

Voluntary Report – Voluntary - Public Distribution

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Report Name: Wine Production and Trade

Country: Chile

Post: Santiago

Report Category: Wine

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Report Highlights:

The wine production area in Chile spans from the Atacama to Araucania region, with vineyards scattered up and down the regions' valleys. Chilean area planted for wine totaled 130,086 hectares in 2021. Area planted for wine is trending downward, primarily due to a reduction in area planted from the O'Higgins region. Land in the O'Higgins region has been shifting toward more profitable crops such as cherries and citrus. In 2022, Chilean wine production totaled 1.244 billion liters, a 7.39 percent decrease from 2021. Likewise, in 2022, Chilean wine export volume totaled 833.5 million liters, a 4.0 percent decrease from 2021. Domestic consumption reached 292 million liters and stocks increased 1.413 billion liters in 2022.

Commodity:

Wine

Table 1: Production, Supply and Distribution Statistics

Item	2017	2018	2019	2020	2021	2022
Area Planted (hectares)	135,908	137,191	136,289	136,166	130,086	129,000
Initial Stocks (liters)	1,131,275,512	1,015,955,607	1,266,711,613	1,296,153,214	1,200,786,564	1,287,453,167
Production (liters)	1,015,955,607	1,266,711,613	1,296,153,214	1,033,722,800	1,343,698,600	1,244,369,900
Exports (liters)	946,228,190	848,964,894	872,512,622	852,637,695	868,016,841	833,499,347
Imports (liters)	2,771,721	3,548,308	3,186,584	4,630,267	12,555,230	6,746,670
Consumption (liters)	187,819,043	170,539,021	397,385,575	281,082,022	401,570,386	291,929,756
Ending Stocks (liters)	1,015,955,607	1,266,711,613	1,296,153,214	1,200,786,564	1,287,453,167	1,413,140,634

Source: Post estimates, Chilean Ministry of Agriculture, and Trade Data Monitor, LLC

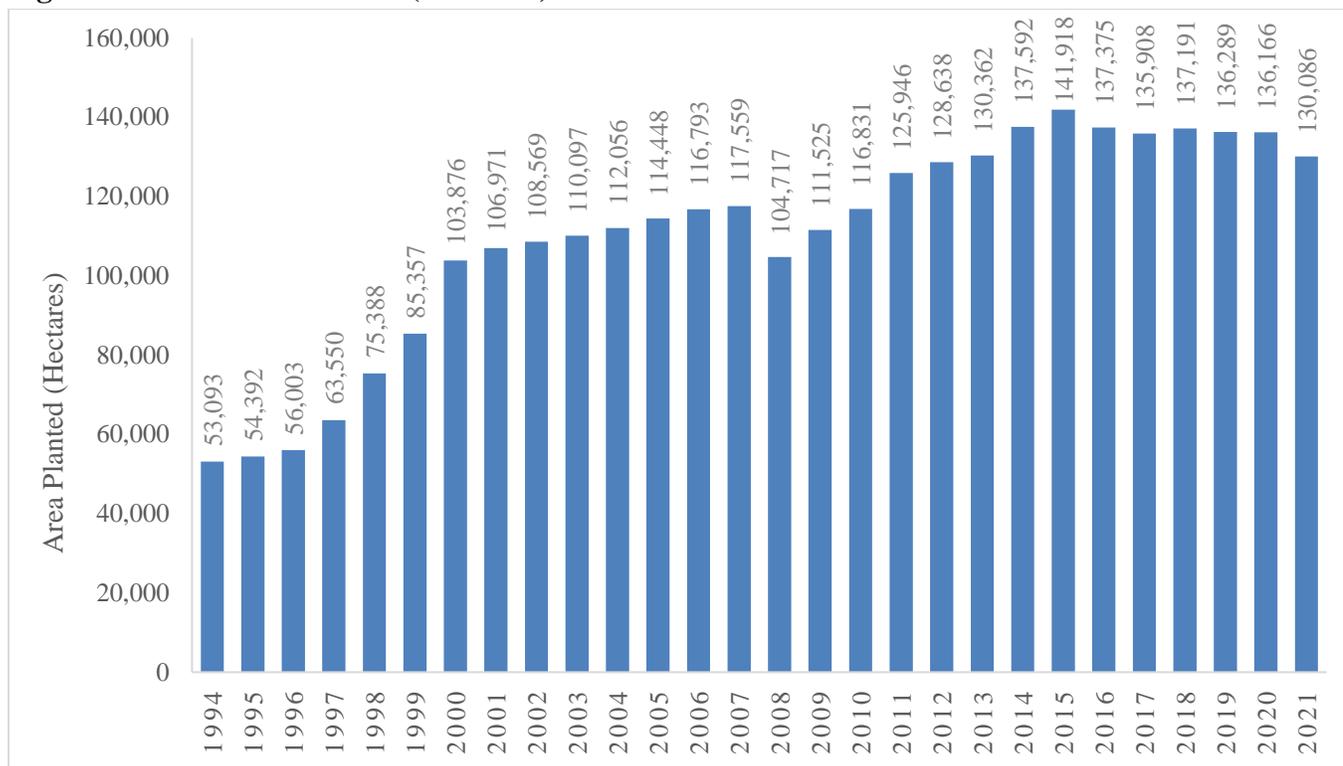
Production:

According to data from the Chilean Animal and Plant Service (SAG), grape area planted for wine totaled 130,086 hectares in 2021, a 4.5 percent decrease from 2020 (Table 1). Area planted increased steadily from 1994 until 2015, and then began to decrease slightly until 2021 (Figure 1).

