

Voluntary Report – Voluntary - Public Distribution

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Report Name: Blueberry Annual Voluntary

Country: Chile

Post: Santiago

Report Category: Fresh Fruit, MISC-Commodity

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Report Highlights:

Blueberry area planted went from around 7,000 hectares (ha) in marketing year (MY) 2010/11 to over 18,000 ha in MY 2021/22. The United States is the top market for Chilean fresh and frozen blueberries, receiving more than half of the Chilean export volume. In MY 2021/22, fresh blueberry exports totaled 106,148 metric tons (MT), a 9.0 percent decrease from MY 2020/21, due to lower production. In MY 2021/22, frozen blueberry exports totaled 53,983 MT a 12.4 percent increase over MY 2020/21. The Biobio and the Ñuble regions have access to the U.S. market using a systems approach, which allows these two regions to export fresh organic blueberries to the United States since they do not require fumigation.

Production:

The bulk of blueberry production in Chile starts in November and lasts until March the following year. Blueberry production requires a long number of chill hours, which much of Chile has during the cool winter months. Blueberry bushes begin to produce two years after being planted. The blueberry is more resilient and has better post-harvest life than other berries, such as raspberries and blackberries, making it attractive for exporters.

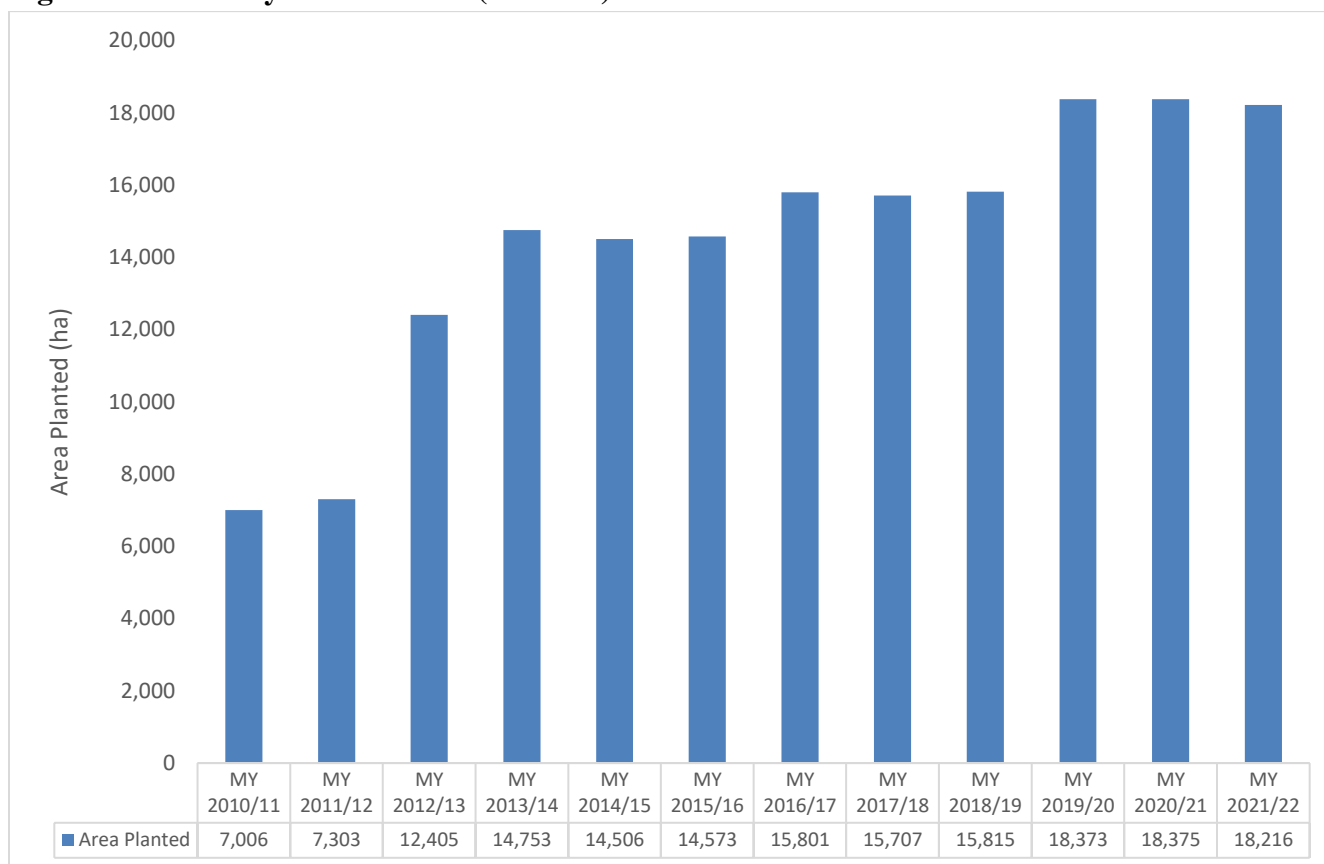
Blueberry area planted went from around 7,000 hectares in MY 2010/11 to over 18,000 ha in MY 2021/22 (Figure 1). Blueberry production and exports became a profitable option for many fruit producers located in the central-south part of the country, in regions such *Maule* or *Ñuble*. These regions historically produced apples. Higher domestic production and competition from other countries, such as Peru, made profits tighter and limited increases in area planted during the past three marketing years. Other factors that squeezed margins were an increase in transport costs, the U.S. requirement to fumigate exported berries with methyl bromide, and the increase in labor cost due to the pandemic.

