

Voluntary Report – Voluntary - Public Distribution

Date: March 08, 2023

Report Number: CI2023-0006

Report Name: Wildfires Generate Losses for Chilean Agriculture

Country: Chile

Post: Santiago

Report Category: Agriculture in the News, Agricultural Situation

Prepared By: Sergio Gonzalez

Approved By: Bret Tate

Report Highlights:

In February, wildfires ravaged central Chile throughout the the Maule, Biobio, Ñuble, and Araucania regions. The fires expanded quickly due to high temperatures and windy conditions, causing loss of lives, destruction of homes, and damage to basic infrastructure. The wildfires killed 26 people and burned 441,316 hectares of land. Impacts on agriculture were significant, affecting 6,993 farmers, most of them small and subsistence farmers.

Basic facts

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

As of February 27, official statistics reported that 4,940 wildfires had killed 26 people, burned 441,316 hectares, and destroyed 1,554 homes (see Table 1). Data from July 2022 until February 2023 note that the number of wildfires decreased by 3.9 percent from the previous five-year period, but the number of hectares burned increased by 613.4 percent over the same period. The regions most affected by the wildfires were *Biobío*, *Araucanía*, and *Ñuble*. These regions are in the southern part of the country, in areas that are rich in forestry.

Table 1: Number of Wildfires and Affected Area by Region

Region	Number of Wildfires			Area Burned (Hectares)		
	Jul 2022 - Feb 2023	Average last five years (July-June)	Variation (%)	Jul 2022 - Feb 2023	Average last five years (July-June)	Variation (%)
Arica y Parinacota	4	7	-39.4%	43	11	277.4%
Tarapacá	2	3	-23.1%	48	3	1463.5%
Antofagasta	3	3	-6.3%	20	13	48.0%
Atacama	15	17	-10.7%	13	35	-62.0%
Coquimbo	38	68	-44.3%	136	717	-81.1%
Valparaíso	316	490	-35.5%	7,148	4,786	49.4%
Metropolitana	344	343	0.4%	13,582	2,472	449.4%
O'Higgins	338	233	45.1%	7,507	3,192	135.2%
Maule	643	647	-0.6%	29,590	6,997	322.9%
Ñuble	432	261	65.4%	52,272	2,042	2460.2%
Biobío	1,473	1,814	-18.8%	208,860	9,341	2136.0%
Araucanía	979	958	2.1%	112,992	27,416	312.1%
Los Ríos	85	79	7.3%	8,385	398	2004.4%
Los Lagos	223	175	27.1%	686	666	3.0%
Aysen	27	28	-2.2%	18	3,496	-99.5%
Magallanes	18	13	40.6%	16	271	-94.2%
Total	4,940	5,138	-3.9%	441,316	61,857	613.4%

Source: CONAF - Chilean Ministry of Agriculture, 2023

Impacts on Agriculture

Economic losses have not yet fully been accounted for since fires remain active to date. As of February 27, wildfires impacted 6,993 farmers in some way. Out of these farmers, 64 percent were small farmers or subsistence farmers, and 97 percent sell products to the domestic market.

The Chilean Ministry of Agriculture (MOA) reported 3,748 hectares of agricultural crops burned nationwide (Table 2). *Biobio* was the most affected region with 1,226 hectares of agricultural area burned. Out of the total burned area, 55 percent was pasture, 22.7 percent was fruit production, 17.8 percent were annual crops, and 4.6 percent was vegetable production.

One of the most affected economic sectors is wine production. Many vineyards that are in the *Itata* Valley, an especially dry valley that spans through the *Ñuble* and the *Biobio* regions, were burned or had cellars and other infrastructure damaged. Out of the 851 hectares of fruit production burned, 471 hectares (55 percent) were vineyards.

According to Post sources, there is a low risk of fruit orchards burning since they are planted in areas far from forestry plantations and have buffer zones to separate forestry and orchards. However, [according to the Chilean fruit producer's association \(FEDEFRUTA\)](#), there were cherry and lemon orchards in the *Ñuble* region that were burned and blueberries that were ready to harvest but were spoiled due to the high temperatures from the wildfires. Additionally, many workers in the fruit sectors had their houses burned and lost access to drinking water because of burned infrastructure.

