Required Report: Required - Public Distribution **Date:** May 13, 2024

Report Number: CI2024-0010

Report Name: Fresh Deciduous Fruit Semi-annual

Country: Chile

Post: Santiago

Report Category: Fresh Deciduous Fruit

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Report Highlights:

In marketing year (MY) 2023/24, higher than normal temperatures early in the winter and a slow accumulation of chilling hours caused a delay in the harvest, and subsequently a delay in export shipment, of most deciduous fruit. However, production and export volumes should catch up as the production season evolves. In MY 2023/24, due to a reduction in area planted, Post estimates table grape production and exports will total 630,000 metric tons (MT) and 480,000 MT respectively, a 3.3 percent decrease of both. In MY 2023/24 Post estimates apple production at 860,000 MT, a 1.1 percent decrease from MY 2022/23. Apple exports will decrease by 1.3 percent and total 463,000 metric tons. Pear area planted will decreased by 4.8 percent and total 200,000 metric tons. Subsequently, Post estimates pear exports to decrease by 4.7 percent and total 100,000 metric tons.

Commodities:
Grapes, Table, Fresh

Table 1: Production, Supply and Distribution:

Grapes, Fresh Table	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	43104	43104	43025	43025	42500	39931
Area Harvested (HA)	43000	43000	42000	42000	41500	39500
Commercial Production (MT)	788110	788110	651500	651500	740000	630000
Non-Comm. Production (MT)	5000	5000	4800	4800	4800	5000
Production (MT)	793110	793110	656300	656300	744800	635000
Imports (MT)	800	900	700	700	900	1000
Total Supply (MT)	793910	794010	657000	657000	745700	636000
Fresh Dom. Consumption (MT)	185710	185816	160000	160679	180700	156000
Exports (MT)	608200	608194	497000	496321	565000	480000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	793910	794010	657000	657000	745700	636000
(HA) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Source: Post estimates

Production:

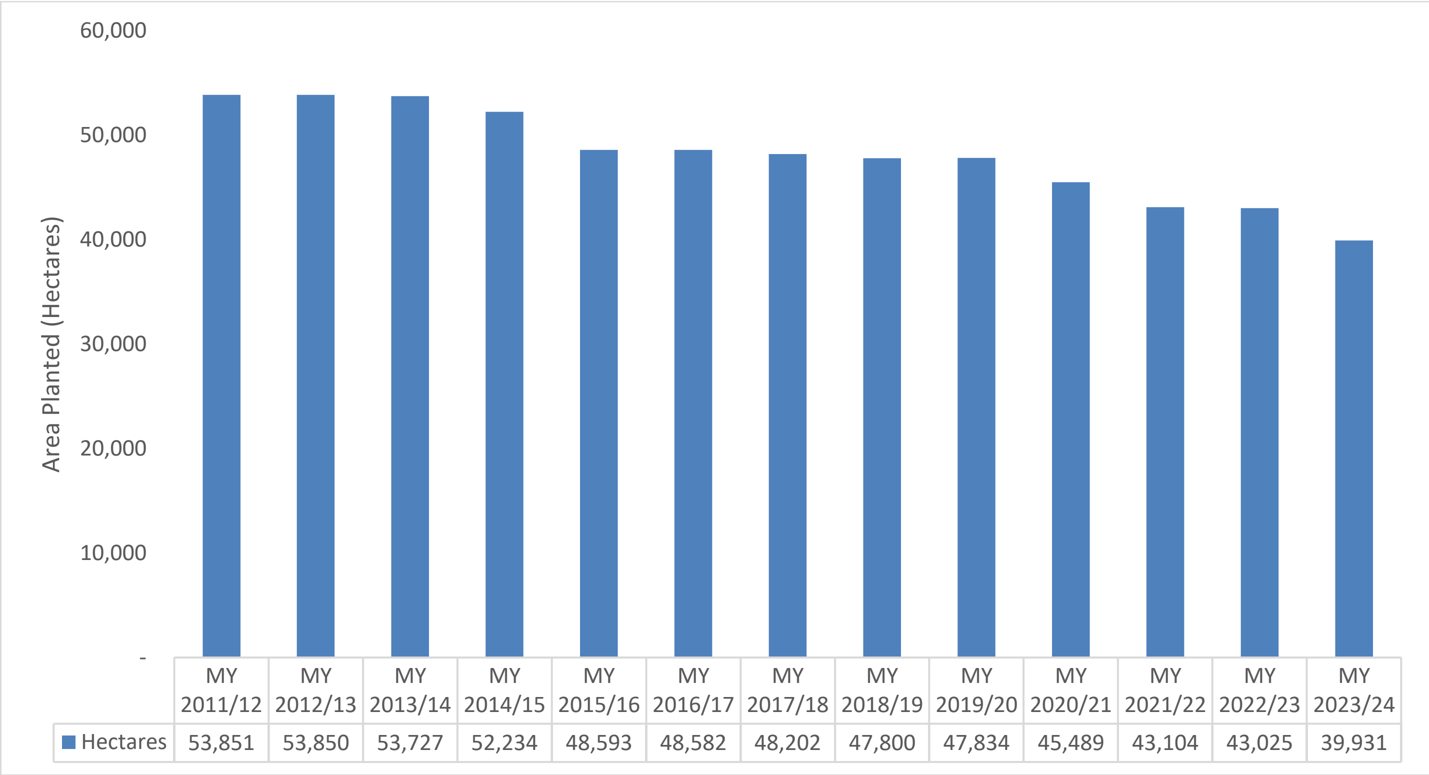
In MY 2023/24, Post estimates table grape production will decrease by 3.3 percent, totaling 630,000 MT due to a reduction in area planted (Table 1). Higher than normal temperatures and a slow accumulation of chilling hours during the winter of MY 2023/24 caused a delay in the harvest, and subsequently a delay in the export shipments. However, production and export volumes should reach normal levels as the production season evolves.

