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Chile

Strawberries

Strawberries — Revised

1999

Prepared by: Richard J. Blabey, Agricultural Counselor
U.S. Embassy

Drafted by: Luis Hennicke, Agricultural Specialist

Report Highlights:

Strawberry production rebounds in 1998/99.

PS&D for Frozen Strawberries has been revised.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Santiago (CI9029) Chile

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Executive Summary

Chile's strawberry output in 1998/99 is expected to increase significantly in spite of a drought which is affecting most agricultural production areas. Excellent weather during the spring and summer together with technological improvements will increase productivity in the coming years. Exports of fresh strawberries will increase significantly in 1998/99 reflecting a substantial increase of the quality of this year's production.

Fresh Strawberries

Production

In spite of a larger planted area in 1997/98, production resulted smaller than the previous season due to unstable weather. Unusual rain during springtime, together with high temperatures, promoted the spread of mold (botrytis) on the fruit even before harvest. Additionally, some planted areas were lost to production due to excessive rain which flooded fields. Lower than normal temperatures during the late summer months also affected yields in most production areas.

For the 1998/99 season a small increase in planting was observed and a significant increase in the quantity and quality of production is expected in spite of a drought which affected most production areas. Good weather and the effect of improved technologies applied by most small farmers are responsible for an increase in productivity.

NOTE: In Chile there are no statistics published by either the Government or private organizations on planted area or production for strawberries. As a result, figures in the PS&D's are estimated based on the only known statistic; i.e., the export data.

CHILE: PRODUCTION AND EXPORTS OF STRAWBERRIES				
	Area		Exports of:	
Market Years	Planted	Production	Fresh	Frozen
1989/90	370	6,280	55	1,964
1990/91	645	15,000	35	1,500
1991/92	600	11,000	22	1,946
1992/93	640	14,000	10	2,464
1993/94	700	16,000	24	2,528
1994/95	650	14,500	33	4,154
1995/96	700	15,500	31	2,774
1996/97	700	15,800	97	2,566
1997/98	715	13,650	5	2,443
1998/99	730	15,900	41	2,850 1/
1/ Estimates.				

Crop Area

Chile's strawberry planted area is a function of climatic conditions in suitable growing areas and availability of nursery stock. Due to a strong export demand for fresh and processed strawberries, some producers expanded their planted area. Excess rain damaged some plantings, and as a result, these areas were lost to production. The outlook for the coming years is for relative stability in planted area because there is a limited capacity of existing nurseries to produce more plants. Industry sources also indicate that the Chilean phytosanitary restrictions tend to discourage significant imports of nursery stock and formation of new nurseries.

Chile's strawberry areas are found in diverse climatic zones. However, over 55 percent are planted in the Metropolitan and VI Region. Over 95 percent of fresh exports come from these two Regions. Most other Regions produce strawberries for domestic fresh consumption and processing. In all production areas strawberries can only be planted where an ample supply of water from wells is available. The supply of water is strictly controlled by Government health authorities.

Chile produces a large number of strawberry varieties. The main planted varieties are Pajaro, Chandler, Selva F1, Seascape and Oso Grande.

Although exports are important for strawberry producers, Chilean output is mostly destined for the domestic market. In Chile strawberries are mainly produced by small farmers, some of whom are grouped into producer cooperatives which sell to export companies for fresh and processed exports (mainly frozen). In the domestic market most strawberries are marketed by individual producers.

Frozen Strawberries

An expected increase in strawberry output will lead to larger processed strawberry production in MY 1998/99.

Consumption

Over 50 percent of total strawberry production is consumed fresh. Frozen strawberries, which were mainly destined for the export market in the past, are increasingly being consumed domestically as export markets are getting more competitive, and economic returns are falling drastically.

Stocks

Frozen Strawberries

Although there are no records kept on stocks, industry sources indicate there are normally no significant carry-over stocks of frozen strawberries because of high storage costs and the relative small domestic market for frozen strawberries. Fresh strawberries are offered 8 months a year to the processing industry.