The decreased area planted is explained by a decline in area planted in the *O'Higgins* region, which went from 46,414 hectares in 2015 to 41,539 hectares in 2021. The *O'Higgins* region is one of the top agricultural production regions in Chile. There, land for vineyards competes heavily with more profitable fruit crops such as cherries or citrus.

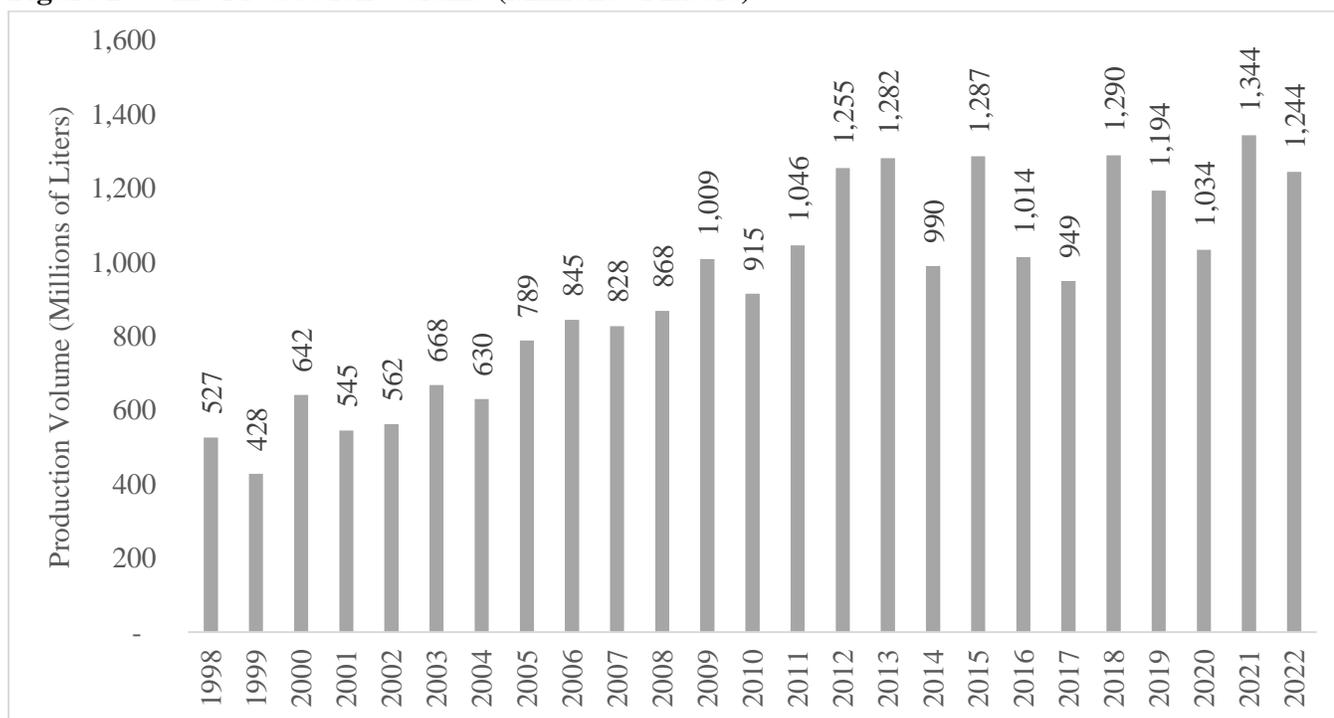
In 2022, Post estimates that area planted for wine totaled 129,000 hectares, a 0.83 percent decrease from 2021, following the continued downward trends in area planted. In 2022, production totaled 1.244 billion liters, a 7.39 percent decrease from 2021 (Table 1). Chilean wine production first surpassed one billion liters in 2009, fluctuating since then from 1.0 to 1.3 billion liters per year and averaging 1.13 billion liters per year (Figure 2).

Figure 1: Wine Area Planted (Hectares)



Source: SAG – Chilean Ministry of Agriculture

Figure 2: Wine Production Volume (Millions of Liters)



Source: SAG – Chilean Ministry of Agriculture

The wine production area in Chile spans from the *Atacama* to *Araucania* region, with vineyards scattered up and down the region’s valleys (Table 2). The top wine producing region is the *Maule* region, which includes the *Curico* and *Maule* valleys. These two valleys hold 52,823 hectares or 40.6 percent of the area planted for wine in Chile (Figure 3). The *O’Higgins* region is the second largest wine production region in Chile. It holds the *Colchagua* and *Cachapoal* valleys and has 41,539 hectares, representing 31.9 percent of the area planted for wine.

