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GAIN Report #CI2022

Chile

Fresh Deciduous Fruit

Semi-Annual

2002

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Report Highlights:
Chile's apple and pear production and exports forecasts are down, due to unstable weather conditions. At the same time, table grape new preliminary estimates are smaller than our forecast but larger than last year.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
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Executive Summary

Chile's supplies of fresh apples and pears are expected to be smaller in MY2001 (Jan-Dec 2002) then the previous year, mainly due to adverse weather conditions in most growing areas last spring. Consequently exports of apples and pears are expected to fall slightly. For table grapes, although weather has been good, abnormal temperature variations have affected the quality of the production and output has not expanded as previously expected due to smaller yields, nevertheless shipments of table grapes will be larger then the previous year.

Fresh Apples

Production

Due to unstable weather last spring and early rains in the summer, production forecast for MY 2001 (Jan-Dec 2002) shows a decline in output when compared to last year, but larger then previously anticipated, given the number of trees is down. Unusual rain and cold weather in spring affected quantity and quality of the production.

Consumption

There are no official data on domestic fresh apple consumption. The figures shown in the PS&D table are estimated as a residual of production, minus apples destined for processing and known exports.

Trade

A larger and good quality production in MY2000 (Jan-Dec 2001) resulted in an expansion of export volumes compared to last season. In addition, export forecasts for this season have been increased based on the increase in output.

The EU is Chile's largest apple export market as a whole, but the U.S. is the largest single country market. Under the new agreement which will come into effect January 2003, the tariff for apples should go down to 0 percent making Chilean apples more competitive.

PS&D Table - Fresh Apples

PSD Table						
Country	Chile					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	38400	37400	37400	35400	35400	35090
Area Harvested	32400	32400	33400	33400	33500	30177
Bearing Trees	13410	12996	13825	12459	13865	12490
Non-Bearing Trees	2483	2483	1654	2192	786	2033
Total Trees	15893	15479	15479	14651	14651	14523
Commercial Production	750000	750000	990000	990000	890000	950000
Non-Comm. Production	10000	10000	10000	10000	10000	10000
TOTAL Production	760000	760000	1000000	1000000	900000	960000
TOTAL Imports	60	60	60	60	60	60
TOTAL SUPPLY	760060	760060	1000060	1000060	900060	960060
Domestic Fresh Consump	98360	98360	115000	115000	112000	120000
Exports, Fresh Only	387700	387700	520100	541000	480000	500000
For Processing	274000	274000	364960	344060	308060	340060
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	760060	760060	1000060	1000060	900060	960060

Export Trade Matrix

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Apples		
Time period	Jan-Dec	Units:	M.T.
Exports for:	2000		2001
U.S.	43631	U.S.	61422
Others		Others	
Saudi Arabia	42799	Netherlands	57368
Colombia	36657	Saudi Arabia	45805
Netherlands	30489	Colombia	45432
Venezuela	27351	Venezuela	37556
Mexico	22013	Ecuador	35787
Spain	19328	Peru	31991
U.K.	17422	Spain	28242
Ecuador	15799	U.K.	27608
Peru	14966	Mexico	25985
Russia	13292	Brazil	19746
Total for Others	240116		355520
Others not Listed	103967		123574
Grand Total	387714		540516

Import Trade Matrix

Import Trade Matrix			
Country	Chile		
Commodity	Fresh Apples		
Time period	Jan-Dec	Units:	M.T.
Imports for:	2000		2001
U.S.	60	U.S.	60
Others		Others	
Total for Others	0		0
Others not Listed			
Grand Total	60		60

Fresh Table Grapes

Production

Table grape output in MY2001 (Jan-Dec 2002) is expected to meet the forecast levels, mainly due to the abnormal weather in the northern growing areas. Industry sources have indicated that in spite of relative good weather conditions with temperatures above normal which advanced the harvest season in the northern grape-growing areas, harvested bunches were smaller in size thus affecting total output. Reportedly quality also was affected in the southern production areas by unexpected rain in February which adversely affected fruit conditions necessitating additional spraying and reducing shelf live while increasing costs. As a result, export prices fell and economic revenues are expected to be down.

Although it is still early to forecast production for the MY2002 (Jan-Dec 2003), because weather forecasts call for more cloudy and rainy days than usual this coming spring there are indications that an "El Nino" weather phenomenum is developing, which could affect polinization during the spring and summer. This probably will have a negative effect on total table grape production.

Consumption

As with other Chilean fresh fruits, domestically consumed table grapes are mainly export rejects. There are no official statistics on domestic consumption. Domestic fresh consumption is derived from the only known figure which is exports and the estimated production data. Domestic consumption is estimated to account for about 10 percent of total output, while processing accounts for another 30 percent.

Trade

With the new estimates for a smaller total output, table grape exports are now forecast to be slightly lower than earlier projected in MY2001. The U.S. is the largest export market, with close to 60 percent of total shipments destined for that market. Although total trade was down, in 2001 market share remained steady.

