

**Required Report:** Required - Public Distribution

**Date:** October 09,2020

**Report Number:** CI2020-0016

**Report Name:** Tree Nuts Annual

**Country:** Chile

**Post:** Santiago

**Report Category:** Tree Nuts

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**Report Highlights:**

For MY2020/21, Post projects Chilean almond production to reach 11,000 metric tons (MT), and exports to increase to 9,500 MT or 35 percent, assuming unchanged planted area, higher yields due to favorable climatic conditions, and a recovery in export markets from the shocks of the COVID-19 pandemic. For MY2020/21, Post estimates walnut production to reach 158,000 MT and exports to increase to 155,000 MT (in-shell basis), a 29.2 percent increase over the previous marketing year, following planted area increase, favorable climatic conditions, and a rebound in the demand for walnuts. In marketing year (MY) 2019/20, Chilean almond imports increased by 40.5 percent in volume and by 37.7 percent in value over MY 2018/19.

**Commodities:**

Almonds, Shelled Basis

**Table 1. Production, Supply and Distribution Data Statistics:**

Almonds, Shelled Basis Market Begin Year Chile	2018/2019		2019/2020		2020/21	
	Jan 2019		Jan 2020		Jan 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	8,863	0	8,867	0	8,860
Area Harvested	0	8,600	0	8,601	0	8,594
Bearing Trees	0	4,297	0	4,299	0	4,297
Non-Bearing Trees	0	133	0	133	0	133
Total Trees	0	4,430	0	4,432	0	4,430
Beginning Stocks	500	500	500	400	0	850
Production	11,000	11,664	11,500	8,500	0	11,000
Imports	2,400	2,566	2,500	3,100	0	2,500
Total Supply	13,900	14,730	14,500	12,000	0	14,350
Exports	9,500	10,230	10,000	7,000	0	9,500
Domestic Consumption	3,900	4,100	4,100	4,150	0	4,200
Ending Stocks	500	400	400	850	0	650
Total Distribution	13,900	14,730	14,500	12,000	0	14,350
(HA) ,(1000 TREES) ,(MT)						