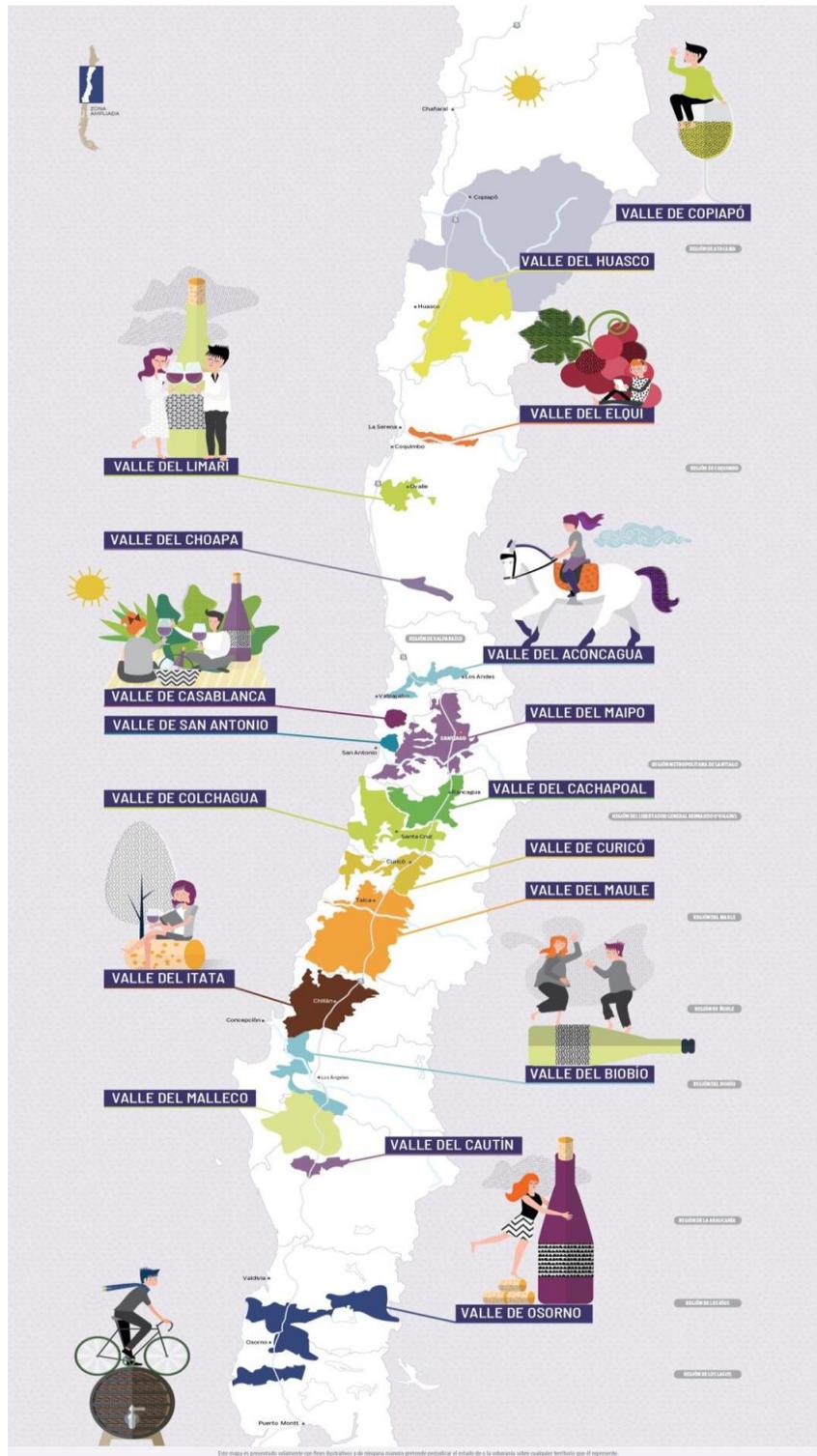
In February 2023, wildfires quickly spread across the *Maule*, *Biobio*, *Ñuble*, and *Araucania* regions due to high temperatures and windy conditions. The fires caused loss of life, damaged homes, and destroyed infrastructure. Impacts on agriculture were significant, affecting 6,993 farmers, most of them small and subsistence farmers. One of the most affected sectors was wine production as 471 hectares of vineyards were burned. Most of those vineyards were in the *Itata* valley, an especially dry valley that spans the *Ñuble* and the *Biobio* regions. Recovery of these burned vineyards will take at least three to four years, creating a potential reduction in wine production in both *Ñuble* and *Biobio* in the upcoming marketing years.

