

Voluntary Report – Voluntary - Public Distribution

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Report Name: Mandarin Trade and Policy

Country: Chile

Post: Santiago

Report Category: Citrus, Agricultural Situation

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Report Highlights:

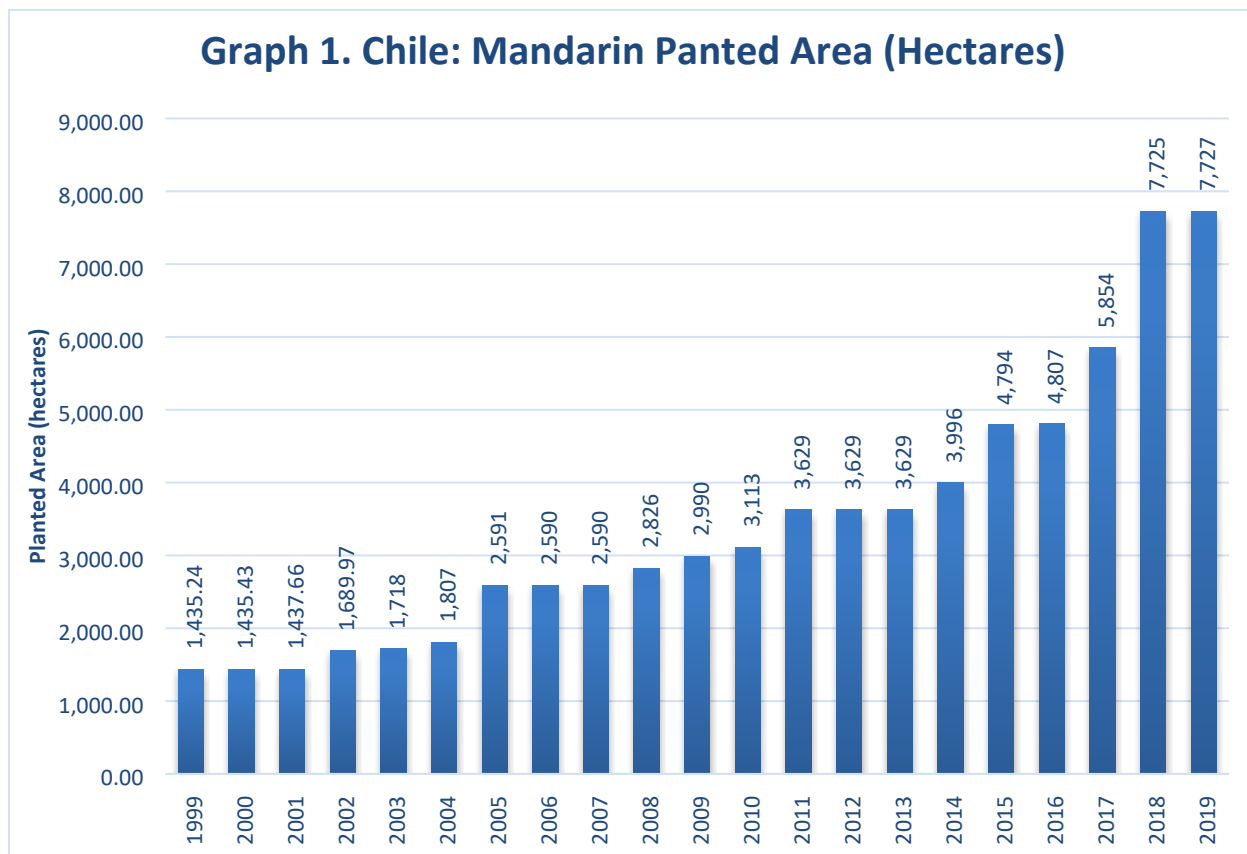
The United States is the main market for Chilean mandarin exports, with 96 percent market share. Chile exported a record of 170,230 metric tons (MT) of fresh mandarins in 2018. However, Chilean exporters of mandarins will diversify its market destinations with the opening of the Chinese market for citrus products in November 2019. Chilean mandarin planted area has increased at 13.1 percent annually totaling 7,727 hectares (Ha) in 2019. Post projects mandarin exports to keep rising as new orchard become productive.

Production

There is no official production data for Chilean fresh fruits (including mandarins). According to Post sources, Chilean mandarin planted area (including clementines and tangerines) has increased at a 13.1 percent annual growth rate for the past five marketing years, totaling 7,727 hectares (Ha) in 2019 (See Graph 1).

According to Chile’s Ministry of Agriculture’s Office for Studies and Policies (ODEPA), this is due to increase growth of the W. Murcott variety, which has grown at a 19 percent annual rate for the past 10 years, surpassing 3,700 Ha while clementine planted area has remained steady at around 2,300 Ha.