Note: In-Shell to shelled conversion rate = 0.6

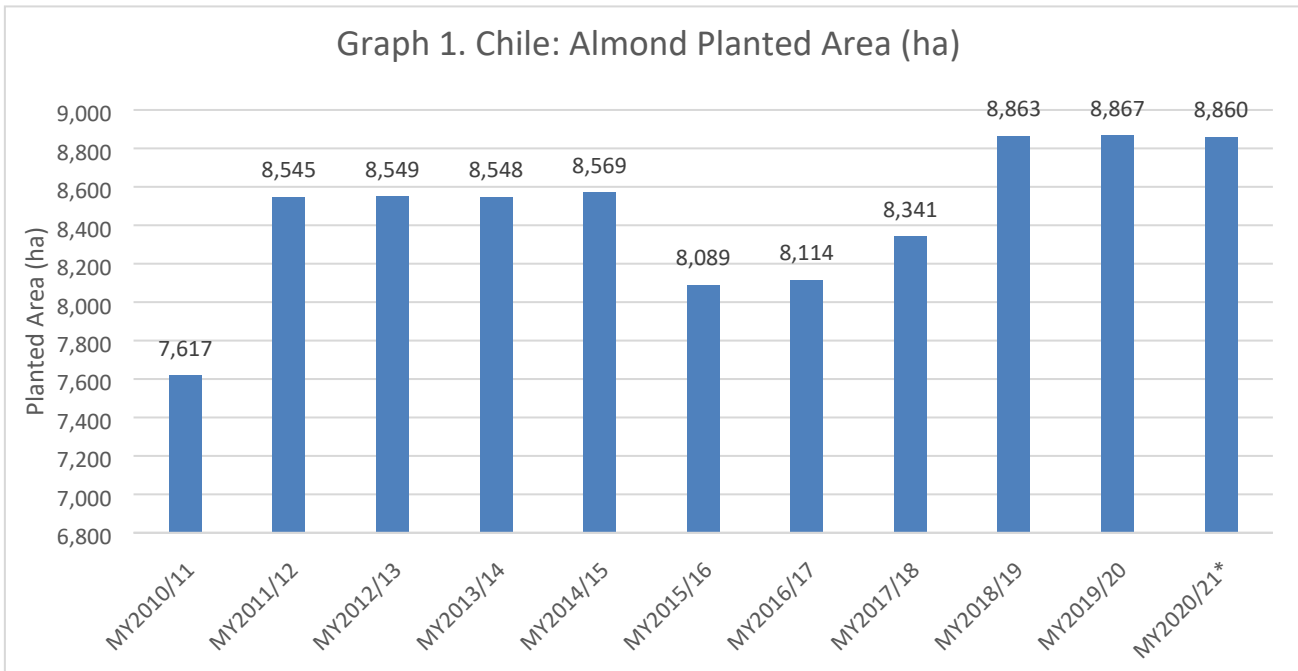
Source: Post estimations

**Production:**

Post estimates almond planted area at 8,860 hectares (ha) in MY2020/21, almost unchanged from the previous two marketing years (See graph 1). There are no recent developments in Chile’s almond export industry.

Post projects 11,000 MT of almond production in MY 2020/21 (See table 1), assuming unchanged planted area and higher yields due to favorable climatic conditions. During the winter of MY2020/21 there was abundant rainfall during June and July, which helped overcome the water deficit that almond production experienced the year before.

Production of almonds is concentrated in the central part of the country, specifically in the Metropolitan and O’Higgins regions, which make up for 70 percent of the Chilean almond planted area. These regions went through a severe drought period in MY2019/20 and as a result, production declined by 27 percent, totaling 8,500 MT.



Source: Based in data from ODEPA

\*Post estimations

**Consumption:**

Domestic consumption of almonds represents a large share of total almond supply. In MY2020/21, Post projects almond consumption to reach 4,200 MT due to the growth of health trends among Chilean consumers and strong use within the confectionery sector.

Post estimates almond consumption in MY2019/20 at 4,150 MT following population growth. In MY2018/19, consumption reached 4,100 MT, which represents 27.8 percent of the total supply.

**Trade:**

Post estimates that Chilean almond total exports will reach 7,000 MT in MY2019/20 will increase up to 9,500 MT in MY2020/21, due to higher production volume and assuming economic conditions in export markets normalize post COVID-19. Chilean almond exports dropped by 44 percent in volume and 43.7 percent in value over MY2018/19 (See table 2 and 3).

In MY2019/20, Chilean almond imports increased by 40.5 percent in volume and 37.7 percent in value over MY2018/19. The United States is the sole supplier of almonds (See table 4).

In MY2019/20, Chilean almond exports to Russia and Brazil, Chile’s two major almond export markets, dropped by 65.8 percent and 70.7 percent respectively, while almond exports to neighboring country Argentina, the third largest export destination, increased by 116.3 percent.

In MY2018/19, Chilean almond exports were remarkably high, increasing by 33.7 percent in volume and 27.2 percent in value over MY2017/18. Chilean almonds peak export season is between June and August (See graph 2).

<b>Table 2. Chile Export Volume</b>							
<b>Commodity: 080212, Almonds, Fresh or Dried, Shelled</b>							
<b>Partner</b>	<b>Marketing Year (MT)</b>			<b>Year to Date (MT)</b>			
	<b>MY2017/18</b>	<b>MY2018/19</b>	<b>% Change</b>	<b>Jan - July 2019</b>	<b>Jan - July 2020</b>	<b>%Change</b>	
World	7,651	10,230	33.7%	5,524	3,095	-44.0%	
Russia	1,238	3,623	192.7%	2,088	714	-65.8%	
Brazil	1,798	2,154	19.8%	1,057	310	-70.7%	
Argentina	1,323	1,281	-3.2%	454	982	116.3%	
Ecuador	550	722	31.3%	402	414	3.0%	
Italy	629	437	-30.5%	271	87	-67.9%	
Peru	445	420	-5.6%	293	42	-85.7%	
Uruguay	249	212	-14.9%	109	114	4.6%	
Turkey	122	200	63.9%	127	66	-48.0%	
Germany	185	181	-2.2%	67	89	32.8%	
Colombia	179	121	-32.4%	97	32	-67.0%	
Belarus	-	104		64	24	-62.5%	
United States	-	89		44	-	-100.0%	
Paraguay	67	71	6.3%	13	22	66.7%	
Thailand	38	63	65.8%	16	58	262.5%	
Mexico	131	63	-51.9%	36	5	-86.1%	
France	78	56	-28.2%	40	16	-60.0%	
New Zealand	-	56		40	17	-57.5%	
Lithuania	94	44	-53.2%	44	17	-61.4%	
Latvia	-	38		38	-	-100.0%	
Poland	-	36		36	-	-100.0%	
Others	525	258	-50.8%	188	86	-54.0%	