Table 2: Area Planted with Vineyards by Region (Hectares)

Region	Area Planted (Hectares)	Share (%)
Arica	15	0.0%
Tarapaca	4	0.0%
Antofagasta	5	0.0%
Atacama	55	0.0%
Coquimbo	3,115	2.4%
Valparaiso	8,658	6.7%
Metropolitana	10,559	8.1%
O'Higgins	41,539	31.9%
Maule	52,823	40.6%
Ñuble	10,370	8.0%
Biobio	2,796	2.1%
Araucania	107	0.1%
Los Rios	19	0.0%
Los Lagos	19	0.0%
Aysen	2	0.0%
Total	130,086	100.0%

Source: SAG – Chilean Ministry of Agriculture

Figure 3: Wine Valleys in Chile

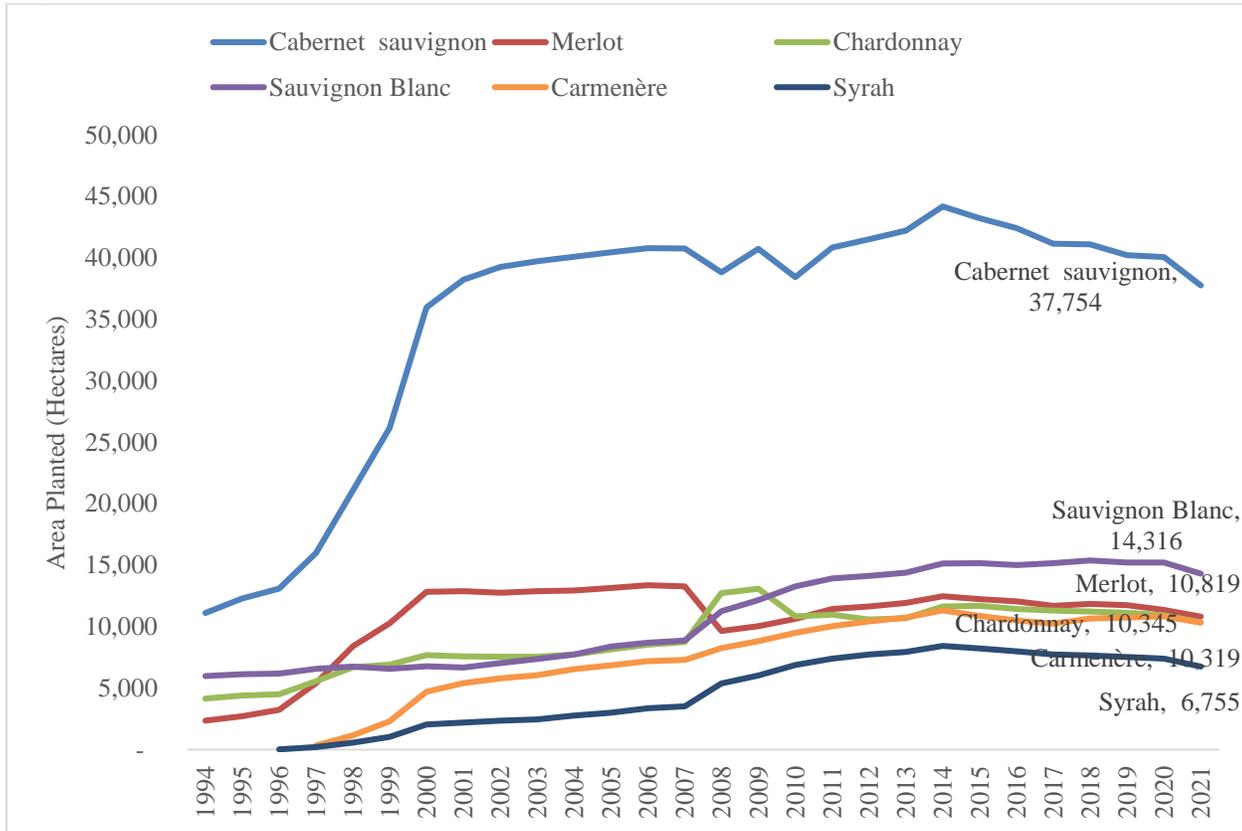


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Source: Enoturismo, Chile, Corfo, Chilean Ministry of Economy

Figure 4: Area Planted with Wine by Variety (Hectares)



Source: Catastro Vitivinícola - SAG

In Chile, the most planted variety of wine is *Cabernet Sauvignon*, with 37,754 hectares of area planted in 2021 (Figure 4). The second most planted variety is *Sauvignon Blanc*, a white wine covering 14,316 hectares of area in 2021. Other red wines produced in Chile include *Merlot*, *País*, and *Carmenere* (Table 3). *Merlot* is the second most planted red wine, with 10,819 hectares, or 11.3 percent of the total area planted in red varieties. The top white wine varieties are *Sauvignon Blanc*, *Chardonnay*, *Moscatel*, and *Viognier* (Table 4).