Post estimates MY 2021/22 blueberry production at around 125,000 MT based on available trade data. While year-over-year area planted was reasonably stable, production decreased due to drought and generally unfavorable weather conditions. Post anticipates a return to more normal production levels in MY 2022/23.

Blueberry production covers a wider production area than any other fruit in Chile, spanning from the *Coquimbo* region to the *Los Lagos* region (Figure 2). *Maule* is the top producing region in Chile, holding 5,943 ha, which represents 32.6 percent of the area planted in MY 2021/22. The *Ñuble* and *Biobio* regions, hold 22.1 and 10.7 percent of the area planted, and together represent the most concentrated production area. In the past three marketing years, area planted in the *O'Higgins* and *Metropolitana* region dropped due to competition from other more profitable crops such as cherries, citrus, avocado and walnuts.

Due to tight profit margins, Post does not project major changes in blueberry area planted in Chile in the coming marketing years. However, there is an ongoing process of orchard renewal using new varieties such as *Legacy* and *Duke*, which have adapted well to the Chilean production conditions and post-harvest requirements to reach foreign markets.

Figure 1: Blueberry Area Planted (hectares)



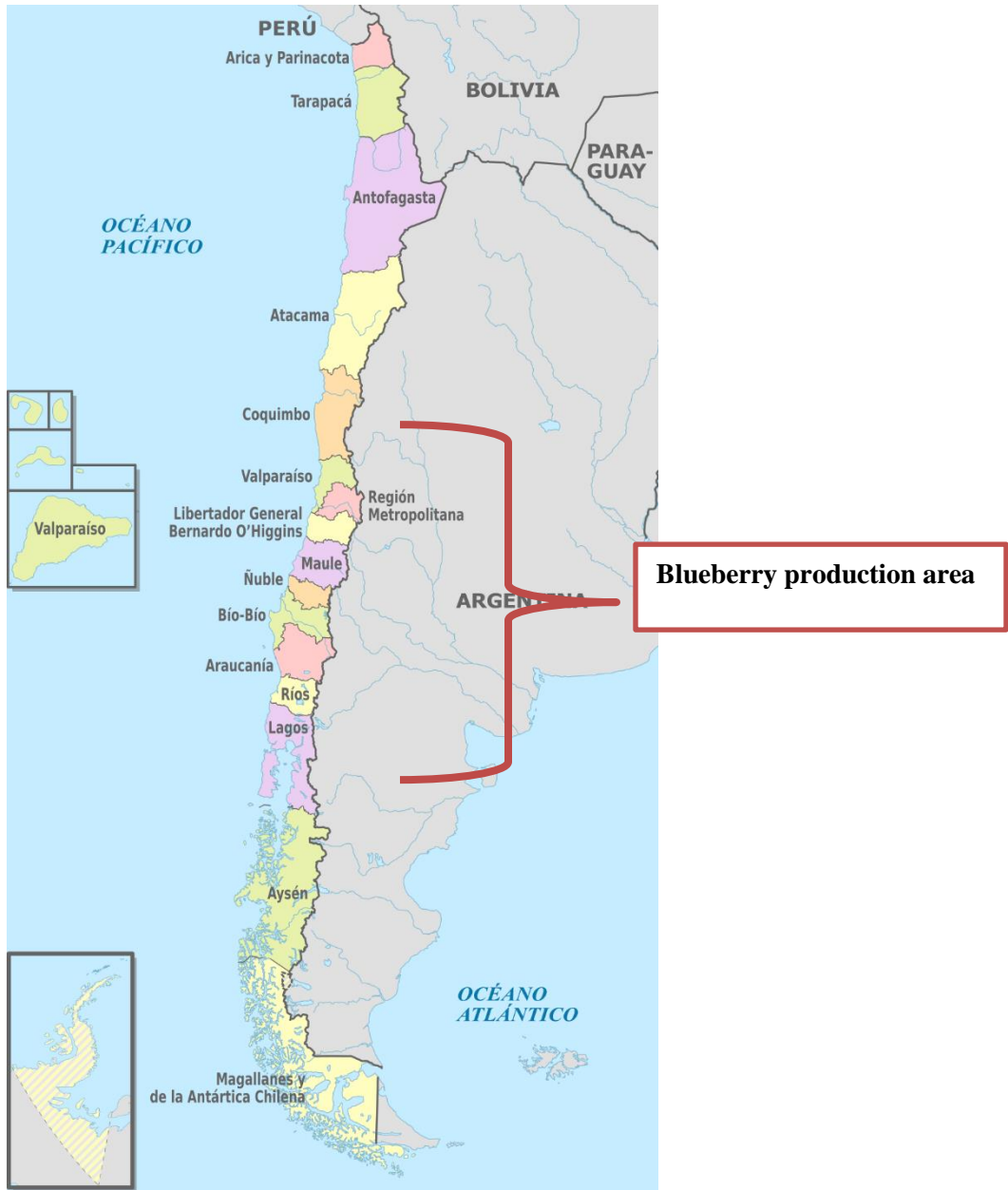
Source: ODEPA, 2022

Table 1: Blueberry Area Planted by Region (hectares)

Region	Area Planted MY 2018/19 (ha)	Area planted MY 2021/22 (ha)	Variation (%)	Share MY 2021/22 (%)
Coquimbo	299	353	18.0%	1.9%
Valparaiso	221	234	5.7%	1.3%
Metropolitana	116	105	-9.3%	0.6%
O'Higgins	1,085	873	-19.6%	4.8%
Maule	4,750	5,943	25.1%	32.6%
Biobio	1,745	1,941	11.2%	10.7%
Ñuble	3,429	4,023	17.3%	22.1%
La Araucania	1,853	2,158	16.4%	11.8%
Los Rios	1,421	1,616	13.7%	8.9%
Los Lagos	897	971	8.2%	5.3%
Others	0.4	0.8	110.5%	0.0%
Total	15,815	18,216	15.2%	100.0%

