



CHILE 2007/8
RASPBERRY INDUSTRY

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Lublin, May 2008



AGENDA

1 Review of Chilean Berries Industry

2 The Raspberry Industry

3 The Business Partnership Experience
Family Farm Agriculture

4 Comments





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2 The Raspberry Industry

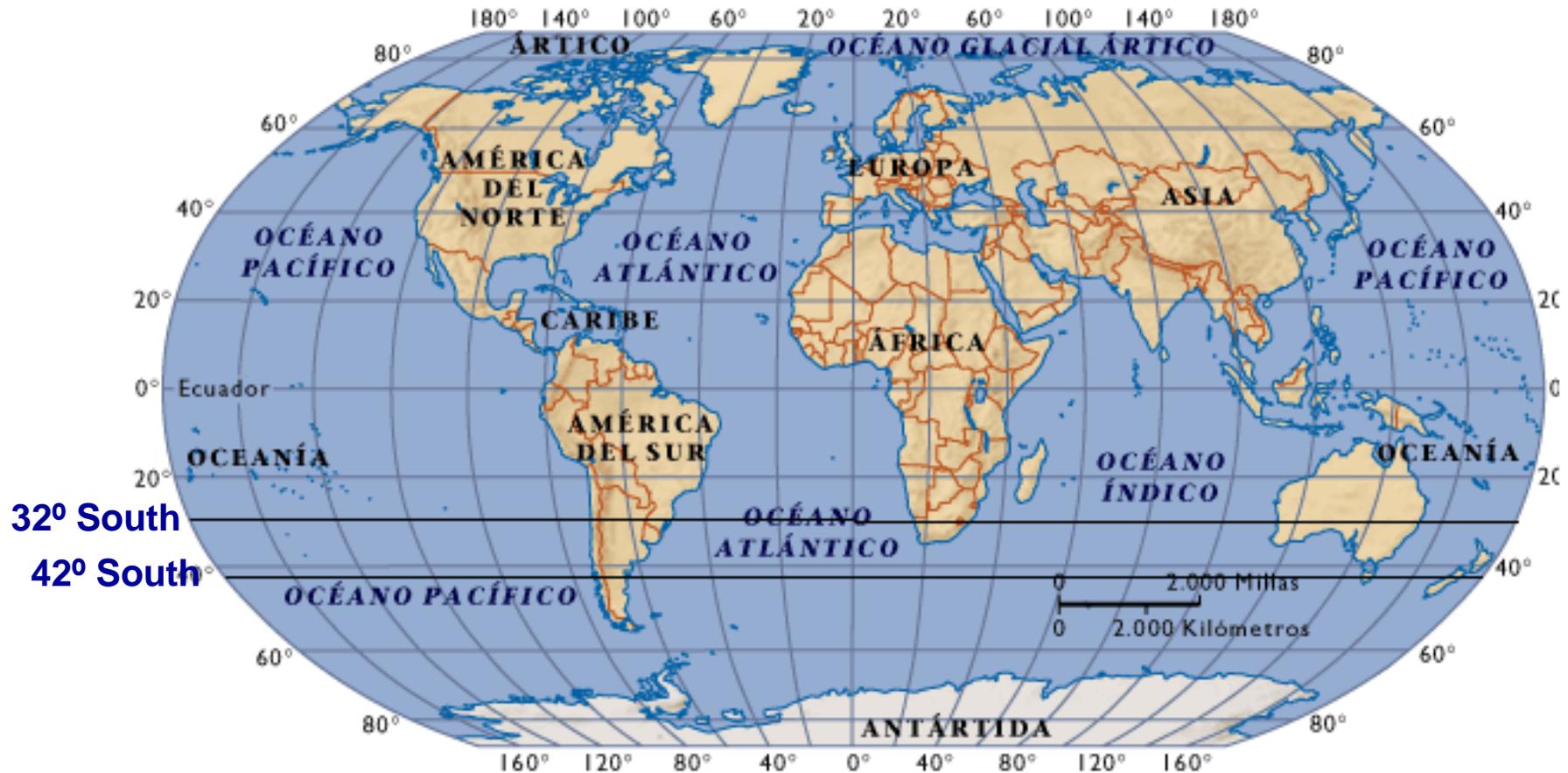
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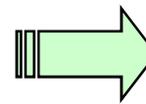




