commercial apple production. Chilean consumption is destined for fresh consumption, or for further processing mainly to produce juice.

Policy

Chilean fruit exporters are preparing for the MY2020/21 export season. Regarding the COVID-19 pandemic, Chilean fresh fruit producers took precautions, planned their activities, and implemented new safety protocols to avoid the spread of the virus among workers. Exporters are adapting all labor requirements to maintain physical distance among workers to prevent the spread of the COVID-19 virus as this will be a major challenge considering production volumes increased compared to MY2019/20. Chile's Fruit Exporters Association (ASOEX) published an [updated protocol](#) for farms and packing plants. With these preparations, Chilean fresh fruit exporters are expecting a normal trade flow in MY2020/21.

Trade:

Following the increase in apple production, for MY2020/21, Post estimates a 3.9 percent increase in Chilean apple exports over MY2019/20, totaling 655,000 MT.

From January to August 2020, Chile's fresh apple exports decreased by 8.3 percent in volume and 11.7 percent in value over the same period in 2019, totaling 567,166 MT and \$492 million (See Table 2 and Table 3). Chilean top markets for apple exports are the United States, Colombia, Ecuador, Saudi Arabia, the Netherlands, the United Kingdom, and Brazil,

Fresh Chilean apple exports to the United States decreased by 33.8 percent due to an increased supply of domestic apples in that market as a result of the COVID-19 pandemic.

Table 2: Chile Apple Exports to the World (Volume)

Commodity: 080810, Apples, Fresh						
Partner	Marketing Year (Volume)			Year to Date (January - August)		
	2018 (MT)	2019 (MT)	Variation (%)	Jan 19- Aug 19	Jan 20-Aug 20	Variation (%)
World	778,941	673,729	-13.5%	618,324	567,166	-8.3%
United States	62,325	78,662	26.2%	78,519	51,977	-33.8%
Colombia	84,510	74,332	-12.0%	58,772	53,146	-9.6%
Ecuador	53,241	48,179	-9.5%	40,231	40,645	1.0%
India	56,119	42,478	-24.3%	42,478	20,643	-51.4%
Taiwan	50,321	42,015	-16.5%	41,624	36,079	-13.3%
Peru	43,165	40,604	-5.9%	28,797	27,081	-6.0%
China	11,618	39,637	241.2%	39,221	14,586	-62.8%
Saudi Arabia	42,472	38,073	-10.4%	37,712	51,757	37.2%
Netherlands	59,293	35,709	-39.8%	35,514	40,826	15.0%
United Kingdom	41,033	27,199	-33.7%	26,833	28,791	7.3%
Brazil	37,647	19,913	-47.1%	14,933	29,417	97.0%
Bolivia	25,207	19,569	-22.4%	13,097	12,640	-3.5%
Germany	29,907	18,880	-36.9%	18,504	20,761	12.2%
Canada	22,675	18,133	-20.0%	18,133	9,251	-49.0%
Russia	29,428	17,979	-38.9%	17,979	25,955	44.4%
Others	129,980	112,367	-13.6%	105,977	103,611	-2.2%

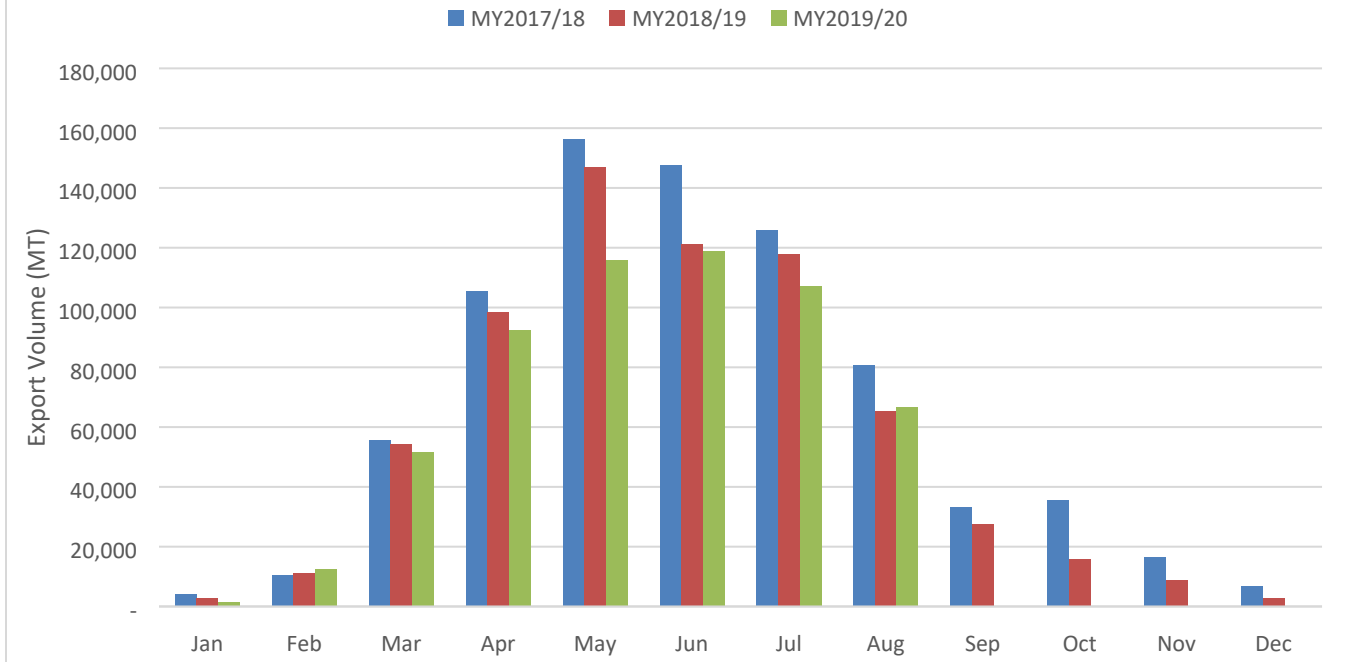
Source of Data: Trade Data Monitor, LLC.