Source: ODEPA, 2022

Figure 2: Blueberry Production Area



Source: Post

Consumption:

In MY 2021/22, Post estimates total domestic consumption of blueberries at 20,000 metric tons. Domestic consumption of blueberries is both fresh and frozen. The Chilean food processing industry consumes around 15 percent of blueberry production, this includes frozen blueberries, confectionary, juice, and other processed products. Chile consumes around one percent of the domestic production as fresh fruit.

Policy:

Since October 2020, Chile had market access to the United States under a systems approach for blueberries produced in the *Biobio* and the *Ñuble* regions, which together hold 32.8 percent of the area planted. Chile has requested a systems approach for the rest of the producing regions, which would remove the methyl bromide fumigation requirement.

In 2021, Chile granted the United States market access for blueberry exports from the states of California, Oregon, and Washington. USDA and Chilean government officials are exchanging technical information on the presence of pests in the United States and mitigation measures that would allow market access of blueberries from all states.

Trade:

In MY 2021/22, fresh blueberry exports totaled 106,148 MT, a 9.0 percent decrease from MY 2020/21, due to lower production. The United States is the top market for Chilean fresh blueberries, receiving more than half their export volume (Table 2). The Netherlands and the United Kingdom are also important destinations for fresh Chilean blueberries, receiving 22.7 percent and 6.9 percent of their exports, respectively.

In MY 2021/22, frozen blueberry exports totaled 53,983 MT a 12.4 percent increase over MY 2020/21. The United States is also the top market for Chilean frozen blueberries. More than 40 percent of Chilean frozen blueberries exports went to the United States in MY 2021/22 (Table 3).