Source of Data: Trade Data Monitor, LLC

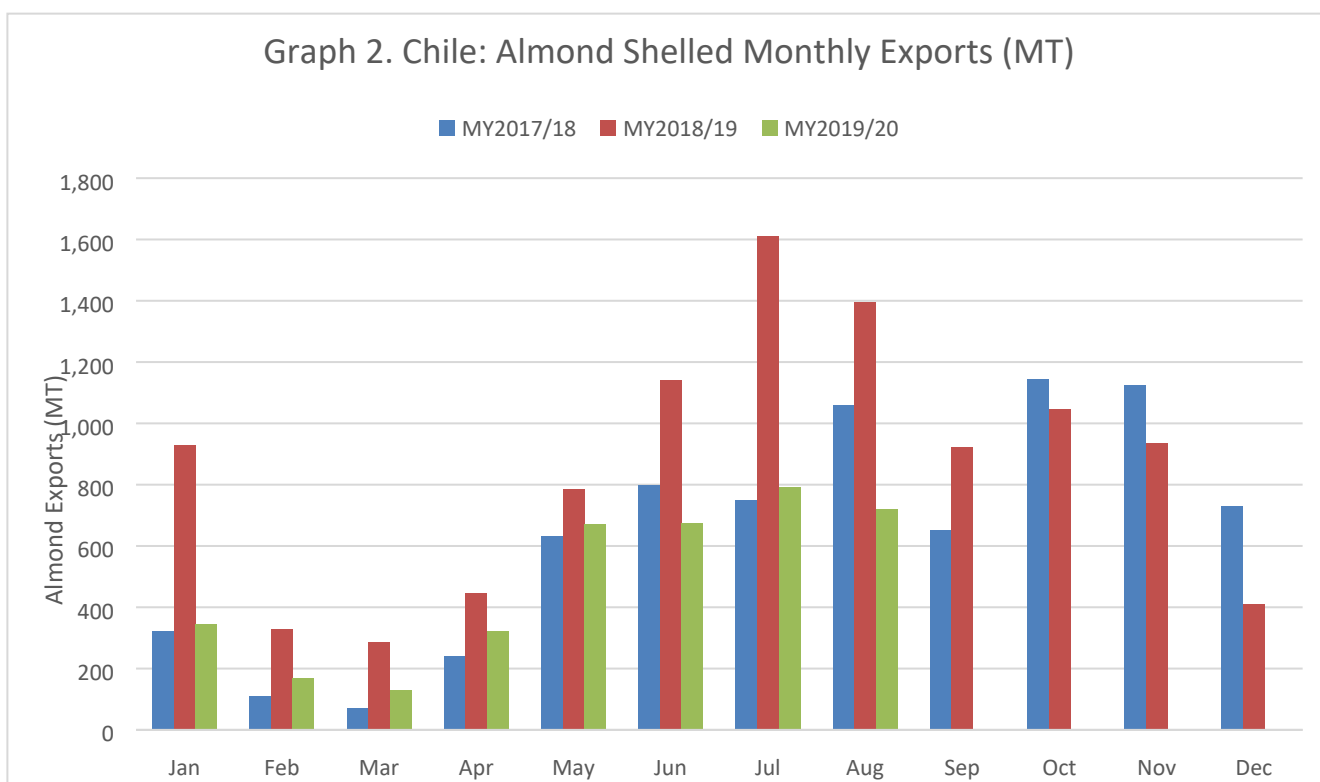
Note: In-Shell to shelled conversion rate = 0.6