Table grape area planted has been decreasing for over ten years due to tight margins. Competition from other suppliers and the low price for traditional varieties such as crimson, flame, or red globe, among others, has pressured smaller table grape exporters to exit the market. Area planted decreased from 53,851 hectares in MY 2011/12 to 39,931 hectares in MY 2023/24 (Figure 1).

Data from the Chilean Ministry of Agriculture's Office of Policy and Studies (ODEPA) shows a decrease in area planted from all table grape production regions across Chile (Table 2). In the northern *Atacama* region, the decrease in area planted has been especially stark due to low prices and high production costs (labor, transport, and chemical products). Grapes from *Atacama* face fierce competition from Peruvian grapes in the U.S. market, putting downward pressure on prices. Across the country, demand for new varieties further tightens margins since renewing grape orchards requires an important investment from producers.

Table grape area planted in the *Metropolitana* region decreased by 22.5 percent in the last three marketing years. In this region, area planted with table grapes was replaced by more profitable crops such as walnuts, cherries, and citrus, or by expansion of urban areas.

Figure 1: Table Grape Area Planted (Hectares)



Source: ODEPA, 2024

Table 2: Table Grape Area Planted by Region MY 2023/24 (hectares)

Region	Area Planted (hectares)	Three Year Variation (%)	Share (%)
Atacama	5,987	-12.4%	15.0%
Coquimbo	7,321	-10.3%	18.3%
Valparaiso	8,413	-15.6%	21.1%
Metropolitana	5,310	-22.5%	13.3%
O'Higgins	12,736	-5.2%	31.9%
Maule	163	-32.3%	0.4%
Others	1		
Total	**39,931**	**-12.2%**	**100.0%**

Note: Variation of area planted is measured every three years; data provided are the latest available

Source: Based on data from ODEPA, 2024

Policy:

Chile continues to seek a systems approach to improve market access to the United States for three Chilean growing regions: Atacama, Coquimbo, and Valparaiso. A systems approach would benefit the three Chilean regions by avoiding the use of methyl bromide fumigation to mitigate against European grapevine moth. USDA published a proposed rule to allow the grape systems approach on October 17, 2022. The comment period ended on January 17, 2023, and publication of the final rule is currently pending.