Currently, Chile is facing severe droughts in the mandarin producing regions of *Valparaiso* and *Coquimbo*, in the north-central part of the country, decreasing overall productivity for most export crops in the short term. In the following years, Chilean mandarin production and exports will keep rising as new mandarin plantations increase their productivity.



Source: ODEPA, 2019

Exports

Post sources indicate that fresh fruit importers regard Chilean citrus as high quality, but the volume that Chile exports is not enough to fulfill export demand.

The marketing season for Chilean mandarin ranges between May and October each year, which provides a window of export opportunities during the northern hemisphere counter-season (See Graph 2). Chilean mandarin exports to the world have increased by 200 percent since 2014. Chile exported 56,040 MT of mandarins in 2014 and 170,230 MT in 2018 (see table 1).

The top destination for Chilean mandarin exports is the United States. In fact, in 2018, 96 percent of the Chilean mandarin exports went to the United States, totaling 163,287 MT and \$176.3 million (See Table 1 and Table 2).

In 2019, Chilean mandarin exports decreased by 17 percent (January to October data). Exports to the United States decreased by 18 percent. By contrast, exports to the United Kingdom (UK) and the Netherlands increased in 2019, however exports to those two market destinations still represent less than two percent of the total export volume.

Policy - Promotion Programs

Chilean promotion agency, [PROCHILE](#), and the Chilean Fruit Exporters Association ([ASOEX](#)) focus their marketing and promotion efforts in diversifying export markets for Chilean fruits, and working closely with the Ministry of Agriculture to open markets for Chilean citrus mainly in Asia.

Chile may export mandarins, clementines, and oranges to the United States under a systems approach. Since April 2018, Chile may export lemons to the United States using a systems approach. This allows Chilean exporters to use a series of mitigation measures against the *Brevipalpus chilensis* plague and avoid using Methyl Bromide, therefore improving the shelf life and quality of the exported fruit.

In December 2019, Chilean Minister of Agriculture, Antonio Walker, [announced market access for Chilean citrus](#) to the Chinese market (mandarins, clementines, oranges, lemons, and grapefruit). Chilean authorities project that the opening of the Chinese market will expand the citrus planted area in Chile.