<b>Table 3. Chile Export Value</b>						
<b>Commodity: 080212, Almonds, Fresh or Dried, Shelled</b>						
<b>Partner</b>	<b>Marketing Year (USD)</b>			<b>Year to Date (USD)</b>		
	<b>MY2017/18</b>	<b>MY2018/19</b>	<b>% Change</b>	<b>Jan - July 2019</b>	<b>Jan - July 2020</b>	<b>%Change</b>
World	58,396,313	74,293,877	27.2%	39,383,819	22,164,206	-43.7%
Russia	9,612,760	25,667,231	167.0%	14,844,329	5,008,856	-66.3%
Brazil	13,098,243	15,329,696	17.0%	7,323,807	2,393,355	-67.3%
Argentina	10,133,179	9,480,091	-6.4%	3,146,220	6,668,322	111.9%
Ecuador	4,200,982	5,168,243	23.0%	2,813,618	2,935,373	4.3%
Italy	4,957,379	3,218,495	-35.1%	2,019,627	569,604	-71.8%
Peru	3,510,753	3,009,699	-14.3%	2,108,541	261,899	-87.6%
Germany	1,495,030	1,640,344	9.7%	526,802	988,045	87.6%
Uruguay	1,846,878	1,573,467	-14.8%	787,284	790,788	0.4%
Turkey	738,522	1,411,175	91.1%	914,726	466,400	-49.0%
United States	216	904,154	418489.8%	493,627	-	-100.0%
Colombia	1,348,760	866,634	-35.7%	684,993	241,076	-64.8%
Belarus	-	777,074		458,262	167,792	-63.4%
Paraguay	670,850	642,507	-4.2%	133,192	192,872	44.8%
Thailand	332,096	498,010	50.0%	123,600	437,152	253.7%
New Zealand	-	447,743		282,503	200,176	-29.1%
Mexico	926,293	439,224	-52.6%	252,239	17,280	-93.1%
France	623,449	435,388	-30.2%	316,600	108,590	-65.7%
Lithuania	790,984	328,399	-58.5%	328,399	147,902	-55.0%
Latvia	-	278,451		278,451	-	-100.0%
Kuwait	548,837	266,287	-51.5%	266,287	277,380	4.2%
Others	3,561,102	1,911,565	-46.3%	1,280,712	291,344	-77.3%

Source of Data: Trade Data Monitor, LLC

Note: In-Shell to shelled conversion rate = 0.6

Graph 2. Chile: Almond Shelled Monthly Exports (MT)



Source: ODEPA, 2020.

Note: In-Shell to shelled conversion rate = 0.6

Table 4. Chile Imports

Commodity: 080212, Almonds, Fresh or Dried, Shelled

Partner	Marketing Year (Volume: MT)			Year to Date (Volume: MT)		
	MY2017/18	MY2018/19	% Change	Jan - July 2019	Jan - July 2020	%Change
World	3,044	2,566	-15.7%	1,312	1,844	40.5%
United States	3,018	2,552	-15.4%	1,298	1,844	42.1%
Spain	23	14	-39.1%	14	0	-100.0%
Partner	Marketing Year (Value: USD)			Year to Date (Value: USD)		
	MY2017/18	MY2018/19	% Change	Jan - July 2019	Jan - July 2020	%Change
World	18,884,594	17,259,141	-8.6%	8,715,587	12,001,570	37.7%
United States	18,693,524	17,146,632	-8.3%	8,603,225	11,999,061	39.5%
Spain	169,264	109,098	-35.5%	109,098	0	-100.0%