Table 3: Chile Apple Exports to the World (Value)

Commodity: 080810, Apples, Fresh						
Partner	Marketing Year (Value)			Year to Date (January - August)		
	2018 (USD)	2019 (USD)	Variation (%)	Jan 19- Aug 19	Jan 20-Aug 20	Variation (%)
World	680,885,856	602,882,263	-11.5%	557,025,009	491,723,111	-11.7%
United States	62,298,901	85,885,526	37.9%	85,744,405	58,277,618	-32.0%
Colombia	73,550,474	66,532,109	-9.5%	51,905,086	44,214,501	-14.8%
Taiwan	54,424,053	43,234,419	-20.6%	42,788,759	34,233,339	-20.0%
China	10,445,040	37,239,513	256.5%	36,781,625	14,533,881	-60.5%
Ecuador	40,094,360	36,487,293	-9.0%	29,788,590	29,148,355	-2.1%
Saudi Arabia	36,879,506	33,351,430	-9.6%	32,982,596	46,148,289	39.9%
India	41,330,752	31,884,990	-22.9%	31,884,990	15,652,391	-50.9%
Netherlands	51,804,932	30,753,260	-40.6%	30,545,695	36,693,723	20.1%
Peru	30,250,947	28,577,117	-5.5%	19,928,261	18,772,560	-5.8%
United Kingdom	41,721,412	27,132,238	-35.0%	26,678,128	27,182,949	1.9%
Canada	24,352,431	19,765,688	-18.8%	19,765,688	9,284,792	-53.0%
Brazil	31,454,075	17,238,145	-45.2%	12,912,021	22,277,404	72.5%
Germany	28,067,744	17,186,961	-38.8%	16,845,374	17,909,320	6.3%
Russia	25,095,944	15,158,423	-39.6%	15,158,423	20,263,451	33.7%
France	19,872,068	15,019,446	-24.4%	14,761,748	14,256,955	-3.4%
Others	109,243,217	97,435,705	-10.8%	88,553,620	82,873,583	-6.4%

Source of Data: Trade Data Monitor, LLC.

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



Source of Data: Trade Data Monitor, LLC.

Commodities:

Grapes, Table, Fresh

Table 4. Production, Supply and Distribution Statistics

Grapes, Fresh Table	2018/2019		2019/2020		2020/2021	
Market Year Begins	Oct 2018		Oct 2019		Oct 2020	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	47,800	47,800	47,834	47,834	0	45,489
Area Harvested (HA)	45,900	45,900	46,000	46,000	0	44,000
Commercial Production (MT)	830,000	830,000	835,000	780,000	0	780,000
Non-Comm. Production (MT)	4,600	4,600	4,600	4,600	0	4,500
Production (MT)	834,600	834,600	839,600	784,600	0	784,500
Imports (MT)	400	400	300	300	0	300
Total Supply (MT)	835,000	835,000	839,900	784,900	0	784,800
Fresh Dom. Consumption (MT)	180,500	180,500	194,900	174,900	0	164,800
Exports (MT)	654,500	654,500	645,000	610,000	0	620,000
Withdrawal from Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	835,000	835,000	839,900	784,900	0	784,800
(HA) ,(MT)						

Source: Post estimations.