Table 3: Area Planted with Red Wine Varieties (Hectares)

Variety	Area Planted (Hectares)	Share (%)
Total	96,033	100.0%
Cabernet Sauvignon – Cabernet	37,754	39.3%
Merlot	10,819	11.3%
Pais – Mission, Criolla	10,465	10.9%
Carmenère – Grande Vidure	10,319	10.7%
Tintoreras	7,618	7.9%
Syrah	6,755	7.0%
Pinot Noir – Pinot Negro	3,910	4.1%
Cot – Cot Rouge, Malbec	2,469	2.6%
Cabernet Franc – Cabernet Franco	1,627	1.7%
Cinsault	966	1.0%
Carignan – Carignane	941	1.0%
Petit Verdot	846	0.9%
Lacrima Christi	261	0.3%
Garnacha – Grenache	227	0.2%
Petite Syrah – Durif	206	0.2%
Alicante Bouschet	203	0.2%
Tempranillo	131	0.1%
Sangiovese – Nielluccio	120	0.1%
Mourvedre – Monastrell, Mataro	116	0.1%
Others	279	0.3%

Source: Catastro Vitivinicola – SAG

Table 4: Area Planted with White Wine Varieties (Hectares)

Variety	Area Planted (hectares)	Share (%)
Total	34,054	100.0%
Sauvignon Blanc	14,316	42.0%
Chardonnay – Pinot Chardonnay	10,345	30.4%
Moscatel De Alejandría – Blanca Italia	4,318	12.7%
Viognier	724	2.1%
Semillon	678	2.0%
Pinot Gris	657	1.9%
Torontel	622	1.8%
Pedro Jimenez – Pedro Gimenez	516	1.5%
Sauvignon Vert	436	1.3%
Riesling	362	1.1%
Gewurztraminer	307	0.9%
Chasselas	252	0.7%
Moscatel Rosada	156	0.5%
Sauvignon Gris – Sauvignon Rose	108	0.3%
Others	258	0.8%

Source: Catastro Vitivinícola – SAG

Trade

In 2022, Chilean wine export volume totaled 833.5 million liters, a 4.0 percent decrease from 2021. Chilean wine export value totaled \$1.9 billion in 2022, a 2.9 percent decrease from the previous year (Table 5). Chilean wine export destinations are diversified. In 2022, Chile exported wine to more than 130 countries. The top market for Chilean wine is China, where Chile exported 132.7 million liters in 2022. Exports to China that year represented \$302.2 million in sales or 15.8 percent of total exports (Table 6). The United States is the second top destination for Chilean wine exports. In 2022, Chile exported 123.0 million liters or \$208.7 million to the United States, which represents 10.9 percent of export value. Other important markets, where Chile sent more than \$150 million in 2022, are the United Kingdom, Brazil, and Japan.

Table 5: Wine Export Volume by Country of Destination (Liters)

Partner Country	Export Volume (Liters)			Market Share 2022	Variation
	2020	2021	2022	(%)	(%)
The World	852,637,695	868,016,841	833,499,347	100.0%	-4.0%
China	90,673,887	124,159,641	132,658,760	15.9%	6.8%
United States	151,796,284	178,980,583	122,953,088	14.8%	-31.3%
United Kingdom	126,792,080	115,677,449	112,461,255	13.5%	-2.8%
Japan	76,997,081	65,976,821	70,664,105	8.5%	7.1%
Brazil	75,328,382	69,884,320	69,436,255	8.3%	-0.6%
Mexico	14,837,718	18,701,044	32,916,640	3.9%	76.0%
Germany	45,436,218	35,223,700	31,699,631	3.8%	-10.0%
Netherlands	37,564,037	31,930,720	28,937,188	3.5%	-9.4%
Canada	40,705,504	31,046,098	27,920,467	3.3%	-10.1%
Colombia	13,044,857	12,629,512	16,042,515	1.9%	27.0%
Ireland	15,083,186	12,769,884	15,649,795	1.9%	22.6%
Denmark	18,942,346	16,345,210	14,921,607	1.8%	-8.7%
France	11,047,609	11,567,638	14,155,920	1.7%	22.4%
South Korea	15,405,801	19,035,807	14,095,142	1.7%	-26.0%
Russia	13,563,672	11,870,974	12,331,986	1.5%	3.9%
Sweden	10,509,544	9,160,532	9,715,945	1.2%	6.1%
Others	94,909,489	103,056,908	106,939,048	12.8%	3.8%

Source: Trade Data Monitor, LLC

Table 6: Wine Export Value by Country of Destination (USD)

