

FACT SHEET – Agro Industry & Food Technology in Chile

World food power with economic growth in a healthy business environment



Agriculture is Chile's second largest source of exports, and is expected to grow rapidly in 2012-2016. Therefore, an efficient agro-food industry is a top priority in Chile. Today, the food industry represents 25% of Chile's economy and employs more than 1 million people. It is expected that in 2030, the food processing industry will account for one third of the country's economy. The fruit, wine, poultry, beef, pork and dairy industries offer large export potential. Rising attention to animal welfare, traceability, productivity and control are clear trends in the agro-food industry. Natural advantages, government strategies of increasing the production of value-added food products, expanding international trade networks, and rising domestic food consumption are key elements driving growth in the Chilean food processing industry. This provides excellent market opportunities for Danish companies offering technologies and knowhow for the food processing industry.

Characteristics of Agro Industry & Food Technology in Chile

Chile's age-old agribusiness sector benefits from its privileged natural conditions for food production: The Mediterranean climate, the various agro-climatic zones, and the wide variety of landscapes, also enabling excellent phytosanitary and zoosanitary conditions. More so, Chile's geographical location in South America, north-south length and climate diversity provides staggered production, enabling a long export season and counter-season food production as compared to the northern hemisphere.

Agribusiness at a glance:

- Agribusiness in Chile: *Agriculture, Fishing and Processing*
- Agribusiness of GDP: 8.8% (2011)
- Agribusiness of total exports: 25,4% (2011)
- Agricultural GDP by Subsector, 2005-2010: Fruit farming (40%), Animal husbandry (24%), Crop growing (18%), Silviculture (18%)
- Agribusiness Processing GDP by Subsector, 2011: Food industry (67%), Paper & printing (25%), Wood production (8%)

DID YOU KNOW THAT...

... OECD has characterized Chile's agricultural sector as one of the most open in the world...

The food supply produced in Chile is internationally recognized for its high quality. According to the latest Global Food Security Index 2012, prepared by The Economist Intelligence Unit, Chile is ranked 26th among 105 countries, making Chile the leader in Latin America.

DID YOU KNOW THAT...

... Chile's food exports were worth more than USD 12 billion in 2011 and are expected to grow to USD 20 billion in the next years...

Business opportunities for Danish companies

The current development strategy of Chile's agribusiness sector aims to turn the country into a world food power, more specifically, to position Chile as one of the world's ten largest food exporters by 2019, up from its current position as 16th.

The agribusiness industry is working to move its production away from commodities towards more finished products with a larger value-added component. Therefore, Chile needs innovative solutions to the processes and the primary sector of its agribusiness industry.

Fruit farming

- Well-developed fruit industry – world-class fresh fruit – the southern hemisphere’s largest fruit exporter and one of the world’s leading exporters.
- Over 80% of the fruit produced in Chile is exported to over 70 markets, mainly to the United States and Europe.
- In 2011, Chilean fruit exports reached over 2.6 million tonnes worth of USD 3.7 billion.

DID YOU KNOW THAT...

... Chile is the world’s largest exporter of fresh grapes and plums, the world’s second largest exporter of avocados, the world’s fifth largest exporter of wine and frozen pork meat...

Dairy industry

- Total milk output in 2011 reached 2.6 billion litres in 2011, a 3.6% increase from 2010, and is expected to increase another 3.2% by 2012, reaching 2.71 billion litres.
- Chile’s main dairy product is fluid milk, followed by yoghurt, powdered milk, and cheese.
- Chile’s dairy exports totalled USD 193 million in 2011, an increase of almost 21% from 2010, destined to over 36 countries.
- Industry plans of expanding into new high-demand markets such as Japan, Russia, and Algeria.

Meat production

- Chilean meat output in 2011 reached 1,395,398 tonnes, a significant increase since 2005, mainly for domestic consumption.
- Poultry accounts for 47% of total output, pork (38%) and beef (13.7%) in 2011. Pork production doubled from 2001-2010.
- Meat and prepared meat exports, mainly poultry and pork, totalled USD 904 million in 2011 with focus on high-quality.

Food & Drink industry

- Processed foods sales reached USD 9.2 billion in 2011, account for more than 50% of the output of Chile’s agribusiness sector and 11% of total exports.
- Exports of foods and beverages totalled USD 12 billion in 2011.
- Food and drink sales are expected to increase 45% by 2015, reaching USD 36.3 billion in total sales.

STATE VISIT TO CHILE

Santiago de Chile, 11-15 March 2013

Join the Official Danish Business Delegation to Chile on the occasion of the State Visit by Her Majesty The Queen and His Royal Highness The Prince Consort
Sector specific program on Agro Industry & Food Technology

Read more: www.royalvisitichile2013.dk

Read more about us on
www.chile.um.dk

How can we add value to your company?

The Embassy of Denmark in Chile can add value to your company by:

- Using our local network of public and private stakeholders, related business associations, chambers and exhibitions to acquire relevant market information.
- Using our local knowledge to ‘knock’ on the correct doors to obtain pertinent market information and key stakeholder contacts.
- Endorsing your company to key decision makers and potential distributors.
- Participating and arranging meetings with relevant stakeholders.

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