

Chile's export evolution

With the future remaining bright, Chile should now concentrate on developing additional business in fast-emerging markets to complement more traditional outlets

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Chile is one of the major success stories to emerge within the global fruit sector over the last 25 years. Nowadays, however, the South American country's success is almost taken for granted, meaning it is possible to miss the ongoing evolution of Chile's fruit industry in both terms of its production and exports.

During the course of the last 10 years the overall production of fruit in Chile has increased from 3.8m tonnes to 5.4m tonnes per season. Of that total, a small number of products have shown particularly important development, such as table grapes, whose production has increased from 1.6 tonnes to 2.3m tonnes per year, and apples, whose volume has risen from 0.8 tonnes to 1.3m tonnes.

Other significant growth has come from the avocado sector, where production has shot up from 55,000 tonnes to 250,000 tonnes per year; cherries (from 23,000 tonnes to 60,000 tonnes); kiwifruit (from 140,000 tonnes to 170,000 tonnes) and lemons (from 125,000 tonnes to 180,000 tonnes). Production of pears, on the other hand, has fallen from 300,000 tonnes to just 150,000 tonnes.

Looking at these export developments, therefore, some basic shifts in the pattern of trade from Chile can be highlighted.

Table grapes

Chilean grape exports have soared in the last 10 years from 535,000 tonnes to over 775,000 tonnes annually, with the US representing by far the most important destination, accounting for around 55-60 per cent of the total volume. The UK and Netherlands, meanwhile, also represent key export markets and have seen arrivals increase over the last 10 years. The more important development, however, has come from Russia, Korea and Mexico, which are proving to be fast emerging markets for Chilean grapes.

Apples

Apple shipments have risen significantly from 410,000 tonnes to over 700,000 tonnes per year, with growth seen across all markets. Within Europe, the UK, Netherlands, Spain and France still rank

as important in the overall export mix and have seen imports develop steadily. There has, meanwhile, been significant additional business for Chilean exporters in the US and the Middle East, as well as in new markets such as India, Russia, Mexico and Ecuador

Pears

Exports of pears have actually declined from 175,000 tonnes to 120,000 tonnes per season over the last 10-year period. Unsurprisingly, there have also been significant falls in trade to major markets such as the US and the Netherlands, while, on the other hand, business in South American markets such as Peru, Venezuela and Colombia has held up reasonably well

Kiwifruit

Kiwifruit volume from Chile has shown relatively modest growth during the past 10 years, with trade increasing from 130,000 tonnes to over 160,000 tonnes each season. The main and historical export market remains the US, which receives around 15 per cent of all sendings. In addition, other destinations such as Italy, the Netherlands, the UK, Spain, France and Mexico have all increased significantly their imports over the last decade.

Avocados

Exports of Chilean avocados have expanded dramatically during the past 10 years, from just over 16,000 tonnes to 250,000 tonnes. The US is still the dominant outlet and currently absorbs 75 per cent of Chile's total avocado sendings each year. Meanwhile, significant new markets have been opened up in European Union countries, led by the UK, France, Spain and the Netherlands, as well as in Latin America, namely Argentina.

Export-wise, the future prospects are bright. Chile still has plenty of room to further develop its sendings (based on the wide range of products the nation can grow), the reputation that Chile has developed on international markets and the country's ability to compete against other leading producers. The future challenge will be to build additional

business in fast-emerging markets around the world like India, China and Russia and the Pacific Rim.

New opportunities and threats will confront the ability of Chilean producers to deal with the impact of the global downturn and new challenges in areas of good environmental practise, climate change, water usage and the development of a more ethical way of conducting business. And new challenges will arise, but the track record shown by Chile indicates that these obstacles will be overcome and the tasks involved tackled with some relish and no shortage of confidence.



Chile produces 2.3m tonnes of grapes each year

The Chilean fruit industry will need to exhibit all of these qualities if it is to carry on developing. History demonstrates that the country has a huge capacity to meet the demands of the highly competitive

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global fruit sector and to carry on reinventing itself. Chile has shown it can do all of these things, and will continue to be responsive to international market demands in the future.

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