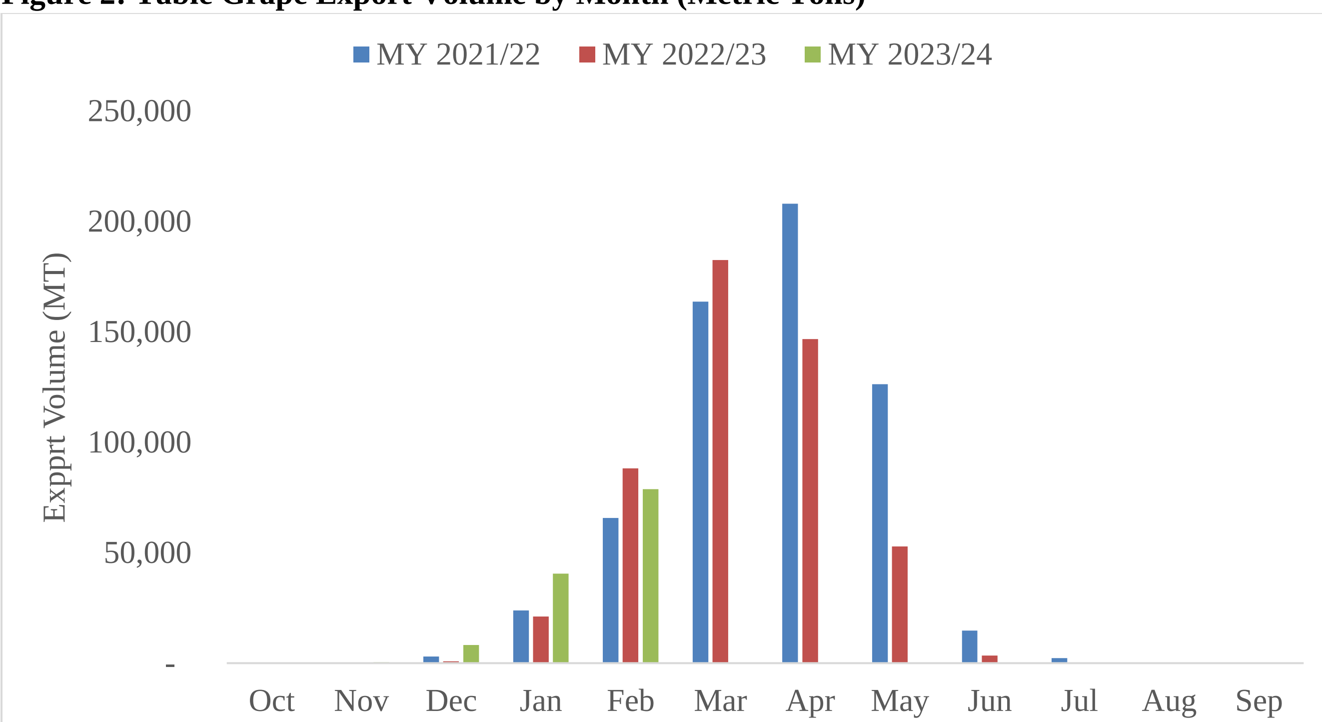
Consumption:

Following the decrease in table grape production, Post estimates that in MY 2023/24 fresh domestic consumption of table grapes will decrease by 2.9 percent and reach 156,000 metric tons. This level of consumption represents 24.8 percent of commercial production, and consists mostly of table grapes that do not comply with the quality conditions for exports, such as firmness and size.

Trade:

In MY 2023/24, due to the decrease in table grape production, Post estimates export volume to decrease by 3.3 percent, totaling 480,000 metric tons. In MY 2022/23, data until March, shows that table grape exports decreased by 12.4 percent, due to lower production and a delay in the export shipments (Figure 2).

Figure 2: Table Grape Export Volume by Month (Metric Tons)



Source: Trade Data Monitor, LLC

The top markets for Chilean table grape exports are the United States, China, the Netherlands, and the United Kingdom. The United States accounted for 249,782 MT of table grape exports in MY 2022/23, which represents 53.2 percent of Chilean table grape exports (Table 3). Chilean table grape exporters are facing challenges in the U.S. market due to the demand for modern table grape varieties and increasing competition with Peruvian table grape exports.

China is the second largest market for Chilean table grapes accounting for 56,928 MT in MY 2022/23, which represented 11.5 percent of total Chilean grape exports. In MY 2023/24 (data until March), Chilean exports to China decreased by 40.2 percent due to lower production and a delay in the export shipments.

Table 3: Table Grape Export Volume to the World (MT)

Chile Exports to the World						
Commodity: 080610, Grapes, Fresh						
Partner Country	Marketing Year			Year to Date		
	2021/22	2022/23	Variation (%)	Oct 2022 - March 2023	Oct 2023 - March 2024	Variation (%)
The World	608,194	496,321	-18.4%	292,905	256,547	-12.4%
United States	310,058	249,782	-19.4%	193,409	184,747	-4.5%
China	77,627	56,928	-26.7%	23,582	14,109	-40.2%
Netherlands	45,196	31,076	-31.2%	8,806	4,883	-44.5%
United Kingdom	23,789	21,676	-8.9%	5,848	4,616	-21.1%
South Korea	17,952	16,491	-8.1%	11,037	5,076	-54.0%
Japan	14,118	13,457	-4.7%	10,730	7,771	-27.6%
Spain	10,536	12,282	16.6%	4,458	2,744	-38.4%
Mexico	11,239	11,344	0.9%	6,543	8,340	27.5%
Canada	9,600	10,089	5.1%	5,001	5,718	14.3%
Ecuador	9,654	8,537	-11.6%	3,014	3,776	25.3%
Russia	4,274	6,638	55.3%	2,411	1,603	-33.5%
Brazil	6,551	6,031	-7.9%	2,499	1,619	-35.2%
Germany	5,641	4,608	-18.3%	1,482	624	-57.9%
Portugal	4,694	3,358	-28.5%	946	777	-17.9%
Colombia	4,426	3,352	-24.3%	1,224	1,234	0.8%
Others	52,839	40,672	-23.0%	11,915	8,910	-25.2%