The *Biobio* and the *Ñuble* regions have access to the U.S. market using a systems approach. This allows the two regions to export fresh organic blueberries to the United States, obtaining a higher price than conventional blueberries. Before the systems approach protocol, organic blueberries from these regions could only be exported frozen to the United States.

All the other Chilean regions that produce blueberries, do not have market access to the United States under systems approach, thus they either export frozen organic blueberries or conventional fresh blueberries since they need to fumigate them with methyl bromide. Chilean blueberry exporters also ship fresh organic blueberries to the EU, which does not require methyl bromide fumigation.

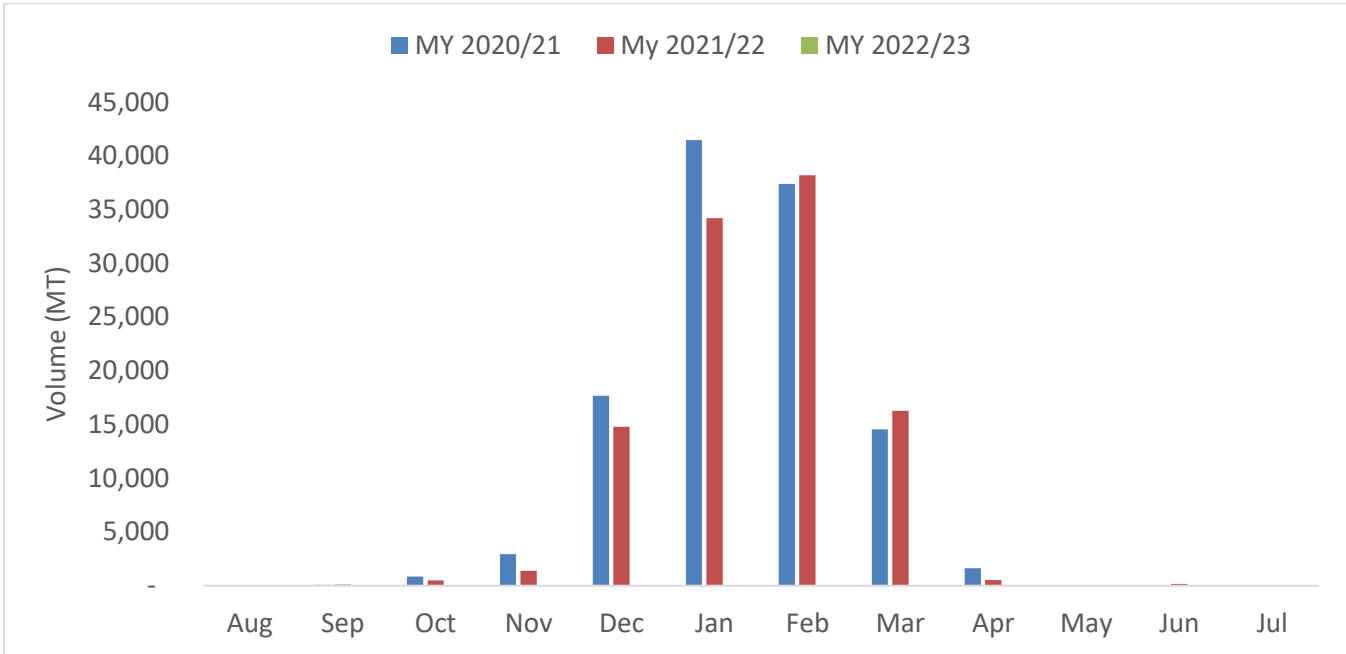
Chilean fresh blueberry exports take place between October and April each year and peak during the bulk of the harvest between January and February (Figure 3). In MY 2021/22, fresh organic blueberries totaled 15,511 MT and were 15 percent of total fresh blueberry exports (Figure 4). Frozen blueberry exports take place throughout the year since storage and postharvest life is longer than in fresh blueberries (Figure 5). Since frozen organic blueberries do not require methyl bromide fumigation for shipment to the United States, these represent a large share of total frozen blueberries (Figure 6). In MY 2021/22, frozen organic blueberries totaled 15,035 MT and represented 28 percent of total frozen blueberry exports.