Source of Data: Trade Data Monitor, LLC

Note: In-Shell to shelled conversion rate = 0.6

**Commodities:**  
Walnuts, Inshell Basis

**Table 5. Production, Supply and Distribution Data Statistics:**

Walnuts, Inshell Basis Market Begin Year	2018/2019		2019/2020		2020/21	
	Jan 2019		Jan 2020		Jan 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Chile						
Area Planted		42,500		45,000	0	47,500
Area Harvested		38,250		40,500	0	42,750
Bearing Trees		7,299		7,728	0	8,158
Non-Bearing Trees		811		859	0	906
Total Trees		8,110		8,587	0	9,064
Beginning Stocks	400	694	3,200	1,711	0	3,561
Production	155,000	152,000	160,000	125,000	0	158,000
Imports	300	100	400	100	0	100
Total Supply	155,700	152,794	163,600	126,811	0	161,661
Exports	150,000	147,883	160,000	120,000	0	155,000
Domestic Consumption	2,500	3,200	2,500	3,250	0	3,300
Ending Stocks	3,200	1,711	1,100	3,561	0	3,361
Total Distribution	155,700	152,794	163,600	126,811	0	161,661

(HA) ,(1000 TREES) ,(MT)

Source: Post estimations

Note: Shelled to In-shell conversion rate = 2.34

**Production:**

Post estimates 158,000 MT of walnut production for MY2020/21, a 26.4 percent increase over MY2019/20, due to improved climatic conditions and increased trend in walnut planted area.

Chile has 45,000 ha planted with walnut trees. According to data from [Chilenut](#) (Chilean Walnut Association), walnut trees planted area growth reached 2,500 ha per year for the past three marketing years, and it is projected to have a steady growth in the upcoming marketing years. Post estimates planted area to reach 47,500 ha in MY2020/21 (See graph 3).

In 2019/20, walnut production declined to 125,000 MT, a 19 percent decrease over MY2018/19. This decline is attributed mainly to drought, which severely impacted Chile's main walnut production. These include the Metropolitan, Valparaíso, O'Higgins, and Coquimbo regions. In the last two marketing years, walnut trees planted area has expanded strongly in the O'Higgins and Maule regions,

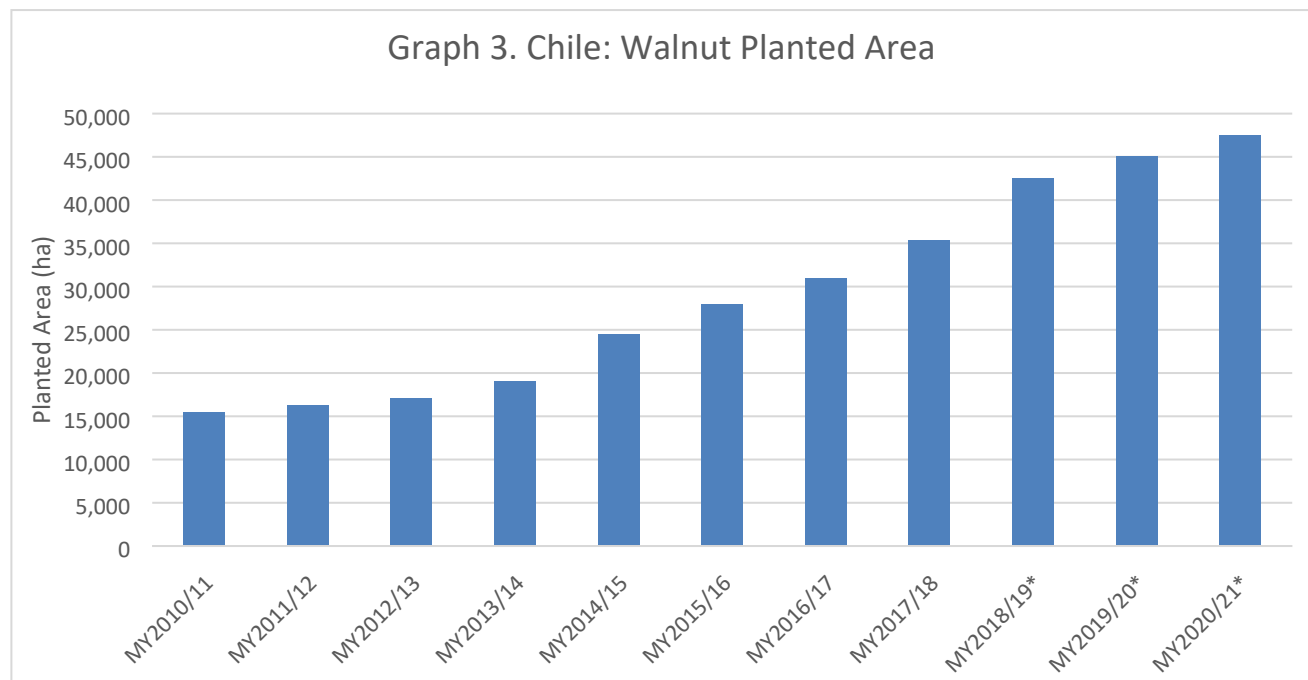
with 7,745 ha and 7,249 ha respectively, or 34.4 percent of total walnut trees planted area (See table 6).