Source: Trade Data Monitor, LLC

Commodities:
Apples, Fresh

Table 4: Production, Supply and Distribution

Apples, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	30967	30967	29035	29035	28000	29006
Area Harvested (HA)	30000	30000	28500	28500	27500	28500
Bearing Trees (1000 TREES)	33000	33000	32500	32500	30000	32500
Non-Bearing Trees (1000 TREES)	2300	2300	2250	2250	2000	2000
Total Trees (1000 TREES)	35300	35300	34750	34750	32000	34500
Commercial Production (MT)	1030000	1030000	910000	870000	897000	860000
Non-Comm. Production (MT)	10000	10000	10000	10000	10000	10000
Production (MT)	1040000	1040000	920000	880000	907000	870000
Imports (MT)	3600	3600	3000	3000	3000	3000
Total Supply (MT)	1043600	1043600	923000	883000	910000	873000
Domestic Consumption (MT)	441000	441000	433000	413696	430000	410000
Exports (MT)	602600	602600	490000	469304	480000	463000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	1043600	1043600	923000	883000	910000	873000
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

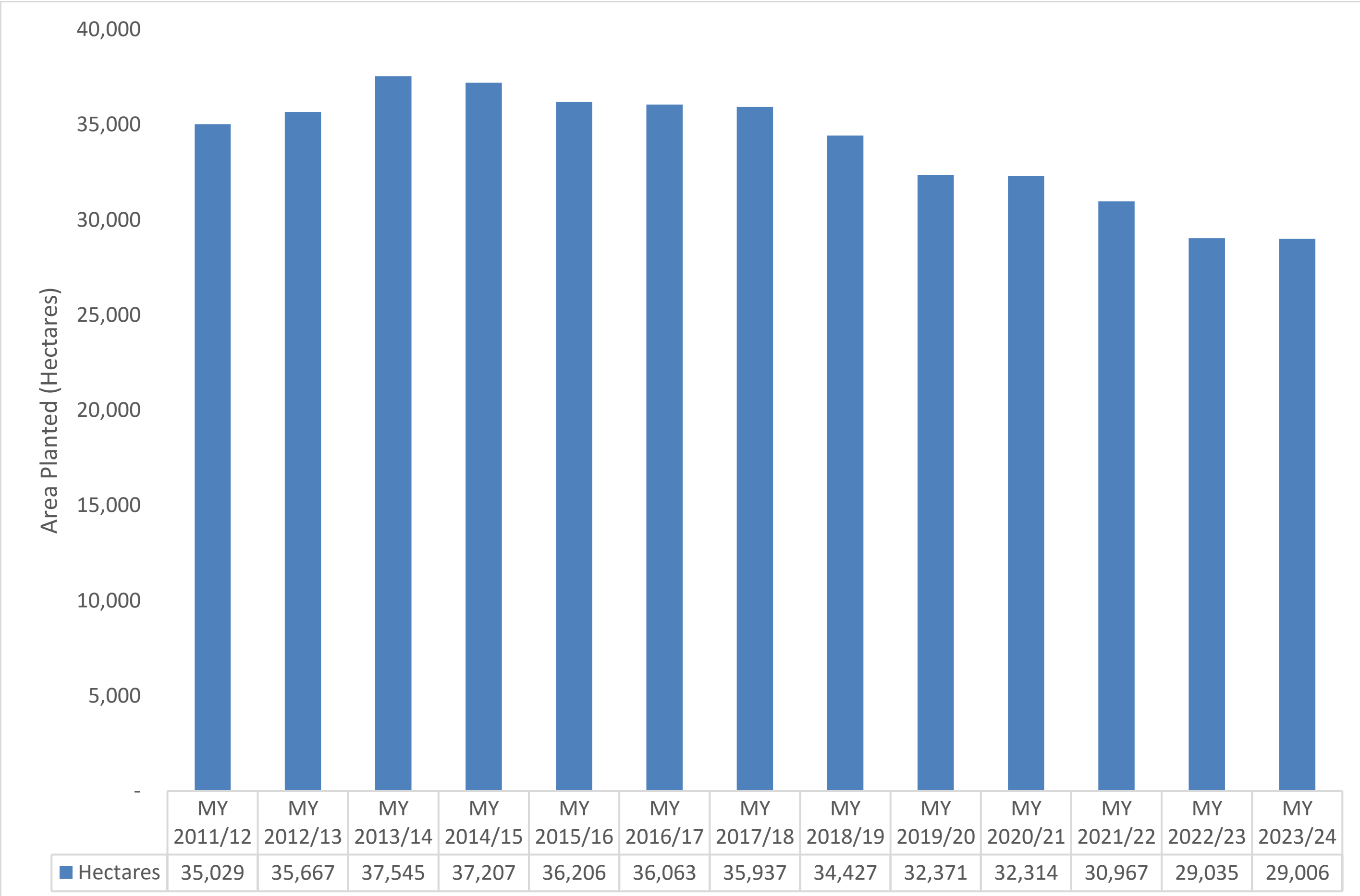
Source: Post estimates

Production:

Post estimates MY 2023/24 apple production at 860,000 MT, a 1.1 percent decrease from MY 2022/23 (Table 4). In MY 2023/24, the apple harvest was delayed around 15 days due to the low accumulation of chilling hours during the winter. The decline in production assumes normal yields and a decrease to 29,006 hectares in area planted, following the declining trend from the past ten marketing years (Figure 3).