A recently signed free trade agreement with the EU, which will come into effect in January 2003, provided Chile with a duty free quota of 37,000 M.T. (approx 40 percent of the total shipments to that market). This quota will increase yearly, with a phase out period over the remaining 4 years. With the change in tariff rate Chilean grapes should become more competitive with products from South Africa and Peru, which currently receive special access. Currently table grapes face a rather high tariff (11.5-14%) in the EU.

PS&D Table - Fresh Table Grapes

PSD Table						
Country	Chile					
Commodity	Fresh Table Grapes				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Planted	44000	44000	45300	45383	0	45300
Area Harvested	39500	39500	40300	40700	0	40300
Commercial Production	950000	950000	1000000	992000	0	970000
Non-Comm. Production	5000	5000	5000	5000	0	5000
TOTAL Production	955000	955000	1005000	997000	0	975000
TOTAL Imports	12	12	15	12	0	12
TOTAL SUPPLY	955012	955012	1005015	997012	0	975012
Domestic Fresh Consump	96000	100000	98000	99000	0	99000
Exports, Fresh Only	580000	545000	626000	595000	0	596000
For Processing	279012	310012	281015	303012	0	280012
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	955012	955012	1005015	997012	0	975012

Export Trade Matrix

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Table Grapes		
Time period	Jan-Dec	Units:	M.T.
Exports for:	2000		2001
U.S.	364344	U.S.	319105
Others		Others	
Netherlands	42713	Netherlands	40942
U.K.	33808	Mexico	32842
Mexico	27781	U.K.	31204
Hong Kong	22210	China	26881
Peru	11523	Peru	15973
China	9386	Japan	7966
Brazil	8715	Venezuela	7476
Japan	7857	So.Korea	6428
So.Korea	7811	Brazil	6060
Venezuela	6830	Spain	4189
Total for Others	178634		179961
Others not Listed	53135		45952
Grand Total	596113		545018

Import Trade Matrix

Import Trade Matrix			
Country	Chile		
Commodity	Fresh Table Grapes		
Time period	Jan-Dec	Units:	M.T.
Imports for:	2000		2001
U.S.	16	U.S.	12
Others		Others	
Total for Others	0		0
Others not Listed			
Grand Total	16		12

Pears

Production

As with apples, Chile's pear production was also affected by unstable weather conditions. However, the MY2001 (Jan-Dec 2002) production forecast is unchanged at this time, as production was already forecast to decline significantly.

Consumption

As with other Chilean fresh fruits, domestically consumed pears are mainly export rejects. Most of the pears are consumed fresh because only a few existing varieties in Chile can be processed for canned pears or juice concentrates. There is no change in the consumption forecast.

Trade

As a result of a slightly larger harvest relative to the previous year, MY2000 pear shipments were higher than the previous year, but lower than our initial projection. A smaller harvest in MY2001 will result in a further reduction of total exports. As with apples the largest export market is the EU, but the U.S. is the single largest export market, accounting for over 20 percent of total shipments last season. Under the new agreement with the EU, which will come into effect January 2003, tariffs will be phased out over a 4 year period. Chilean pears should become more competitive, but export values may not necessarily increase to that market, because the current duty rate is 6 percent.

PS&D Table - Fresh Pears

PSD Table						
Country	Chile					
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	11840	11840	10400	10400	10200	10200
Area Harvested	10890	10890	10100	10100	9900	9900
Bearing Trees	5274	5274	4800	4800	4790	4790
Non-Bearing Trees	316	316	140	140	145	145
Total Trees	5590	5590	4940	4940	4935	4935
Commercial Production	235000	235000	247000	247000	230000	230000
Non-Comm. Production	2000	2000	2000	2000	2000	2000
TOTAL Production	237000	237000	249000	249000	232000	232000
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	237000	237000	249000	249000	232000	232000
Domestic Fresh Consump	65300	65300	68000	69100	68000	68000
Exports, Fresh Only	124700	124700	130000	128900	124000	124000
For Processing	47000	47000	51000	51000	40000	40000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	237000	237000	249000	249000	232000	232000

Export Trade Matrix

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Pears		
Time period	Jan-Dec	Units:	M.T.
Exports for:	2000		2001
U.S.	23818	U.S.	26477
Others		Others	
Netherlands	26380	Netherlands	25351
Colombia	11722	Venezuela	11220
Venezuela	10208	Colombia	11174
Italy	9044	Peru	9969
Peru	7392	Italy	7134
Spain	4417	Mexico	5129
Brazil	4282	Russia	4313
Saudi Arabia	3615	Spain	3976
Mexico	3234	Saudi Arabia	3537
Russia	2760	Portugal	3002
Total for Others	83054		84805
Others not Listed	17862		17613
Grand Total	124734		128895