Table 2: Chilean Fresh Blueberry Exports (MT)

Commodity: Fresh Blueberries, 08104029,08104021				
Partner Country	MY 2020/21 (MT)	MY 2021/22 (MT)	Variation (%)	Share (%)
The World	116,647	106,148	-9.0%	100.0%
United States	61,916	53,638	-13.4%	50.5%
Netherlands	21,394	24,093	12.6%	22.7%
United Kingdom	10,313	7,312	-29.1%	6.9%
China	6,355	6,835	7.6%	6.4%
Germany	5,453	4,481	-17.8%	4.2%
South Korea	2,859	2,869	0.3%	2.7%
Canada	2,717	1,860	-31.5%	1.8%
Taiwan	936	925	-1.2%	0.9%
Belgium	708	897	26.7%	0.8%
Spain	1,052	592	-43.7%	0.6%
Argentina	169	405	139.6%	0.4%
Israel	438	308	-29.7%	0.3%
Hong Kong	329	301	-8.5%	0.3%
Japan	407	287	-29.5%	0.3%
Brazil	129	235	82.2%	0.2%
Ireland	188	223	18.6%	0.2%
Russia	102	157	53.9%	0.1%
Saudi Arabia	53	120	126.4%	0.1%
France	143	112	-21.7%	0.1%
Italy	170	111	-34.7%	0.1%
Others	816	387	-52.6%	0.4%

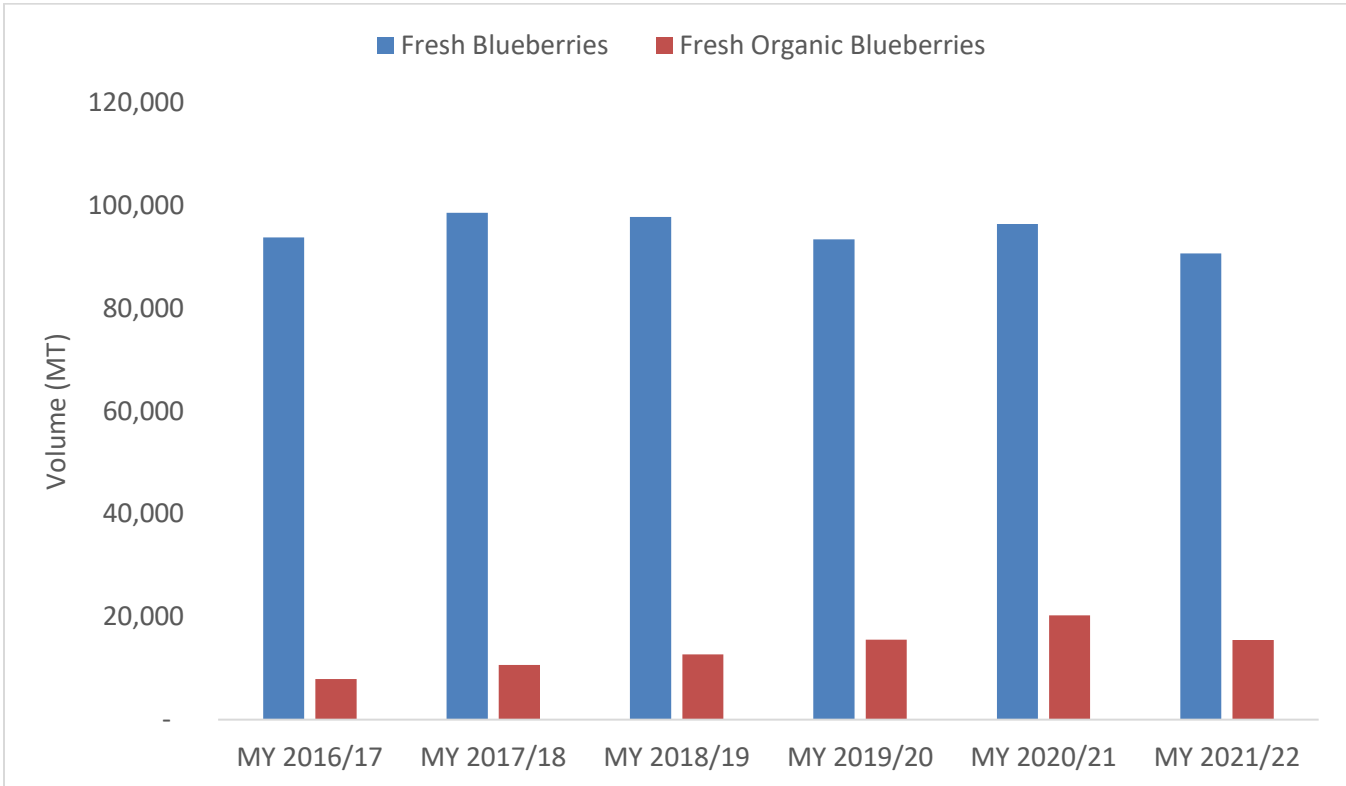
Source: Trade Data Monitor, LLC

Figure 3: Chilean Fresh Blueberry Export Volume (MT) by Month (HS Codes: 08104021; 08104029)



