Facts & Figures

- Chile is a phytosanitary and zoosanitary country, significantly reducing the entry of pests in its agricultural sector.
- Chile ranks first in Latin America and 27th in the world in The Economist's 2015 Global Food Security Index.
- In 2014, Chile's food and drink exports reached US$16,645 million, accounting for 21% of the country's total exports.
- Market concentration is high as supermarkets constitute over 80% of the sales within the country.
- Chile's location allows for counter-season supply to the main northern hemisphere markets.
- One of the world's only 5 macro-zones with a Mediterranean climate. It also has desert, semi-arid, wet temperate, rainy and tundra areas – the range of produce available is among the largest in the world.
- Each day 16.9 million people drink a glass of Chilean wine, 8.6 million people drink a glass of Chilean fruit juice, 7.4 million people eat Chilean seafood and 6 million people eat a piece of Chilean salmon.
- Seafood is the biggest export, followed by fresh fruits, wine and lastly meat products.

Business Opportunities

Higher labour costs have created a demand for mechanised harvesting services for fruit farming.

Processed foods exports have grown by 234% over 2004-2014, creating a pressing need for modern production plants.

The development of vaccines in the aquaculture sector and genetic sequencing for the large-scale enhancement of commercial fruits, wine grapes and farmed fish are opportunities for biotechnology companies.

Growth in the use of traceability technologies is predicted to continue as they are incorporated more into food production.

Increased health awareness, combined with higher disposable income, has created demand for healthy food products, marketed as being natural, healthy and free of artificial ingredients.

Plants to produce and export Pisco, the national spirit, are needed due to the growing global demand – exports have doubled in the last 5 years. There is an abundance of raw materials; investment in processing and logistics is required.

Abattoirs with freezing facilities are needed to help support the exportation of the meat industry which is set to grow in terms of volume and value.

Innovative use of waste from the industry is sought after, for example in biomass energy production, secondary product processing or food for livestock.

Increasing demand for cow's milk has led to investment being needed in production in the central and southern-central regions of Chile.

Key Players

The key players in fruit and vegetable distribution include: Dole Chile, Frusan, Subsole and Unifrutti. Aquaculture is led by: Empresas Aquachile, Marine Harvest, Los Fiordos and Salmones Multiexport.

Industry supplies distributors: Copeval is the market leader, offering a wide range of farming products and equipment nationwide, followed by Coagra and Cals in the same vain. Specialist distributors are led by M&V and GTM.

Fedefruta is a non-profit trade union that serves both the public and private national fruit and vegetable sectors in terms of defense, promotion, dissemination, training, studies and certification.

Challenges

There are strong regulations on introducing agriproducts into Chile due to the country's sensitive ecological make-up.

High price sensitivity of machinery and equipment due to the ease of acquisition and trade openness in Chile.

While traceability technologies are becoming more important, several SMEs are still lagging behind and need to be persuaded of the advantages.

Close relationships are important in the Chilean business culture. The selection of an appropriate agent or distributor is extremely important for foreign companies attempting to sell in Chile.

Key Events

October 2015 – Enagro – Santiago, Chile - www.sna.cl/mundo-agricola/eventos

November 2015 – Fruittrade – Santiago, Chile - www.pmafruittrade.com

How Britcham Chile Services can help you

We offer entry, contact, professional, and growth and development services to facilitate your success in one of the leading developing economies in the world.

These include:

- Market overview & analysis
- Identification and assessment of potential business partners
- Introductions & appointments
- Commercial representation
- Marketing support
- Networking
- Back office and legal support

For more information and further discussion on how we can help, feel free to contact us on:

Telephone: +562 23704175 **Email**: business@britcham.cl