Table 2: Agricultural Production Area Affected by Wildfires (Hectares).

Region	Biobio	Ñuble	Araucania	Maule	Los Rios	Total
Pasture	842	342	669	201	5	2,057
Fruit production	175	639	29	8		851
Annual crops	90	181	396	1		668
Vegetable production	120	39	6	6		171
Total	1,226	1,201	1,099	216	5	3,746

Source: Chilean Ministry of Agriculture

Animal and livestock production were also impacted by the wildfires. As of February 27, wildfires killed 21,188 animals and burned the primary source of feed for 62,570 animals. Eighty two percent of deceased animals were poultry, eight percent were beef cattle, and three percent were goats. Almost half of the animals that had their main source of feed burned were poultry.

Wildfires burned agriculture infrastructure. Specifically, wildfires burned 6,201 kilometers of fences, 991 cellars, 400 greenhouses, 149 farmyards, 16 tractors, and 17 trucks. Additionally, the MOA reports the burning of agricultural machinery, farm equipment, and irrigation infrastructure.

Wildfires impact agriculture production not only due to direct burning of crops, infrastructure and equipment, but also due to inactivity. In areas with active wildfires, smoke prevented workers from carrying out tasks such as harvesting, applying chemical products, or packing. Ashes from the wildfires also contaminated agricultural products that were ready for harvest, such as blueberries, vegetables, and vineyards. Additionally, some roads were closed due to wildfires, which prevented agricultural workers from even arriving to their workplaces and blocked movement of products.

Government Support to Farmers

On February 7, the [Chilean Ministry of Agriculture announced \\$2.0 million in support](#) to small farmers that were affected by the wildfires. This support consists of feed for their animals, and it was distributed to approximately 6,500 small farmers from the *Maule*, *Ñuble* and *Araucania* regions, which were the most impacted by the wildfires.

According to the Chilean Minister of Agriculture, Esteban Valenzuela, many small producers have insurance that covers crop damage by wildfires. This type of insurance is subsidized by the government and will cover part of the economic damage to small farmers.

There are four main actions that the Chilean Government is taking to support farmers:

1. Financing feed for animals and inputs for apiculture \$1.5 million.
2. Acquiring inputs and providing immediate veterinary services for surviving animals from small farmers.
3. Immediate extensions of credit obligations for up to six months for farmers that lost their productive capacity due to wildfires. This will benefit near 6,652 small farmers and covers an estimate of \$13.4 million in outstanding credit.
4. Many small farmers have agricultural insurance which is subsidized, and which covers fire damages to crops and livestock.

The [United States Government donated more than \\$1.0 million](#) worth of equipment to fight the wildfires and humanitarian assistance through USAID. The U.S. Government also offered technical assistance to the Chilean Government through USAID and the U.S. Forestry Service.

Post Comments

In February 2023, the damage from wildfires was significant causing loss of human and animal life, and a great number of burned homes and land.

Agricultural production was directly and indirectly impacted by the wildfires, mainly in the *Ñuble*, *Biobio*, and *Araucania* region. The forestry sector was the most impacted by the wildfires. Most of the affected agricultural area corresponds to small farmers that sell products in the Chilean market. A particularly affected location was the *Itata* valley, which holds a great number of small vineyards that suffered considerable losses.

Wildfires did not affect the fruit sector considerably by direct burning of crops. As a result, Post does not anticipate any changes in agricultural production or trade of the top fruit crops such as stone fruit, table grapes, blueberries, tree nuts, and citrus during the current or the next marketing year.

At the time of the wildfires most annual crops were already harvested, thus there should not be changes in the domestic supply for marketing year 2022/23. However, there might be an increase in imports of wheat in the upcoming marketing year, since *Araucania* region, the top wheat producing region in Chile, was one of the most affected regions by the wildfires and specific damages have not been fully accounted for.

Post will continue to monitor any developments regarding wildfires and its impact on Chilean agricultural production and trade.

Attachments:

No Attachments.