Source: Trade Data Monitor, LLC

Figure 4: Fresh Blueberry Export Volume (MT) (HS Codes: 08104021; 08104029)



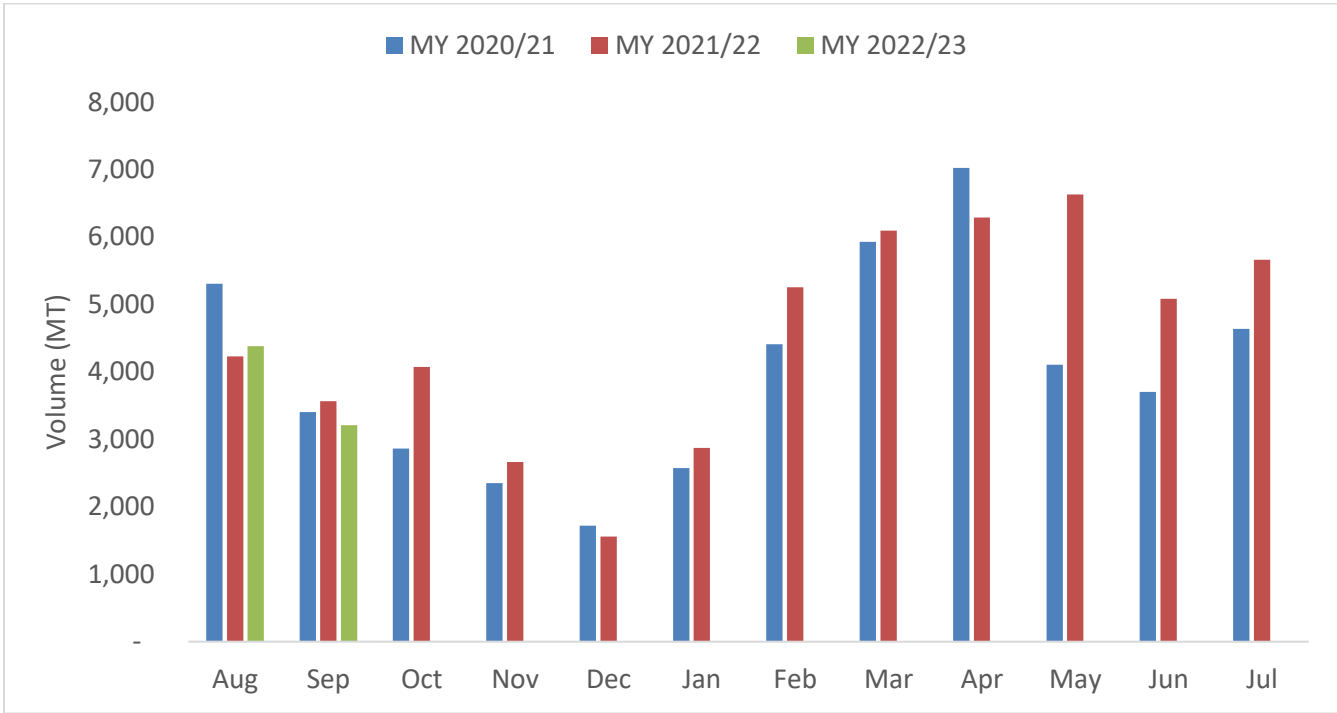
Source: Trade Data Monitor, LLC

Table 3: Chilean Frozen Blueberry Exports (MT)