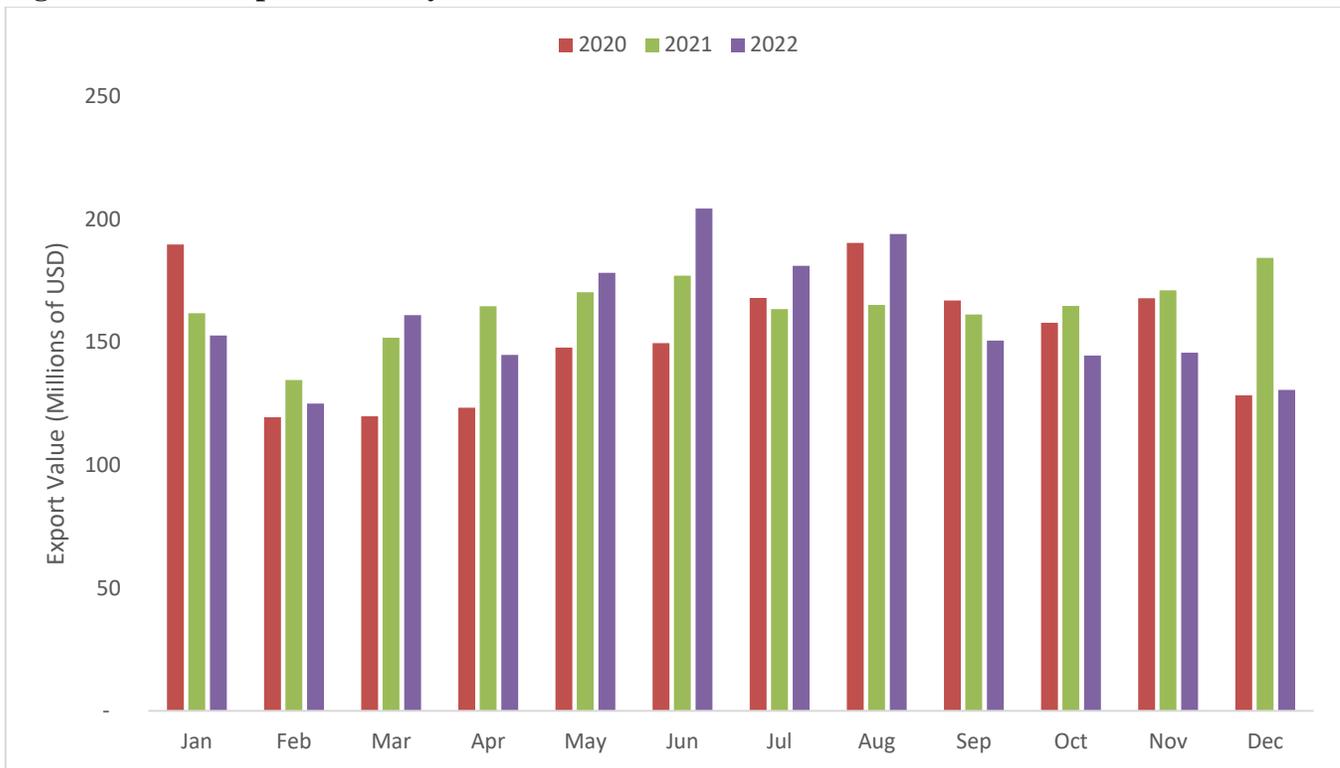
Partner Country	Export Value (USD)			Market Share 2022	Variation
	2020	2021	2022	(%)	(%)
The World	1,830,064,390	1,970,932,463	1,913,573,053	100.0%	-2.9%
China	232,359,217	326,127,714	302,155,684	15.8%	-7.4%
United States	215,108,102	247,543,705	208,662,537	10.9%	-15.7%
United Kingdom	218,033,998	226,952,488	202,433,609	10.6%	-10.8%
Brazil	184,819,124	184,233,087	186,640,243	9.8%	1.3%
Japan	167,542,757	144,201,290	157,110,456	8.2%	9.0%
Canada	88,137,708	86,982,938	84,962,314	4.4%	-2.3%
Netherlands	99,672,465	92,991,163	83,757,113	4.4%	-9.9%
South Korea	58,852,544	80,572,042	67,072,934	3.5%	-16.8%
Mexico	33,811,756	41,978,924	62,206,065	3.3%	48.2%
France	41,731,622	44,959,744	50,343,192	2.6%	12.0%
Germany	59,500,350	54,919,044	44,317,703	2.3%	-19.3%
Ireland	48,229,060	42,064,322	43,866,890	2.3%	4.3%
Colombia	32,773,473	31,003,953	39,751,270	2.1%	28.2%
Denmark	41,072,648	38,537,835	32,483,222	1.7%	-15.7%
Russia	31,958,603	28,068,591	29,005,019	1.5%	3.3%
Sweden	25,694,547	23,868,148	20,423,154	1.1%	-14.4%
Others	250,766,416	275,927,475	298,381,648	15.6%	8.1%

Source: Trade Data Monitor, LLC

Chilean wine exports are higher between May and August and lower between February and April. In 2022, monthly wine exports fluctuated between \$125 million and \$205 million, and averaged \$160 million per month (Figure 5).

More than 80 percent of Chilean wine exports are bottled wine and 16 are bulk shipments, exported in large containers (Table 6). The remainder of exports are other types of bottled wine products, such as sparkling wine and vermouth.