According to the latest data from ODEPA area planted decreased in all Chilean apple-producing regions (Table 5). The *Maule* and *O'Higgins* regions in the central-south part of the country hold 62.4 percent and 22.0 percent of the area planted, respectively, making up for 84.4 percent of the total area planted. However, area planted decreased in both regions since many producers have orchards with old varieties that are not profitable in comparison to modern varieties and other crops such as cherries and walnuts.

Figure 3: Apple Area Planted (Hectares)



Source: ODEPA, 2024

Table 5: Apple Area Planted by Region MY 2023/24 (Hectares)

Region	Area Planted (hectares)	Three Year Variation (%)	Share (%)
Valparaiso	140	-2.7%	0.5%
Metropolitana	58	-30.1%	0.3%
O'Higgins	6,388	-17.4%	22.0%
Maule	18,110	-4.2%	62.4%
Ñuble	860	-14.3%	3.0%
Biobio	584	-6.3%	2.0%
La Araucania	2,834	-7.4%	9.8%
Others	32		0.1%
Total	**29,006**	**10.2%**	**100.0%**

Note: Variation of planted area is measured every three years; data provided are last available

Source: ODEPA, 2024

Policy:

No new policy developments to report.

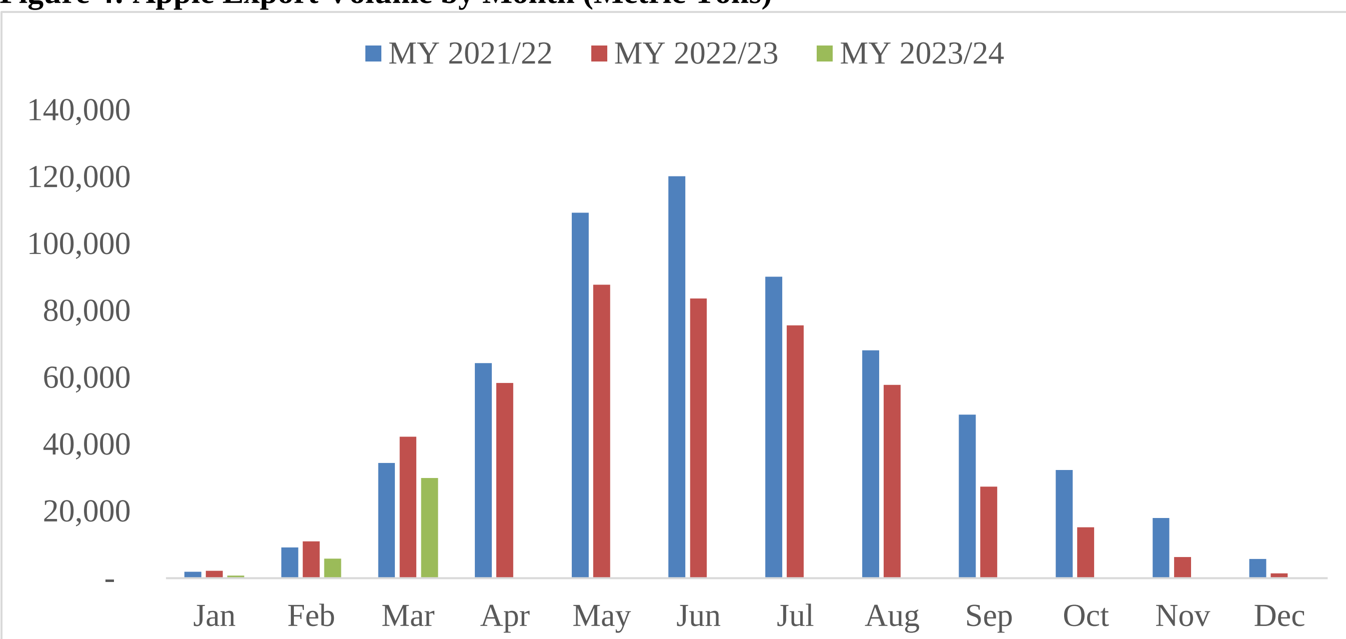
Consumption:

For MY 2023/24, due to lower domestic production, Post estimates domestic consumption of apples (including fresh and processed) will decrease by 2.6 percent and total 410,000 metric tons. This level of consumption represents 47.7 percent of commercial apple production.