CHILEAN PRODUCTION AREA FOR BERRIES



CHILE

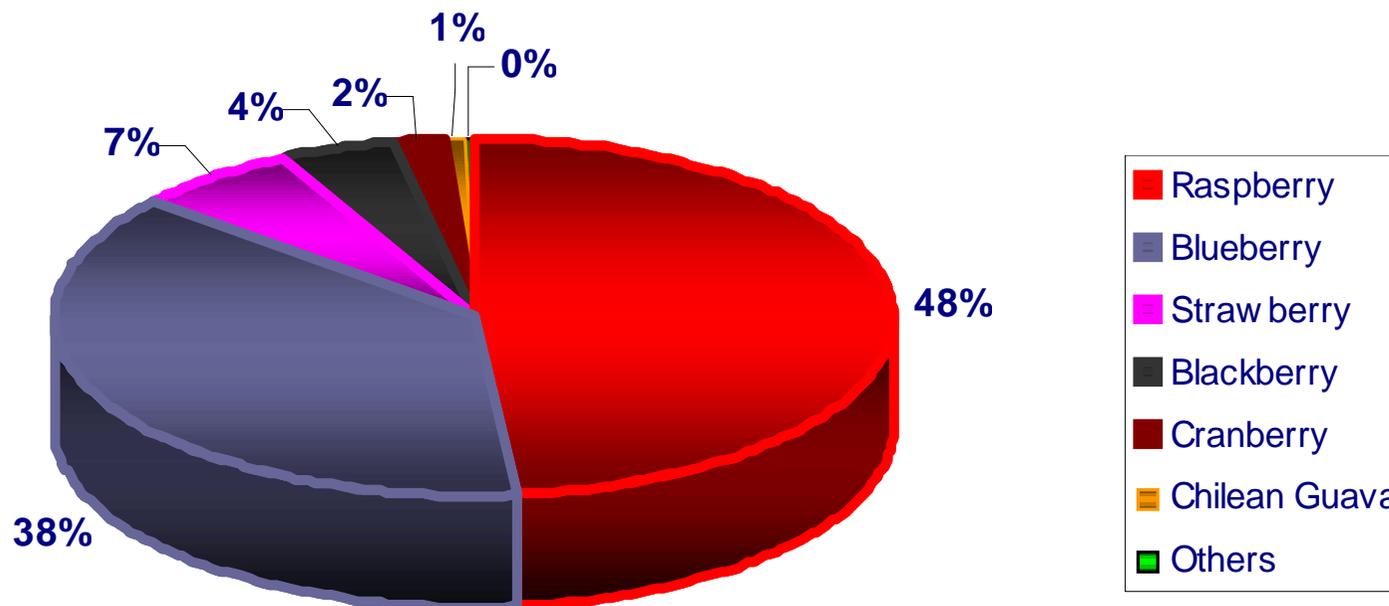


28.495 ha

Blueberries	Chilean Guava
Raspberries	Currant
Strawberries	Gooseberries
Blackberries	Longan berries
Cranberries	Sanddorn



CHILEAN PRODUCTION OF BERRIES



Berries represent 9% of the cultivated surface for fruit production. The principal berry is the raspberry, representing 48% of the surface cultivated with berries in Chile.



BERRIES, CORRECT BUSINESS FOR CHILE

Exports, Millions US\$



Because of the people, institutions and resources Chile has become one of the principal suppliers of berries in the world.