Figure 5: Wine Export Value by Month (Millions of USD)



Source: Trade Data Monitor, LLC

Table 7: Wine Export Value by Product (USD)

HS Subheading	Description	Calendar Year (Value: USD)			Market Share 2022	Variation
		2020	2021	2022	(%)	(%)
Wine & Related Products	Wine & related products	1,830,064,390	1,970,932,463	1,913,573,053	100.0%	-2.9%
220421	Wine of fresh grapes (other than sparkling wine) and grape must with fermentation prevented, etc. by adding alcohol, containers of not over 2 liters	1,473,235,169	1,600,259,790	1,558,993,998	81.5%	-2.6%
220429	Wine of fresh grapes (other than sparkling wine) and grape must with fermentation prevented, etc. by adding alcohol, containers holding over 2 liters	292,425,107	311,580,102	301,227,904	15.7%	-3.3%
220422	Other wine: grape must with fermentation prevented or arrested by the addition of alcohol, in containers holding 2 liters - 10 liters	41,488,578	40,037,395	32,848,817	1.7%	-18.0%
220410	Sparkling wine of fresh grapes	14,674,886	14,482,406	15,454,068	0.8%	6.7%
220510	Vermouth and other wine of fresh grapes flavored with plants or aromatic substances, in containers holding 2 liters or less	3,474,763	3,319,475	2,935,305	0.2%	-11.6%
220430	Grape must, partially fermented, having an alcoholic strength by volume exceeding 0.5% vol., nesoi	4,605,812	770,500	1,890,036	0.1%	145.3%
220590	Vermouth and other wine of fresh grapes flavored with plants or aromatic substances, in containers holding over 2 liters	100,345	444,423	123,887	0.0%	-72.1%
220600	Fermented beverages, nesoi (incl cider, perry & mead); mixtures of fermented beverages & mixtures of fermented beverages & non-alcohol beverage nesoi	59,731	38,371	99,037	0.0%	158.1%

Source: Trade Data Monitor, LLC

Chile is a producer and exporter of wine, but also an importer of wine from various countries. In 2022, Chile imported 6.8 million liters of wine from Argentina, 1.7 million liters from Spain, and 1.3 million liters from Italy. Some Chilean consumers look for unusual varieties or sophisticated foreign wines, creating a niche market for high-quality imported products.

Table 8: Wine Import Volume by Country of Origin (Liters)

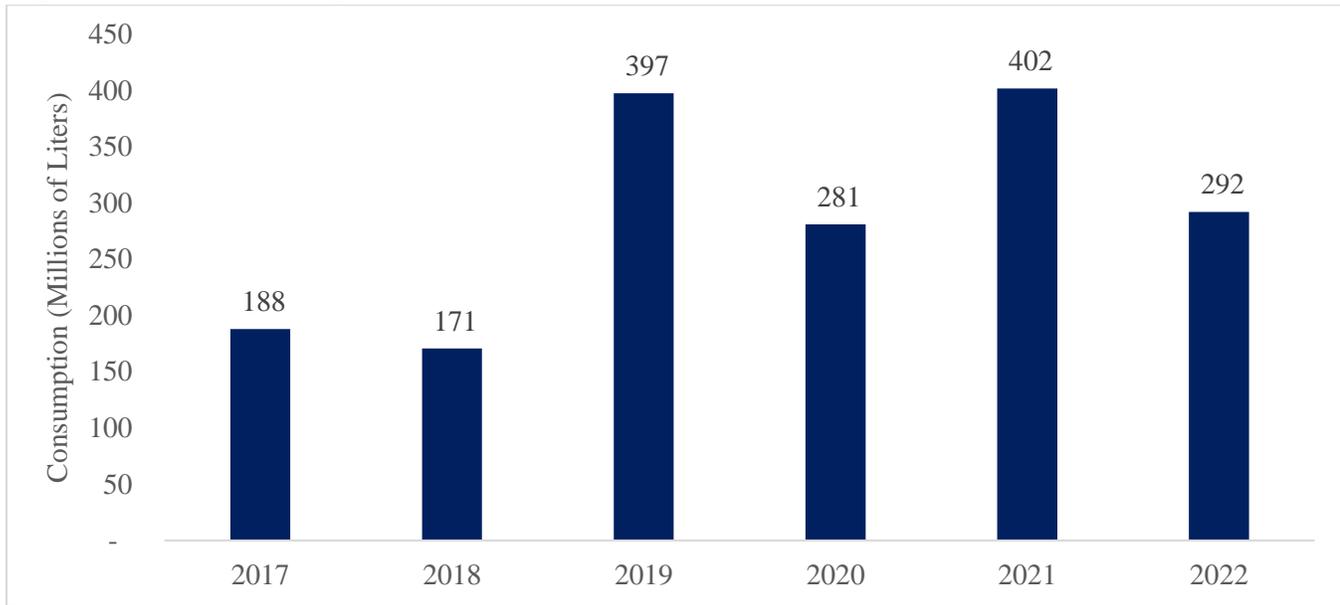
Partner Country	Import Volume (Liters)			Market Share	Variation
	2020	2021	2022	(%)	(%)
The World	4,630,267	12,555,230	6,746,670	100.0%	-46.3%
Argentina	2,025,967	2,574,877	1,705,116	25.3%	-33.8%
Spain	853,125	3,237,888	1,692,074	25.1%	-47.7%
Italy	681,609	2,639,499	1,321,635	19.6%	-49.9%
Germany	382,683	937,302	822,194	12.2%	-12.3%
Estonia	-	167,371	305,032	4.5%	82.2%
France	321,210	1,492,712	251,737	3.7%	-83.1%
Brazil	34,821	4,252	136,781	2.0%	3116.9%
Belgium	-	-	123,747	1.8%	-
Moldova	8,226	257,543	106,659	1.6%	-58.6%
United Kingdom	39,111	100,343	79,445	1.2%	-20.8%
Poland	137,217	950,766	75,600	1.1%	-92.0%
Ukraine	12,084	25,665	47,763	0.7%	86.1%
United States	9,149	8,441	23,007	0.3%	172.6%
Colombia	-	-	18,930	0.3%	-
Portugal	12,767	25,284	11,108	0.2%	-56.1%
South Korea	4,830	13,570	10,818	0.2%	-20.3%
Others	107,468	119,717	15,024	0.2%	-87.5%