Trade:

For MY 2023/24, Post estimates Chilean apple exports to total 463,000 MT, a 1.3 percent decrease from MY 2022/23, in line with the lower production. In MY 2023/24 (data until March), Chilean apple exports decreased by 34.3 percent from MY 2022/23 and totaled 36,545 metric tons. However, Post estimates that exports levels will normalize later in the season as the delayed harvest is finalized (Figure 4).

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



Source: Trade Data Monitor, LLC

Colombia is the top market for Chilean apples. In MY 2022/23 Chile exported 64,847 MT of apples to Colombia, which represented 13.8 percent of Chilean apple exports (Table 6). Brazil is the second top market and the United States is the third top market for Chilean apples with 11.2 and 9.9 percent of Chilean apple exports, respectively.

Table 6: Apple Export Volume to the World (MT)

Chile Exports to The World						
Commodity: 080810, Apples, Fresh						
Partner Country	**Marketing Year**			**January-March**		
	2021/22	**2022/23**	**Variation (%)**	**2023**	**2024**	**Variation (%)**
The World	602,581	469,304	-22.1%	55,590	36,545	-34.3%
Colombia	85,899	64,847	-24.5%	16,671	12,545	-24.7%
Brazil	65,193	52,724	-19.1%	3,758	2,760	-26.6%
United States	52,669	46,360	-12.0%	1,415	171	-87.9%
Ecuador	47,169	38,357	-18.7%	8,267	6,671	-19.3%
Peru	39,013	37,207	-4.6%	4,162	2,896	-30.4%
Taiwan	29,432	23,567	-19.9%	0	0	
Saudi Arabia	23,848	21,256	-10.9%	4,053	3237	-20.1%
Netherlands	33,819	19,171	-43.3%	1778	870	-51.1%
India	35,003	16,483	-52.9%	520	703	35.2%
Germany	19,903	14,197	-28.7%	635	59	-90.7%
Bolivia	15,992	12,366	-22.7%	2,305	1,492	-35.3%
France	12,693	11,970	-5.7%	48	0	-100.0%
Canada	10,015	10,906	8.9%	581	34	-94.1%
Guatemala	16,427	10,727	-34.7%	1,637	1071	-34.6%
United Kingdom	18,770	9,580	-49.0%	242	105	-56.6%
Others	96,736	79,586	-17.7%	9,518	3,931	-58.7%

Source: Trade Data Monitor, LLC

Commodities:
Pears, Fresh

Table 7: Production, Supply and Distribution

Pears, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jan 2022		Jan 2023		Jan 2024	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	6165	6165	5878	5878	5750	5791
Area Harvested (HA)	6000	6000	5800	5800	5700	5700
Bearing Trees (1000 TREES)	6200	6200	5950	5950	5800	5800
Non-Bearing Trees (1000 TREES)	900	900	1000	1000	1000	1000
Total Trees (1000 TREES)	7100	7100	6950	6950	6800	6800
Commercial Production (MT)	220659	220659	210000	210000	200000	200000
Non-Comm. Production (MT)	2000	2000	2000	2000	2000	2000
Production (MT)	222659	222659	212000	212000	202000	202000
Imports (MT)	900	900	800	700	700	700
Total Supply (MT)	223559	223559	212800	212700	202700	202700
Domestic Consumption (MT)	107859	107859	102800	107787	97700	102700
Exports (MT)	115700	115700	110000	104913	105000	100000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	223559	223559	212800	212700	202700	202700
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