**Table 6. Chile: Walnut Trees Planted Area by Region MY2019/20 (ha)**

Region	Planted Area (ha)	Share (%)
Atacama	32	0.1%
Coquimbo	2,758	6.1%
Valparaíso	7,484	16.6%
Metropolitan	15,574	34.6%
O'Higgins	7,745	17.2%
Maule	7,729	17.2%
Ñuble	1,652	3.7%
Biobío	1,573	3.5%
La Araucanía	453	1.0%
<b>Total</b>	<b>44,968</b>	<b>99.9%</b>

Source: Post estimates

Regarding the COVID-19 pandemic, Chilean walnut producers took precautions, planned their production activities, and implemented new safety protocols to avoid the spread of the virus among laborers. There were no problems during the harvest season. However, according to a [report](#) from Chilenuit, processing (drying, shelling, and packing) was slower than normal which ultimately reduced supply.



Source: Based in data from ODEPA

\*Post estimations



**Consumption:**

Post estimates MY2020/21 consumption at 3,300 MT, which represents a 2.2 percent of total Chilean production. Domestic consumption of walnuts represents a modest share of the walnut production. Chileans eat walnuts as a snack while the confectionery industry uses walnuts as an ingredient for chocolates and pastries.

**Trade:**

For MY2020/21, Post projects 155,000 MT of walnut exports (in-shell basis), a 29.2 percent increase over MY2019/20, following an expansion in planted area, favorable climatic conditions, and a recovery in the demand for walnuts from walnut importers.

In MY2019/20 (January to July data) exports decreased by 34.8 percent in volume and 31 percent in value over MY2018/19 (See table 7 and table 8) due to reduced walnut production. Moreover, Turkey, Chile's main market for in-shell walnuts, reduced its demand for Chilean walnuts due to the COVID-19 pandemic. According to Post sources, another factor behind the decline in Chilean walnut exports to Turkey was that the 2020 Ramadan celebration took place between April 24 and May 23, which did not allow for Chilean walnut exports to reach Turkey on time since Chilean peak export volumes are normally shipped from June to August (See graph 4).

Germany, Turkey, and Italy are the top markets for Chilean walnuts (based in MY2018/19 data). In MY2019/20 (January-July data) Chile exported 6,198 MT of walnuts to Germany, which represented 10.3 percent of total Chilean walnut exports, 9,592 MT of walnuts went to Turkey, which represented 16 percent, and 6,563 MT went to Italy, which represented 10.9 percent.

Chilenut, ASOEX (Chilean Fruit Exporters Association), and the Government of Chile have jointly invested in marketing campaigns to promote Chilean walnuts to diversify markets and reach new market destinations to receive the best possible price. As a result, Chilean walnut exporters increased exports to Germany, Italy, Vietnam, India, Spain, the Netherlands, and the United Arab Emirates.