Production:

Chile's table grape planted area in MY2020/21 declined by 4.9 percent totaling 45,489 ha (See Graph 2). In MY2019/20, production totaled 780,000 MT, a 6.0 percent decline over MY2018/19. This decline is attributed to a particular dry MY and to a decline in planted area. Despite the reduction in planted area Post estimates production to remain unchanged in MY2020/21 and reach 780,000, considering table grape yields will increase due to higher water availability and favorable climatic conditions.

Table grape planted area is distributed from the northern part of the country in the region of *Atacama* to the central south part of the country in *O'Higgins* region. The *O'Higgins* region holds 30 percent of the planted area, making it the top producing region (See Table 5). The largest drops in table grape planted area were 11.8 percent in *Atacama* region and 14.1 percent in *Metropolitana* region.

Table grape production and exports has become very competitive due to the increase in production and exports from Peru, and demand for new varieties of table grapes in destination markets. Traditional

varieties, such as Red Globe or Flame, have low margins and producers have replaced their crops with new varieties or more profitable crops.

Finding an alternative profitable crop is feasible in central regions such as *Metropolitana* or *Valparaíso*, because appropriate soils, favorable climate conditions, and water availability allows for production of a wide variety of fruits such as cherries, avocado, or walnuts, among others. By contrast, finding an alternative crop in *Atacama* region is difficult because saline soils and climate conditions make it less feasible to produce a wide variety of fruit crops, thus producers are choosing to renew their orchards with varieties such as Timco, Allison and Arra-15, rather than replacing with a new crop. However, this is a long-term investment and many small-scale producers have not been able to do so, which explains why the planted area has decreased in this region.

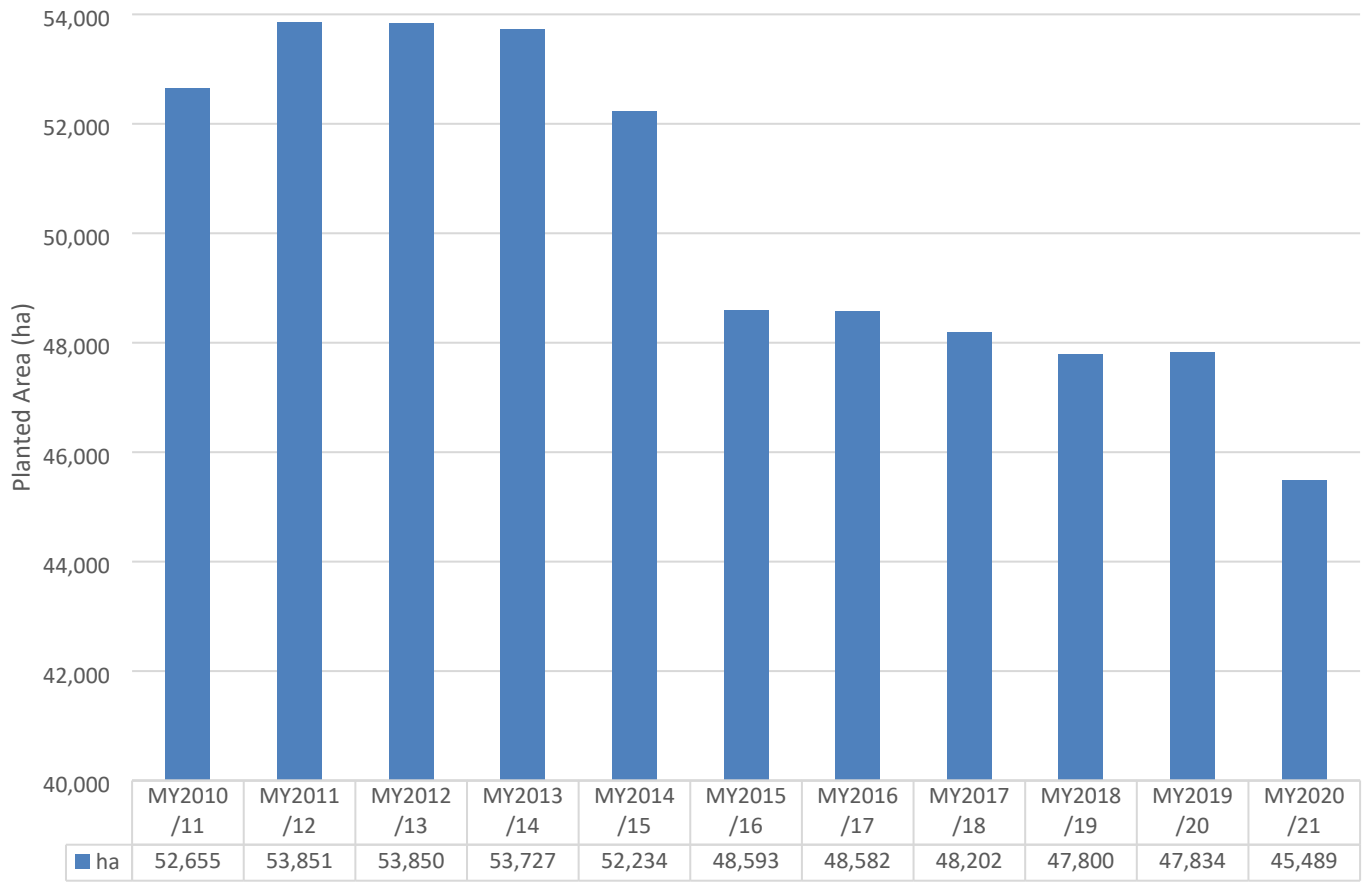
Table 5: Table grape planted area by region (ha)