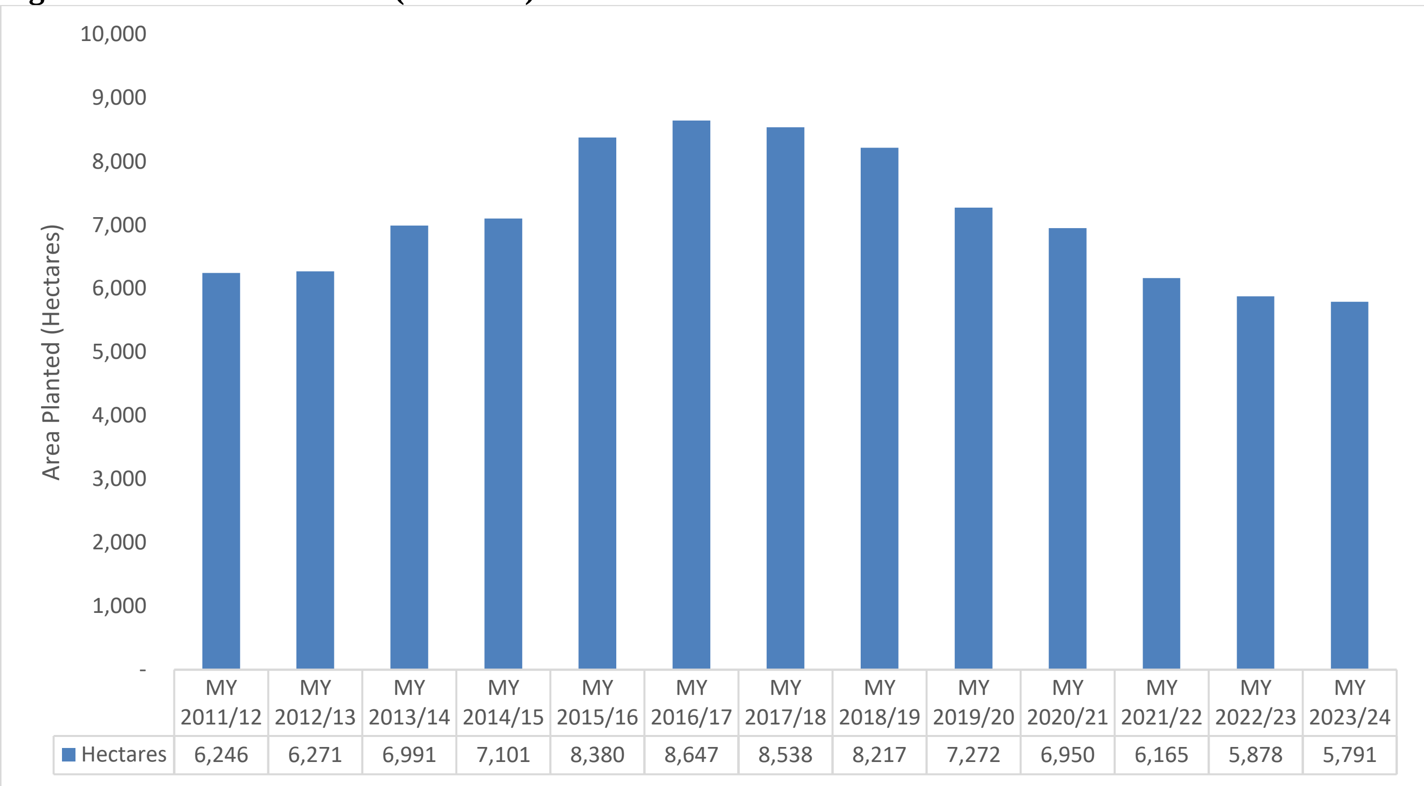
Source: Post estimates

Production:

Post estimates Chile's MY 2023/24 fresh pear production to decrease by 4.8 percent and total 200,000 metric tons (Table 7). In MY 2023/24, higher than normal temperatures and low accumulation of chilling hours during the winter caused a delay in the pear harvest and consequently delayed the beginning of the export season. Pear area planted is on a decreasing trend since MY 2016/17, due to low margins (Figure 5). Pears are challenging to produce and to export, since they are delicate and need special handling and packaging to avoid damage.

In MY 2023/24, pear area planted area decreased by 1.5 percent from MY 2023/24, totaling 5,791 hectares. According to the latest data from ODEPA, pear area planted in the *O'Higgins* and the *Maule* regions, decreased by 17.5 and 15.9 percent, respectively, in the past three marketing years (Table 8).

Figure 5: Pear Area Planted (Hectares)



Source: ODEPA, 2024

Table 8: Pear Area Planted by Region MY 2023/24 (hectares)

Region	Area Planted (hectares)	Three Year Variation (%)	Share (%)
Metropolitana	393.23	-18.03%	8.20%
O'Higgins	3,715	-17.50%	63.20%
Maule	1,564	-15.90%	26.60%
Others	119		2.00%
Total	**5,791**	**16.70%**	**100.00%**

Note: Variation of planted area is measured every three years; data provided are last available
Source: ODEPA, 2024

Policy:

No new policy developments to report.

Consumption:

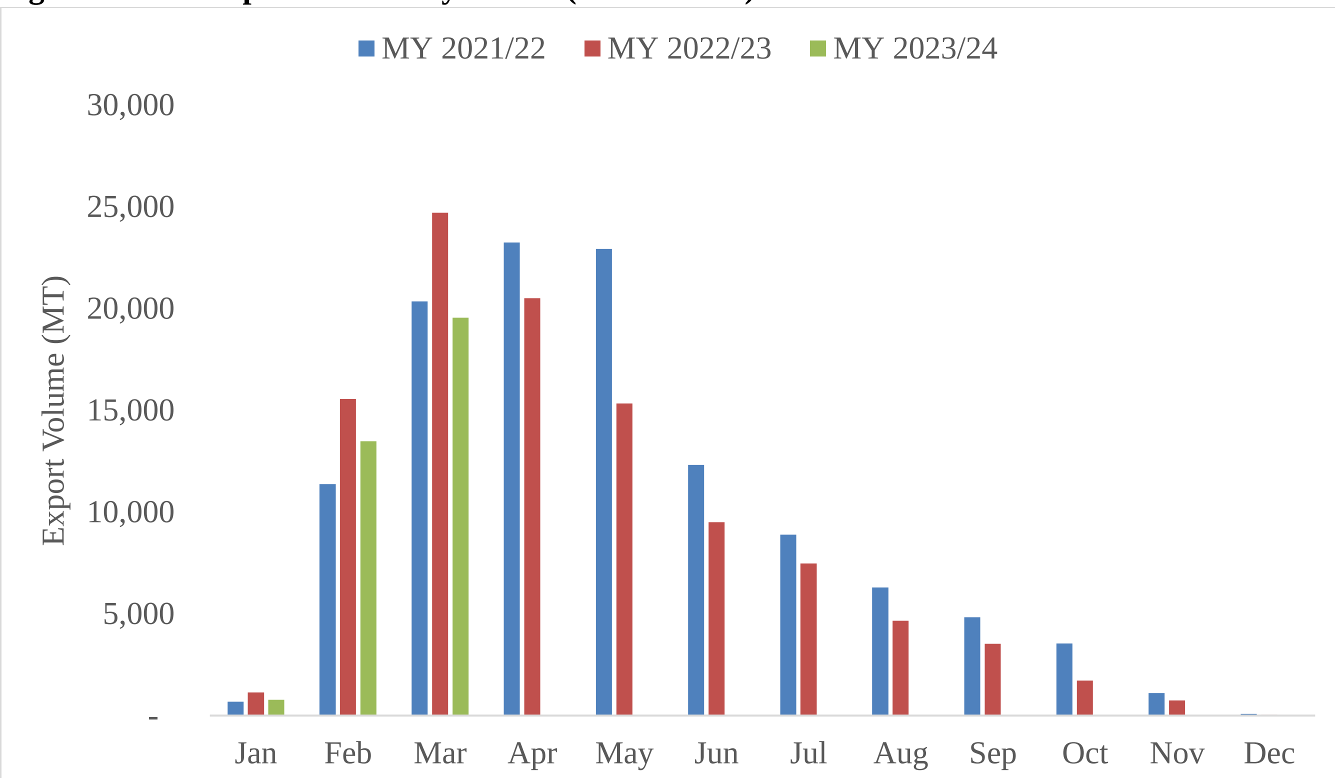
In MY 2023/24, due to the decrease in production, Post estimates domestic consumption of pears to decrease by 4.7 percent and total 102,700 metric tons. Domestic consumption represents 51.4 percent of total pear production and consists of fresh consumption and pears for further processing. The processing industry uses pears to produce juice, mashed pears for infants, and desserts.

Trade:

In MY 2023/24, due to the lower production volume, Post estimates pear exports to decrease by 4.7 percent and total 100,000 metric tons. In MY 2023/24 (data until March), pear exports decreased by 18.3 percent, totaling 33,805 metric tons (Table 9). Low accumulation of chilling hours in the winter caused a delay in the harvest and in the beginning of export shipments (Figure 6). However, the export volumes should recover in the remainder of the export season, although not enough to surpass the previous marketing year.

Chile's top markets for fresh pear exports are Colombia. Italy, and Ecuador. In MY 2023/24, while exports to Colombia and Ecuador decreased, exports to Italy and Spain increased because exporters seek high prices in European markets (Table 9).

Figure 6: Pear Export Volume by Month (Metric Tons)



Source: Trade Data Monitor, LLC

Table 9: Pear Export Volume to the World (MT)

Chile Exports to The World						
Commodity: 080830, Pears, Fresh						
Partner Country	Marketing Year			January-March		
	2021/22	2022/23	Variation (%)	2023	2024	Variation (%)
The World	115,659	104,913	-9.3%	41,391	33,805	-18.3%
Colombia	18,964	15,865	-16.3%	5,595	4,723	-15.6%
Italy	12,924	14,184	9.7%	8,571	8,598	0.3%
Ecuador	11,348	9,404	-17.1%	2,938	2,795	-4.9%
Netherlands	15,102	7,419	-50.9%	2,658	1,629	-38.7%
Spain	4,540	6,913	52.3%	5,126	4,708	-8.2%
Russia	8,659	6,490	-25.0%	1,793	1,635	-8.8%
United States	7,356	6,265	-14.8%	3,700	2,289	-38.1%
China	3,765	5,329	41.5%	1,721	543	-68.4%
Peru	7,348	4,702	-36.0%	1,232	1,144	-7.1%
Germany	4,182	3,892	-6.9%	336	385	
Brazil	2,913	3,601	23.6%	767	865	12.8%
Taiwan	1,624	2,060	26.8%	341	353	3.5%
Guatemala	1,491	1,878	26.0%	454	338	-25.6%
Panama	2,024	1,545	-23.7%	596	425	-28.7%
France	1,103	1,523	38.1%	988	381	-61.4%
Others	12,316	13,843	12.4%	4,575	2,994	-34.6%

Source: Trade Data Monitor, LLC

Attachments:

No Attachments