<b>Table 7. Chile Export Volume</b>						
<b>Commodity: 080231, Walnuts, Fresh or Dried, In-Shell</b>						
<b>Partner</b>	<b>Marketing Year (MT)</b>			<b>Year to Date (MT)</b>		
	<b>MY2017/18</b>	<b>MY2018/19</b>	<b>% Change</b>	<b>Jan - July 2019</b>	<b>Jan - July 2020</b>	<b>%Change</b>
World	123,731	147,883	19.5%	92,149	60,105	-34.8%
Germany	17,877	20,144	12.7%	7,704	6,198	-19.5%
Turkey	23,945	19,699	-17.7%	18,199	9,592	-47.3%
United Arab Emirates	7,742	16,111	108.1%	14,464	2,990	-79.3%
Italy	10,508	14,688	39.8%	9,869	6,563	-33.5%
Spain	6,249	8,925	42.8%	4,245	4,131	-2.7%
Brazil	8,471	7,955	-6.1%	3,466	1,793	-48.3%
India	6,788	5,599	-17.5%	2,783	3,796	36.4%
Morocco	4,189	5,462	30.4%	4,434	3,679	-17.0%
Vietnam	1,564	5,126	227.7%	2,565	3,113	21.4%
China	2,237	4,224	88.8%	2,599	2,983	14.8%
Netherlands	4,570	3,650	-20.1%	1,649	2,027	22.9%
United Kingdom	1,688	3,495	107.0%	2,110	974	-53.8%
Russia	2,329	3,348	43.7%	2,146	978	-54.4%
Ecuador	2,264	2,945	30.1%	1,157	1,062	-8.3%
France	2,587	2,879	11.3%	1,330	1,194	-10.3%
Portugal	1,924	1,742	-9.4%	477	587	23.0%
Switzerland	1,991	1,603	-19.5%	842	777	-7.8%
Austria	1,711	1,428	-16.5%	521	616	18.2%
Belgium	1,659	1,366	-17.7%	810	821	1.3%
Israel	1,244	1,362	9.5%	1,002	282	-71.8%
Others	12,192	16,133	32.3%	9,776	5,949	-39.1%

Source of Data: Trade Data Monitor, LLC.

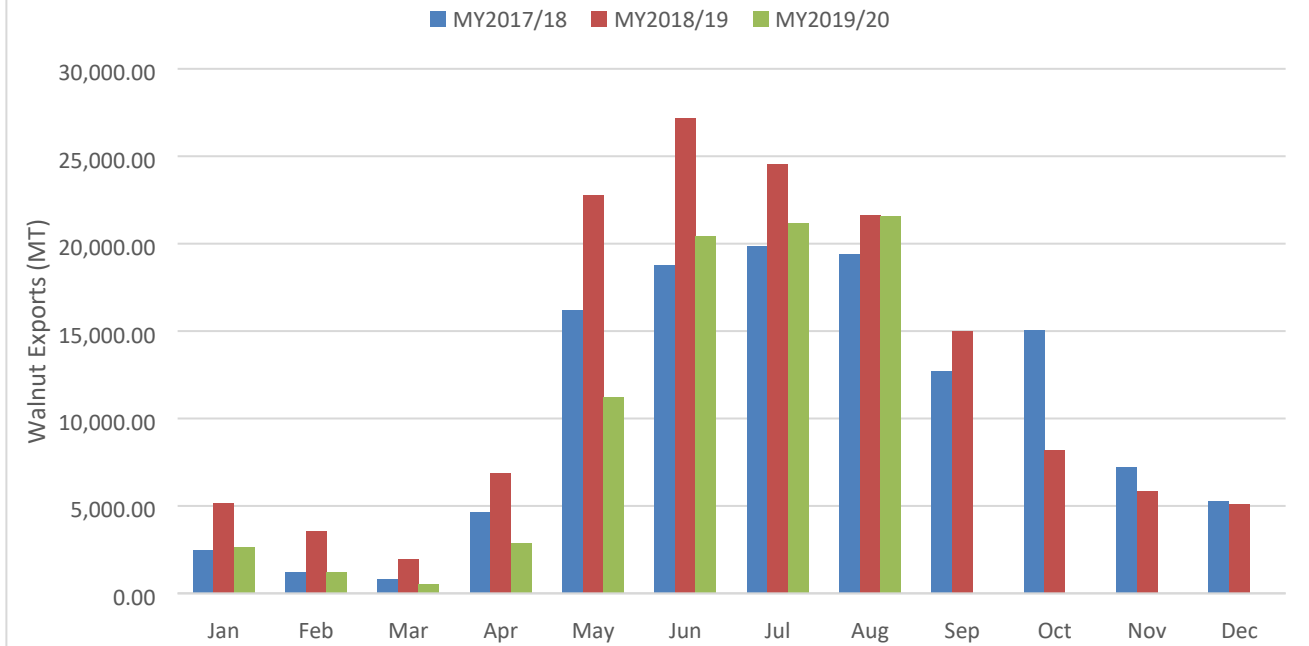
Note: Shelled to in-shell conversion rate = 2.34