Commodity: Frozen Blueberries, 08119011,08119019				
Partner Country	MY 2020/21	MY 2021/22	Variation (%)	Share (%)
The World	48,037	53,983	12.4%	100.0%
United States	17,647	22,041	24.9%	40.8%
Australia	9,089	8,437	-7.2%	15.6%
South Korea	3,301	4,780	44.8%	8.9%
Canada	1,561	2,848	82.4%	5.3%
United Kingdom	2,681	2,723	1.6%	5.0%
New Zealand	1,716	2,531	47.5%	4.7%
Japan	1,770	2,289	29.3%	4.2%
Netherlands	1,405	1,947	38.6%	3.6%
Belgium	1,337	966	-27.7%	1.8%
Poland	1,922	883	-54.1%	1.6%
Mexico	44	713	1520.5%	1.3%
China	1,727	607	-64.9%	1.1%
Brazil	512	456	-10.9%	0.8%
Germany	585	403	-31.1%	0.7%
Denmark	292	287	-1.7%	0.5%
Saudi Arabia	151	277	83.4%	0.5%
Italy	271	233	-14.0%	0.4%
Serbia	261	192	-26.4%	0.4%
Israel	154	178	15.6%	0.3%
Argentina	412	177	-57.0%	0.3%
Others	1,199	1,015	-15.3%	1.9%

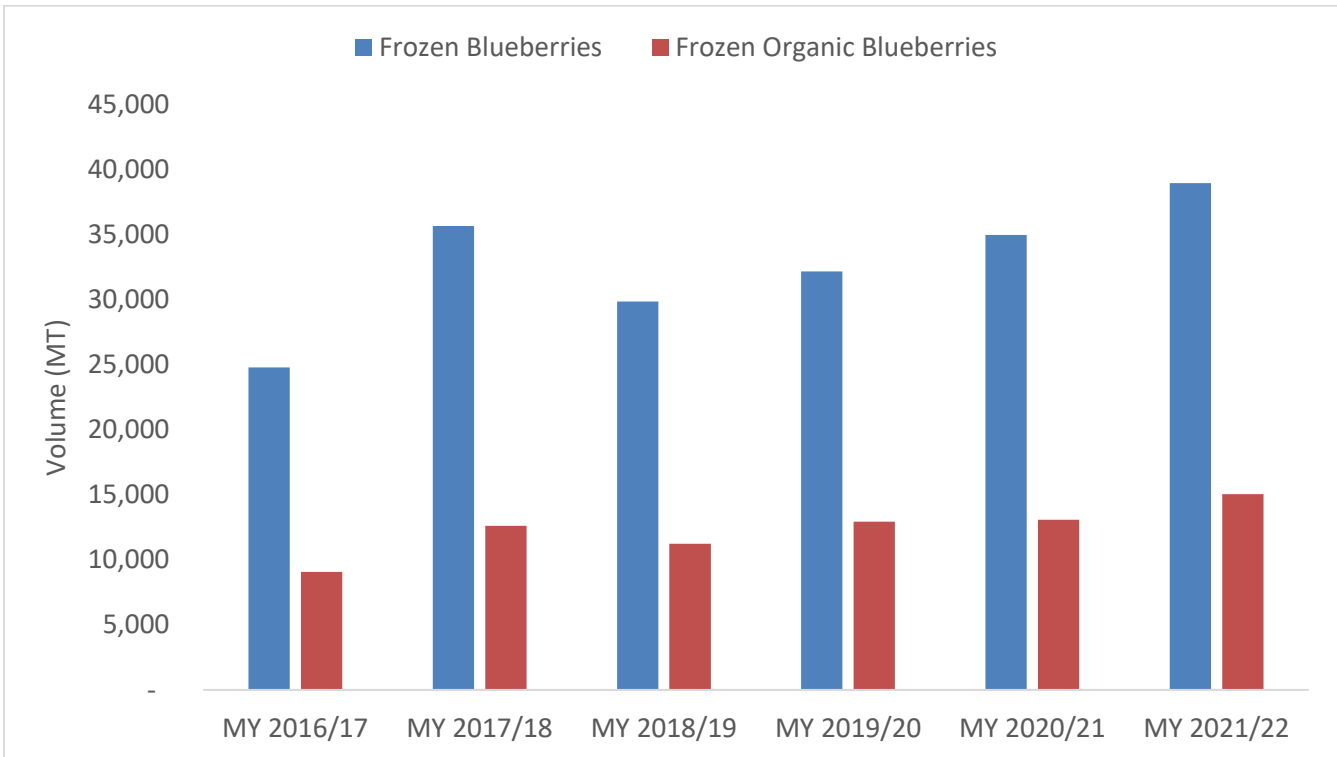
Source: Trade Data Monitor, LLC

Figure 5: Chilean Frozen Blueberry Export Volume (MT) by Month (HS Codes: 08119011; 08119019)