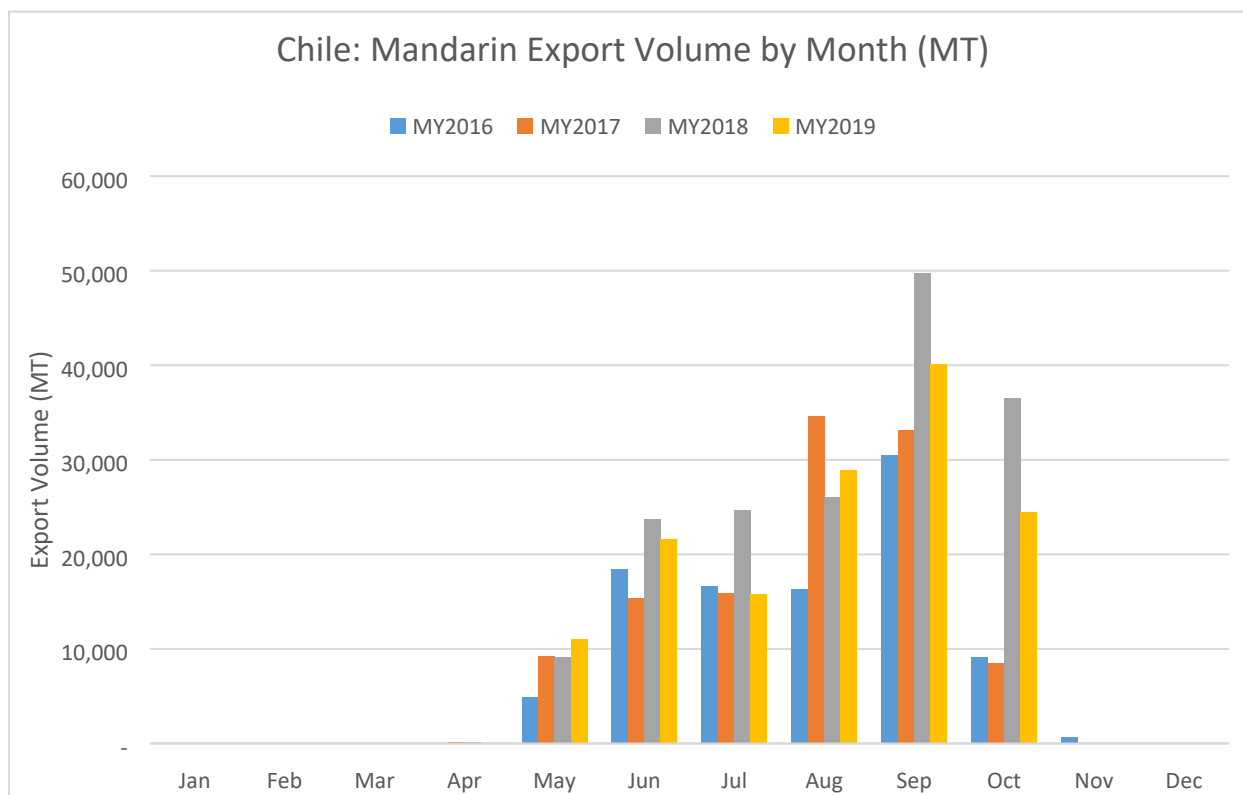
Policy - Subsidy Programs

There are no direct specific government subsidy programs for citrus or any other fruit crops /exports in Chile.

However, the Chilean Government supports the following programs that are not specific to citrus:

1. Minister of Agriculture's Irrigation Commission (CNR). Law to Promote Private Investment in Irrigation and Drainage Projects: A promotion instrument that can subsidize the construction of an irrigation and /or drainage project. The bonus is granted to projects approved and selected through a bidding process and given once the project is finalized. The grant can cover up to 90% of the costs of the project.

2. Foreign Affairs Office for the Promotion of Exports (ProChile). Export Promotion Program: This tool was created to promote exports of Chilean goods and services. It operates through co-financing and supporting different export promotion projects, for both current exporters, and anyone who has the potential to export. The main type of activity supported by this program is Chilean exhibitors' participation in [32 international trade shows](#). As a result of Chile's social unrest situation that began on October 18, ProChile launched a package of measures of approximately USD \$4.6 million to support exporting SMEs.



Source: Trade Data Monitor, LLC

Partner	Calendar Year (MT)					January-October (MT)		
	2014	2015	2016	2017	2018	2018	2019	Variation 2019/18
_World	56,040	76,745	96,583	117,039	170,230	170,124	142,021	-17
United States	52,808	70,886	90,673	110,418	163,287	163,201	133,152	-18
Canada	1,540	2,428	2,673	2,504	4,036	4,036	3,383	-16
United Kingdom	442	1,648	2,265	2,836	1,412	1,412	2,841	101
Netherlands	735	1,351	253	376	514	514	1,174	128
Puerto Rico	0	0	45	0	519	519	401	-23
Denmark	0	0	0	0	0	0	284	0
Dominican Republic	0	107	141	252	167	165	242	47
Germany	242	98	147	0	0	0	195	0
Russia	134	0	48	0	0	0	69	0
Others	139	227	338	653	295	277	280	0

Source: Trade Data Monitor, LLC

Table 2. Chile Exports of Mandarins/Clementines to the World								
Commodity: 080520/080521/080522/080529, Mandarins (Including Tangerines And Satsumas); Clementines, Wilkings And Similar Citrus Hybrids, Fresh Or Dried/Mandarins (including tangerines and satsumas)/Clementines/Other citrus hybrids								
Partner	Calendar Year (Value: USD)					January-October (Value: USD)		
	2014	2015	2016	2017	2018	2018	2019	Variation 2019/2018 (%)
World	60,897,647	82,910,942	104,660,519	129,406,806	184,825,111	184,672,830	146,141,732	-21
United States	56,606,843	75,289,356	96,521,284	120,057,817	176,300,355	176,180,037	134,970,930	-23
United Kingdom	525,199	2,487,049	3,252,291	4,207,339	2,016,545	2,016,455	3,690,345	83
Canada	1,842,839	3,177,186	3,760,698	3,328,166	4,247,635	4,247,635	3,540,116	-17
Netherlands	1,025,605	1,377,985	267,313	587,982	750,789	750,789	1,593,829	112
Puerto Rico	0	0	40,320	0	867,411	867,411	710,094	-18
Denmark	0	0	0	0	0	0	574,345	0
Dominican Republic	0	180,896	255,614	406,193	274,758	271,538	386,491	42
Germany	497,063	64,920	147,000	0	0	0	239,002	0
El Salvador	30,060	14,300	0	14,854	34,204	34,204	69,814	104
Russia	201,934	0	53,270	0	0	0	62,121	0
Austria	0	0	0	0	0	0	26,752	0
Guatemala	0	30,600	9,774	16,516	21,540	13,536	25,055	85
Panama	136,216	107,703	151,838	132,079	123,616	123,616	16,958	-86
Others	31,888	180,947	201,117	655,860	188,258	167,609	235,880	41

Source: Trade Data Monitor, LLC

Attachments:

No Attachments.