<b>Table 8. Chile Export Value</b>						
<b>Commodity: 080231, Walnuts, Fresh or Dried, In-Shell</b>						
<b>Partner</b>	<b>Marketing Year (USD)</b>			<b>Year to Date (USD)</b>		
	<b>MY2017/18</b>	<b>MY2018/19</b>	<b>% Change</b>	<b>Jan - July 2019</b>	<b>Jan - July 2020</b>	<b>%Change</b>
World	436,488,970	426,434,659	-2.3%	255,731,942	176,505,396	-31.0%
Germany	65,947,705	60,189,307	-8.7%	23,374,478	19,446,505	-16.8%
Turkey	75,009,544	48,363,772	-35.5%	44,641,915	22,913,408	-48.7%
Italy	39,588,349	45,114,626	14.0%	29,837,346	20,976,011	-29.7%
United Arab Emirates	26,207,098	44,767,717	70.8%	39,518,430	8,569,979	-78.3%
Spain	23,526,165	28,947,746	23.0%	13,417,820	13,437,529	0.1%
Brazil	27,491,145	22,247,292	-19.1%	7,895,192	5,207,356	-34.0%
India	24,540,919	16,452,036	-33.0%	8,137,806	11,166,451	37.2%
Morocco	14,562,663	15,249,964	4.7%	12,363,892	10,799,279	-12.7%
Vietnam	5,185,092	13,138,826	153.4%	6,516,071	6,796,350	4.3%
China	7,354,742	11,926,736	62.2%	7,323,642	8,711,493	19.0%
Netherlands	16,475,939	11,801,738	-28.4%	4,970,261	6,635,153	33.5%
Russia	10,131,152	11,734,533	15.8%	7,155,139	3,581,073	-50.0%
United Kingdom	5,761,554	9,941,244	72.5%	5,511,867	3,176,587	-42.4%
France	9,659,579	8,417,587	-12.9%	3,446,481	3,701,088	7.4%
Ecuador	7,469,286	8,281,080	10.9%	3,041,907	3,139,877	3.2%
Switzerland	9,831,309	6,375,408	-35.2%	3,491,214	2,995,614	-14.2%
Portugal	5,815,427	4,940,648	-15.0%	1,356,217	1,667,313	22.9%
Austria	6,400,730	4,634,515	-27.6%	1,738,737	2,153,350	23.8%
Belgium	6,631,945	3,869,359	-41.7%	2,112,719	2,577,817	22.0%
Peru	2,342,337	3,151,596	34.5%	2,076,177	1,613,487	-22.3%
Others	46,556,290	46,888,929	0.7%	27,804,631	17,239,676	-38.0%

Source of Data: Trade Data Monitor, LLC.

Note: Shelled to in-shell conversion rate = 2.34

Graph 4. Chile: In-Shell Walnut Monthly Exports (MT)



Source of Data: ODEPA, 2020

Note: Shelled to in-shell conversion rate = 2.34

### Policy:

According to information from the [Chilean Agricultural Office in Indonesia](#), Chile is in the process of gaining market access for walnuts to Indonesia. Chile already has market access for Chilean table grapes, apples, pears, cherries, and kiwis.

In May 2018, Indian authorities increased walnut import tariffs from 30 percent to 100 percent. Since then, the Chilean government and the walnut industry have engaged with the Indian authorities to revert this decision, however, there are no updates.

### Attachments:

No Attachments