Region	Planted Area (ha) MY2020/21	Share (%)	Variation* (%)
Atacama	6,836	15%	-11.8%
Coquimbo	8,159	18%	-6.5%
Valparaíso	9,970	22%	-10.9%
Metropolitana	6,848	15%	-14.1%
O'Higgins	13,435	30%	8.7%
Maule	241	1%	16.7%
Total	45,489	100%	-4.9%

*Variation of the planted area covers a three-year period and corresponds to the last available data point from the official fruit registry.

Source: Based on data from ODEPA.

Graph 3. Chile: Table Grape Planted Area (ha)



Source: ODEPA, 2020

Consumption:

Post estimates that in MY2019/20 consumption will reach 164,800 MT. Chile exports around 80 percent of all table grape production and consumes the remainder 20 percent.

Trade:

For MY2020/21, Post estimates that table grape exports will total 620,000 MT, a 1.6 percent increase over MY2019/20, considering higher yields and a higher share of exportable fruit due to better climatic conditions.

Table grape exports decreased by 7.6 percent in MY2019/20 (data until August) over MY2018/19 totaling 604,543 MT and \$926 million (See Table 6 and Table 7).

The United States is the main market for Chilean table grape exports accounting for 46 percent of Chilean table grape exports. In MY2019/20, table grape exports to the United States reached 275,495 MT (data until August) a 6.7 percent decrease over MY2018/19 (See Table 4).

China is the second top market for Chilean grapes, totaling 111,819 MT in MY2019/20 (data until August) a 5.1 percent increase over MY2018/19. In MY2019/20, exports to the Netherlands and United Kingdom grew by 17.9 percent and 8.9 percent.

Chilean government and the fresh fruit export sector continue efforts to diversify export markets to reduce dependency and risk.

Table 6: Chile Table Grape Exports to the World (Volume)

Commodity: 080610, Grapes, Fresh						
Partner	Marketing Year (Volume)			Year to Date (October - August)		
	MY2017/18 (MT)	MY2018/2019 (MT)	Variation (%)	Oct 18- Aug 19	Oct 19-Aug 20	Variation (%)
World	731,258	654,516	-10.5%	654,479	604,543	-7.6%
United States	328,081	295,149	-10.0%	295,149	275,495	-6.7%
China	118,155	106,391	-10.0%	106,353	111,819	5.1%
South Korea	32,212	41,129	27.7%	41,129	24,474	-40.5%
Netherlands	43,726	29,946	-31.5%	29,946	35,308	17.9%
United Kingdom	32,823	24,641	-24.9%	24,641	26,606	8.0%
Mexico	16,505	15,839	-4.0%	15,839	13,709	-13.4%
Canada	17,182	15,659	-8.9%	15,659	16,398	4.7%
Japan	8,972	13,548	51.0%	13,548	12,308	-9.2%
Russia	16,700	11,318	-32.2%	11,318	11,002	-2.8%
Brazil	16,162	9,170	-43.3%	9,170	4,943	-46.1%
Spain	10,253	9,073	-11.5%	9,073	7,903	-12.9%
Germany	9,316	8,680	-6.8%	8,680	4,871	-43.9%
Ecuador	7,805	8,212	5.2%	8,212	9,625	17.2%
Indonesia	6,947	8,004	15.2%	8,004	2,098	-73.8%
Saudi Arabia	5,736	6,650	15.9%	6,650	7,052	6.0%
Others	60,683	51,107	-15.8%	51,108	40,932	-19.9%