Source: Trade Data Monitor, LLC

Consumption:

Between 2017-2022, Post estimates that Chile consumed an average of 23.9 percent of its production. In 2022, Post estimates wine consumption at 292 million liters, which represents a 27.3 percent decrease from 2021 (Table 1). Consumption in 2021, was boosted by an economic rebound after the COVID-19 pandemic and grew by 42.9 percent from 2020. Per capita consumption of wine went from 10.2 liters per capita in 2017 to 14.8 liters per capita in 2022.

Figure 6: Wine Consumption (Millions of Liters)

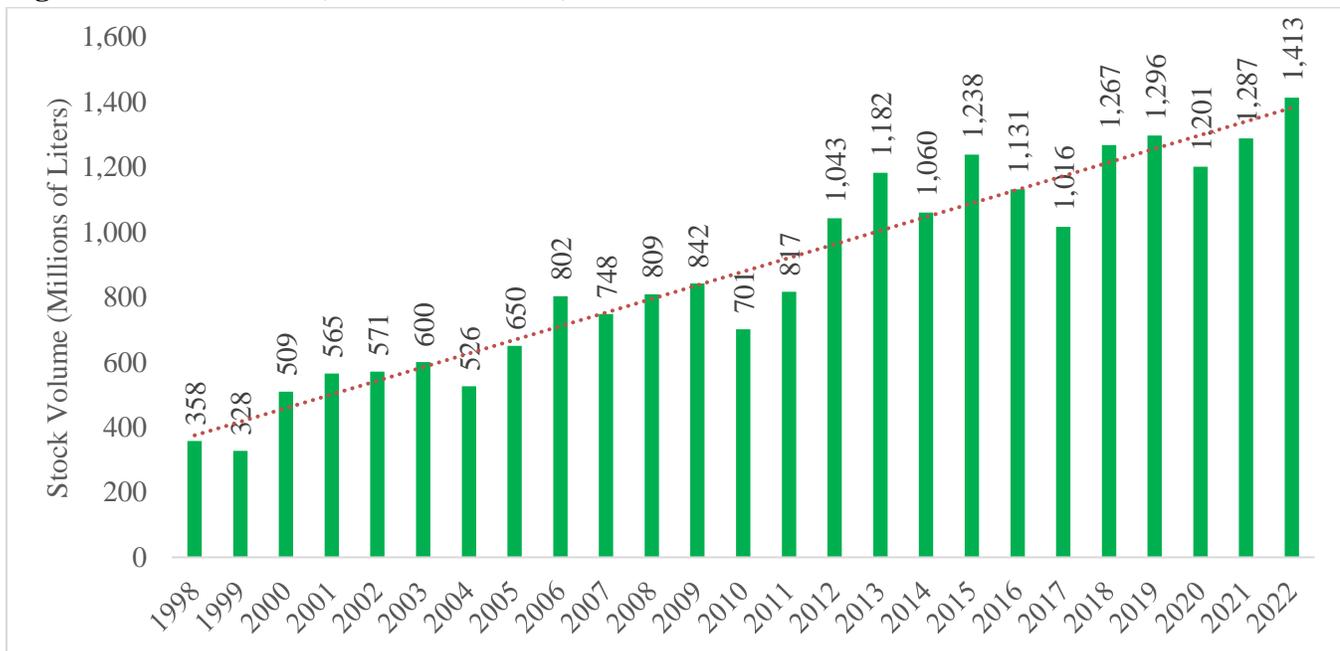


Source: Post Estimates

Stocks:

According to 2022 data from the Chilean Ministry of Agriculture, wine stocks totaled 1,413 million liters, a 9.8 percent increase over 2021 (Table 1). Stocks have increased alongside production volumes since 1998 (Figure 7). The top varietal in stock is *Cabernet Sauvignon* representing 37 percent of stocks, followed by *Merlot* with 13 percent, *Carmenere* with 11 percent, and *Sauvignon Blanc* with 9 percent.

Figure 7: Wine Stocks (Millions of Liters)



Source: SAG – Chilean Ministry of Agriculture

Attachments:

No Attachments.