CHILE: AVERAGE EXPORT PRICES (US\$/MT FOB)		
Year	Fresh Strawberries	Frozen Strawberries
1988	2,720	710
1990	2,522	1,040
1992	5,370	1,010
1994	1,744	1,371
1995	2,795	1,407
1996	1,146	1,177
1997	4,990	1,083
1998	2,498	1,246
Source: Central Bank.		

Trade

Fresh Strawberries

As a result of stiff competition from other producing countries combined with increasing transport costs, Chilean exports of strawberries go mainly to neighboring Latin American countries. Export prospects to the United States generally depend upon the outlook for Mexican production.

Strawberries normally compete with other berries for limited air cargo space, which has led to increased transport costs during the last few years. Uncertain production levels from year to year prevent export companies from planning their space requirements. This has been a disincentive for export companies to promote production and increase exports. As a result, no large variations are expected in the coming years in fresh strawberry exports.

Frozen Strawberries

The Latin American market, Japan, and the EU, are Chile's main frozen strawberry export markets. A tariff reduction as a result of Chile joining the Mercosur agreement is the main reason for the substantial increase in frozen exports to Brazil during the last few years.

PS&D Table — Strawberries Fresh

PSD Table						
Country:	Chile					
Commodity:	Strawberries					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		10/1996		10/1997		10/1998
Area Planted	700	700	750	715	0	730
Area Harvested	700	700	700	715	0	730
TOTAL Production	15800	15800	12640	13650	0	15900
Imports, Fresh	0	0	0	0	0	0
TOTAL SUPPLY	15800	15800	12640	13650	0	15900
Exports, Fresh	97	97	8	5	0	41
Domestic Fresh Market	9500	9500	7000	7500	0	8500
For Processing	6203	6203	5632	6145	0	7359
TOTAL UTILIZATION	15800	15800	12640	13650	0	15900

Export Trade Matrix — Strawberries Fresh

Export Trade Matrix			
Country:	Chile	Units:	Kg.
Commodity:	Strawberries		
Time period:	Jan-Dec		
Exports for	1997		1998
U.S.		U.S.	1450
Others		Others	
U.K.	1450	Argentina	19187
Germany	97	Brazil	1208
Spain	81	U.K.	1046
Ecuador	45	France	563
Netherlands	28	Paraguay	225
France	8	Germany	211
		Spain	96
		Tahiti	26
		Italy	11
Total for Others	1709		22573
Others not listed			
Grand Total	1709		24023

PS&D Table — Strawberry Frozen

PSD Table						
Country:						
Commodity:	Strawberry Frozen					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin						
Deliv. To Processors	6203	6203	5632	6145	0	7359
Beginning Stocks	884	884	937	871	569	873
Production	6203	6203	5632	6145	0	7359
Imports	0	0	0	0	0	0
TOTAL SUPPLY	7087	7087	6569	7016	569	8232
Exports	2500	2566	2300	2443	0	2850
Domestic Consumption	3650	3650	3700	3700	0	3850
Ending Stocks	937	871	569	873	0	1532
TOTAL DISTRIBUTION	7087	7087	6569	7016	0	8232

Export Trade Matrix — StrawberriesFrozen

Export Trade Matrix			
Country:	Chile	Units:	M.T.
Commodity:			
Time period:	Jan-Dec		
Exports for	1997		1998
U.S.	159	U.S.	41
Others		Others	
Brazil	860	Brazil	910
Japan	728	Japan	688
Argentina	456	U.K.	334
Saudi Arabia	100	Argentina	226
U.K.	82	Germany	159
Venezuela	75	Saudi Arabia	141
Mexico	22	Venezuela	63
Costa Rica	20	Peru	33
Sweden	15	France	30
Taiwan	3	Italy	24
Total for Others	2361		2608
Others not listed	3		65
Grand Total	2523		2714

Note: This table has been done in Word Perfect since Lotus only had space for one Export Trade Matrix table.