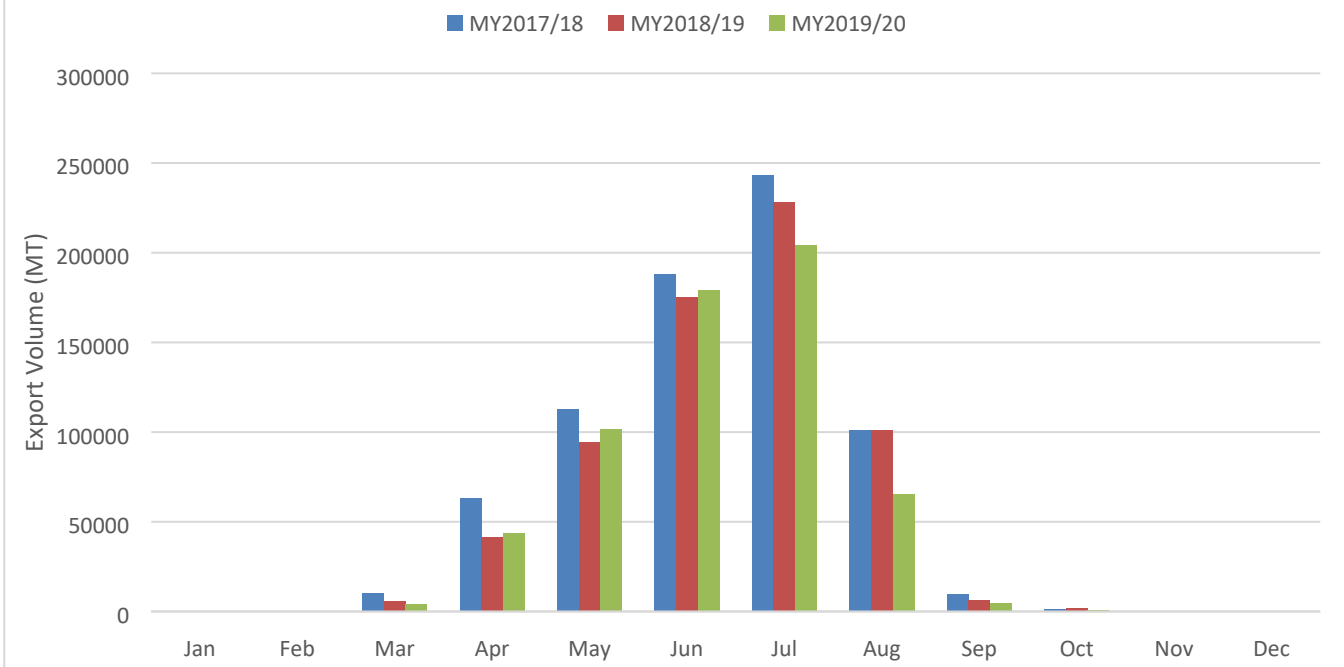
Source of Data: Trade Data Monitor, LLC.

Table 7: Chile Table Grape Exports to the World (Value)

Commodity: 080610, Grapes, Fresh						
Partner	Marketing Year (Value)			Year to Date (October - August)		
	2018 (USD)	2019 (USD)	Variation (%)	Oct 18- Aug 19	Oct 19-Aug 20	Variation (%)
World	1,082,471,165	952,780,911	-12.0%	952,726,191	926,188,714	-2.8%
United States	443,926,360	393,976,002	-11.3%	393,976,002	382,436,706	-2.9%
China	174,560,171	154,732,212	-11.4%	154,677,492	186,676,292	20.7%
South Korea	69,635,548	84,320,451	21.1%	84,320,451	56,545,140	-32.9%
United Kingdom	57,820,688	40,549,099	-29.9%	40,549,099	44,060,556	8.7%
Netherlands	55,656,772	36,191,878	-35.0%	36,191,878	45,295,153	25.2%
Mexico	27,476,776	25,053,079	-8.8%	25,053,079	22,721,460	-9.3%
Canada	26,383,891	23,179,142	-12.1%	23,179,142	24,915,288	7.5%
Japan	14,126,002	20,758,452	47.0%	20,758,452	22,521,017	8.5%
Russia	27,797,550	16,508,118	-40.6%	16,508,118	16,744,751	1.4%
Spain	14,313,169	14,052,125	-1.8%	14,052,125	13,217,362	-5.9%
Brazil	24,851,597	13,495,034	-45.7%	13,495,034	6,792,631	-49.7%
Ecuador	12,884,568	12,679,786	-1.6%	12,679,786	15,163,986	19.6%
Germany	11,281,460	12,607,964	11.8%	12,607,964	6,485,113	-48.6%
Indonesia	10,183,402	11,737,714	15.3%	11,737,714	3,137,405	-73.3%
Saudi Arabia	9,505,275	10,472,567	10.2%	10,472,567	11,138,919	6.4%
Others	102,067,936	82,467,288	-19.2%	82,467,288	68,336,935	-17.1%

Source of Data: Trade Data Monitor, LLC.

Graph 4. Chile: Table Grape Export Volume by Month (MT)



Source of Data: Trade Data Monitor, LLC.