Source: Trade Data Monitor, LLC

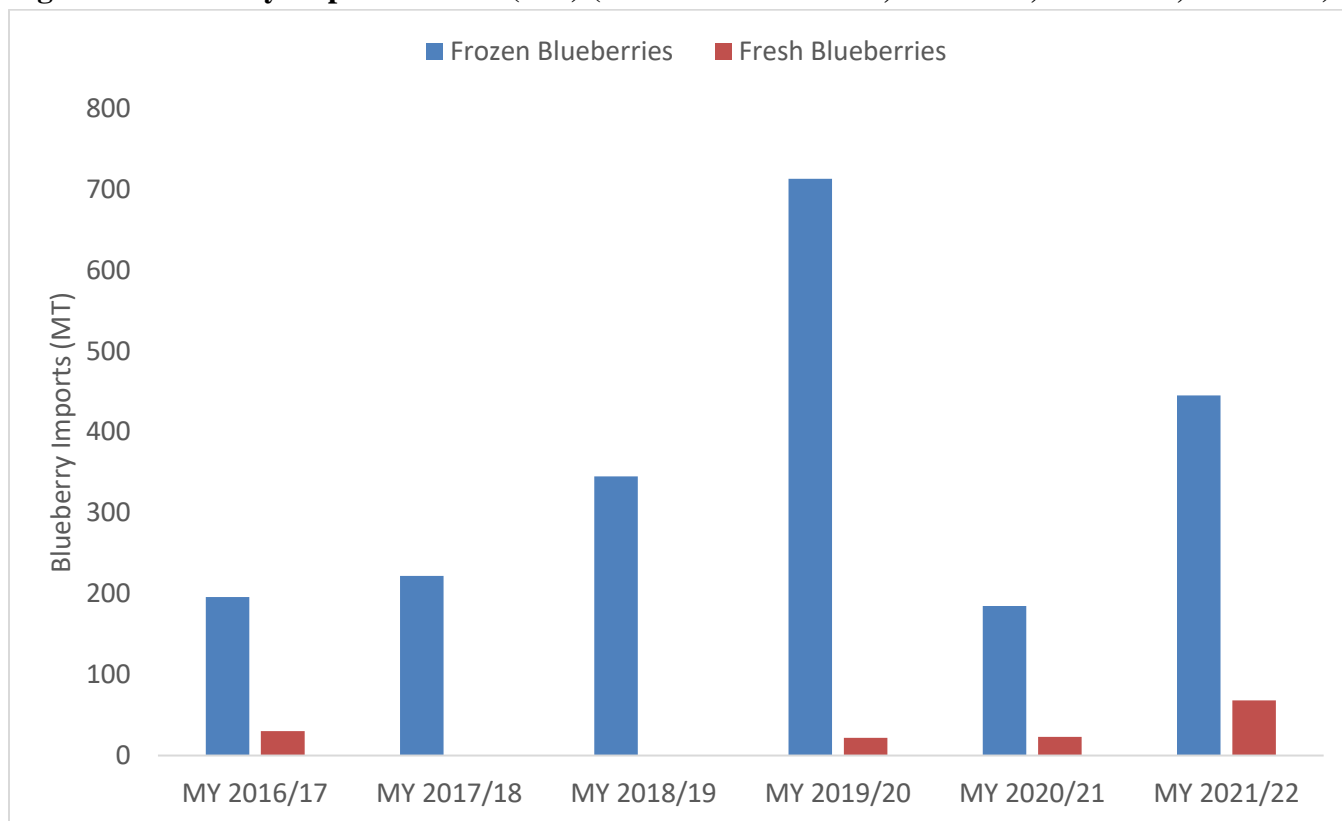
Figure 6: Frozen Blueberry Export Volume (MT) (HS Codes: 08119011; 08119019)



Source: Trade Data Monitor, LLC

Chile imports blueberries in the counter-season from the United States, Peru, and Mexico. In MY 2021/22, Chile imported 443 MT of frozen blueberries, a 140 percent growth over MY 2020/21 (Figure 7). During the same period, Chile imported 68 MT of fresh blueberries, a 196 percent increase over MY 2020/21. The increase in both fresh and frozen blueberry imports was caused by lower domestic production. In low production year such as MY 2019/20, frozen blueberry imports can reach up to 713 metric tons.

Figure 7: Blueberry Import Volume (MT) (HS Codes: 08104021; 08104029; 08119011; 08119019)



Source: Trade Data Monitor, LLC

Attachments:

No Attachments.