Policy:

The Chilean Ministry of Agriculture through the Agricultural and Livestock Service (SAG) will implement the [National Program for the control of Grapevine Moth](#) (*Lobesia botrana*) for MY2020/21. SAG’s control actions are mandatory for all table grapes (*Vitis vinifera*) throughout the complete production area for Chilean table grapes.

Chile’s request to export table grapes to the United States under systems approach is pending USDA-APHIS review.

Commodities:

Pears, Fresh

Table 8. Production, Supply and Distribution Statistics:

Pears, Fresh Market Year Begins	2018/2019		2019/2020		2020/2021	
	Jan 2019		Jan 2020		Jan 2021	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	8,157	8,157	7,272	7,272	0	6,950
Area Harvested (HA)	8,100	8,100	7,250	7,250	0	6,700
Bearing Trees (1000 TREES)	8,505	8,505	7,500	7,500	0	7,000
Non-Bearing Trees (1000 TREES)	1,050	1,050	900	900	0	1,000
Total Trees (1000 TREES)	9,555	9,555	8,400	8,400	0	8,000
Commercial Production (MT)	250,000	250,000	225,000	220,000	0	211,000
Non-Comm. Production (MT)	2,000	2,000	2,000	2,000	0	2,000
Production (MT)	252,000	252,000	227,000	222,000	0	213,000
Imports (MT)	400	400	500	500	0	500
Total Supply (MT)	252,400	252,400	227,500	222,500	0	213,500
Domestic Consumption (MT)	120,900	120,900	107,500	106,500	0	102,500
Exports (MT)	131,500	131,500	120,000	116,000	0	111,000
Withdrawal from Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	252,400	252,400	227,500	222,500	0	213,500
(HA) ,(1000 TREES) ,(MT)						

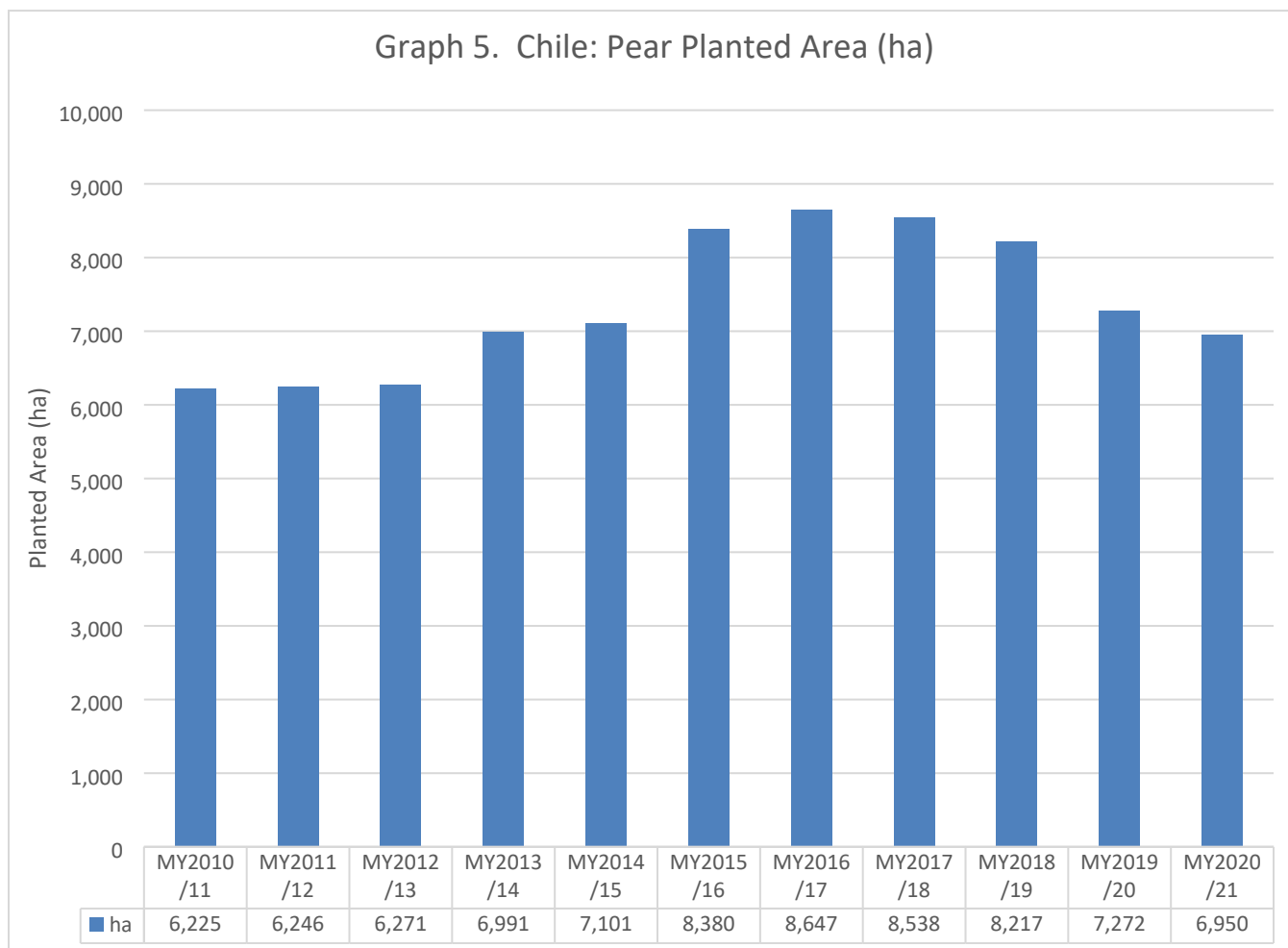
Source: Post estimations

Production:

In MY2020/21, Chile's pear planted area totaled 6,950 ha, a 4.4 percent decrease over MY2019/20 (See Graph 5). Pear production and exports face declining profits and some of the produced varieties, like *abate fetel*, have limited export destinations, because they are known and consumed only in certain countries, making market diversification difficult compared to other commodities. Additionally, pear handling and transportation presents an additional difficulty, since many pear varieties are delicate and can get physically damaged easily.

As a result, Post estimates Chile's MY2020/21 fresh pear production to decrease by four percent to 211,000 MT.

O'Higgins and Maule regions, in the central part of the country, hold 65 percent and 27 percent of Chile's pear planted area, respectively. Planted area in these regions decreased by 6.0 percent in O'Higgins and by 32.2 percent in Maule.



Source: ODEPA, 2020.

Consumption:

In MY2019/20, Post estimates domestic consumption of pears at 102,500 MT (includes fresh domestic consumption and for further processing).

Post estimates that Chile's fresh pear exports make up 52 percent of the total supply and the remainder 48 percent is consumed fresh or is processed.

Trade:

In MY2020/21, Post estimates pear exports to decrease by 4.3 percent and total 111,000 MT due to the decrease in pear planted area and lower production volume.

In MY2019/20 (data until August), Chile's pear exports decreased by 13.1 percent in volume over MY2018/19, totaling 107,635 MT and \$103 million (See Table 9 and Table 10).

Chile's main market for fresh pear exports is Colombia, followed by Russia, the Netherlands and Italy. Fresh pear exports to Colombia decreased by 12.1 percent during in MY2019/20 over MY2018/19. On the other hand, fresh pear exports to Italy increased by 15 percent, totaling 14,934 MT and making it the second top market for Chilean pear exports in MY2019/20.

The opening of the Chinese market for Chilean pears in April 2019 expanded market opportunities for pear producers, in MY2019/20 exports grew by 41.6 percent and reached 2,541 MT (data until August).

Table 9: Chile, Pear Exports to the World (Volume)

Commodity: 080830, Pears, Fresh						
Partner	Marketing Year (Volume)			Year to Date (January - August)		
	2018 (MT)	2019 (MT)	Variation (%)	Jan 19- Aug 19	Jan 20-Aug 20	Variation (%)
World	129,003	131,531	2.0%	123,914	107,635	-13.1%
Colombia	20,446	21,345	4.4%	17,151	15,081	-12.1%
Russia	15,455	20,032	29.6%	20,032	11,604	-42.1%
Netherlands	17,649	13,080	-25.9%	13,080	12,716	-2.8%
Italy	10,937	12,513	14.4%	12,513	14,394	15.0%
Ecuador	10,117	11,632	15.0%	10,535	8,657	-17.8%
Peru	11,820	11,620	-1.7%	10,096	7,509	-25.6%
United States	11,930	9,921	-16.8%	9,921	9,206	-7.2%
Spain	5,233	5,564	6.3%	5,564	5,279	-5.1%
Germany	7,097	4,224	-40.5%	4,224	5,060	19.8%
Brazil	2,878	3,210	11.5%	3,096	1,506	-51.4%
Saudi Arabia	2,034	2,379	17.0%	2,379	2,297	-3.4%
Panama	1,911	1,992	4.2%	1,593	1,184	-25.7%
China	22	1,794	8054.5%	1,794	2,541	41.6%
Mexico	696	1,558	123.9%	1,558	1,197	-23.2%
France	830	1,351	62.8%	1,351	1,127	-16.6%
Others	9,948	9,316	-6.4%	9,027	8,277	-8.3%

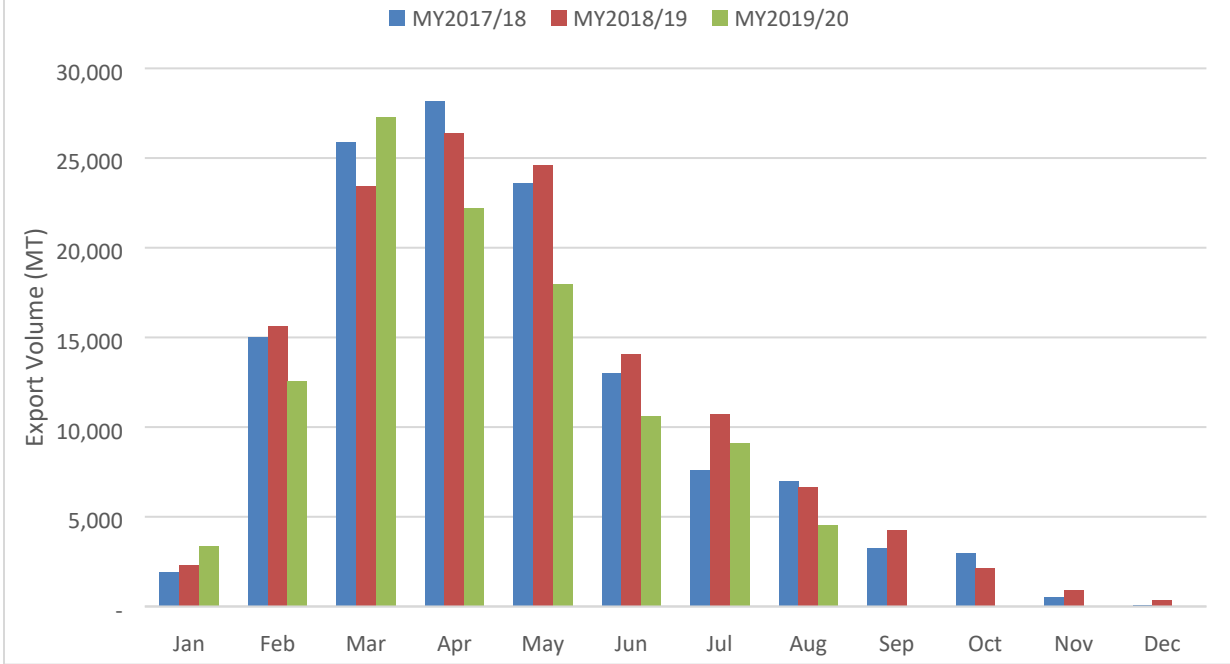
Source of Data: Trade Data Monitor, LLC.

Table 10: Chile, Pear Exports to the World (Value)

Commodity: 080830, Pears, Fresh						
Partner	Marketing Year (Value)			Year to Date (January - August)		
	2018 (USD)	2019 (USD)	Variation (%)	Jan 19- Aug 19	Jan 20-Aug 20	Variation (%)
World	123,347,540	124,253,189	0.7%	117,157,722	103,416,478	-11.7%
Colombia	19,354,608	20,610,441	6.5%	16,409,626	14,155,263	-13.7%
Russia	16,638,786	20,144,880	21.1%	20,144,880	12,234,752	-39.3%
Netherlands	16,785,303	13,009,079	-22.5%	13,009,079	13,460,683	3.5%
Italy	11,344,171	12,111,345	6.8%	12,111,345	13,776,978	13.8%
Ecuador	9,074,709	9,983,909	10.0%	8,924,502	7,388,196	-17.2%
United States	9,618,535	8,684,483	-9.7%	8,684,483	7,729,322	-11.0%
Peru	8,998,296	7,998,836	-11.1%	7,002,149	5,446,518	-22.2%
Spain	5,846,342	6,049,774	3.5%	6,049,774	5,703,585	-5.7%
Germany	7,203,051	3,666,130	-49.1%	3,666,130	4,934,175	34.6%
Brazil	3,077,683	3,220,830	4.7%	3,133,331	1,543,786	-50.7%
Saudi Arabia	2,376,399	2,862,291	20.4%	2,862,291	2,662,032	-7.0%
China	25,920	2,123,065	8090.8%	2,123,065	2,836,696	33.6%
Panama	1,918,011	1,999,029	4.2%	1,576,973	1,156,622	-26.7%
Mexico	683,213	1,292,637	89.2%	1,292,637	1,011,734	-21.7%
France	736,066	1,101,572	49.7%	1,101,572	984,416	-10.6%
Others	9,666,447	9,394,888	-2.8%	9,065,885	8,391,720	-7.4%

Source of Data: Trade Data Monitor, LLC.

Graph 6. Chile: Pear Export Volume by Month (MT)



Source of Data: Trade Data Monitor, LLC.

Attachments:

No Attachments