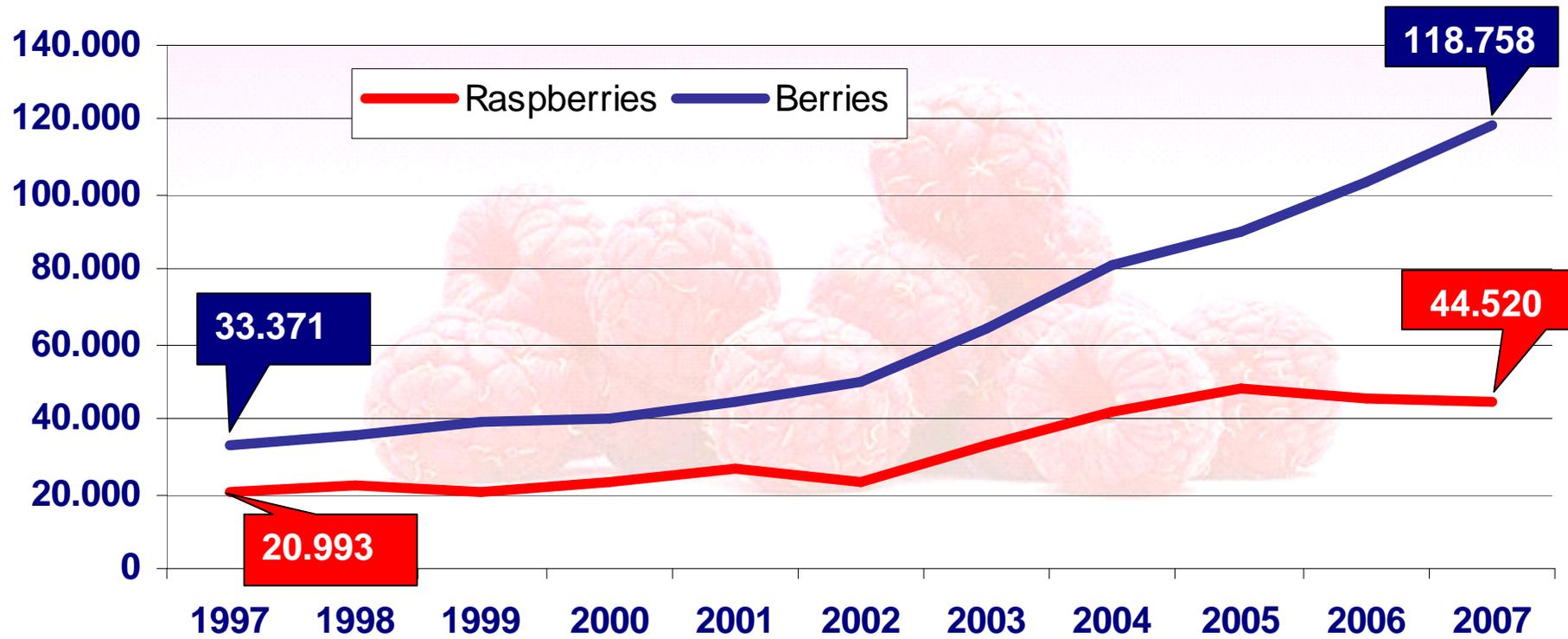
A SUCCESSFUL INDUSTRY

- **Chile: first Southern hemisphere producer of berries.**
- **Second world exporter of raspberries.**
- **US\$ 380 millions in berry exports.**
- **In the last 13 years, the industry grows 14% every year.**
- **The projection is to duplicate the exports in the next 5 years.**
- **Thousands of farmers present in the industry. More than 100 companies.**
- **Located from the IV Región to X Región.**



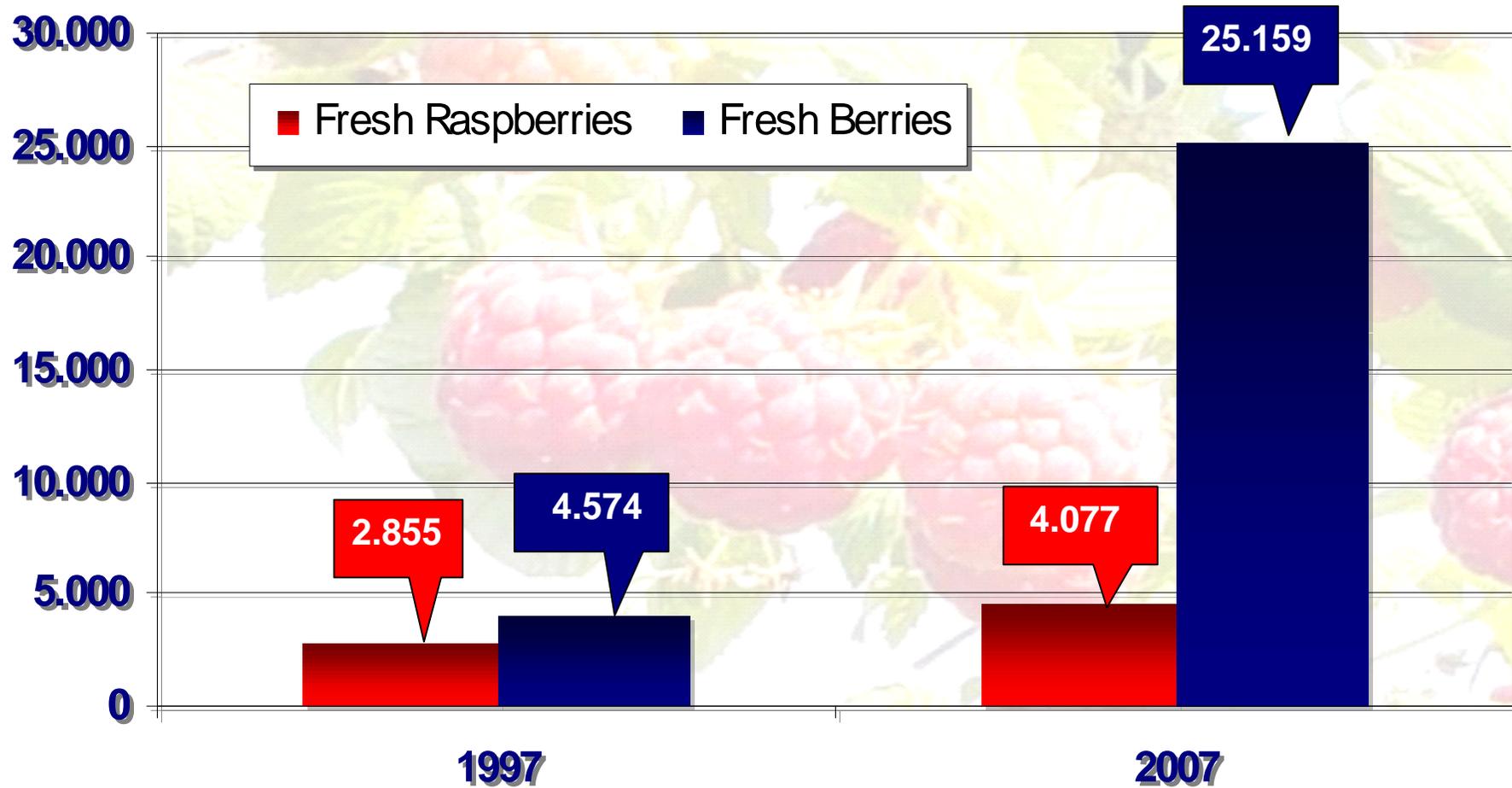


EXPORTS OF BERRIES (MT)



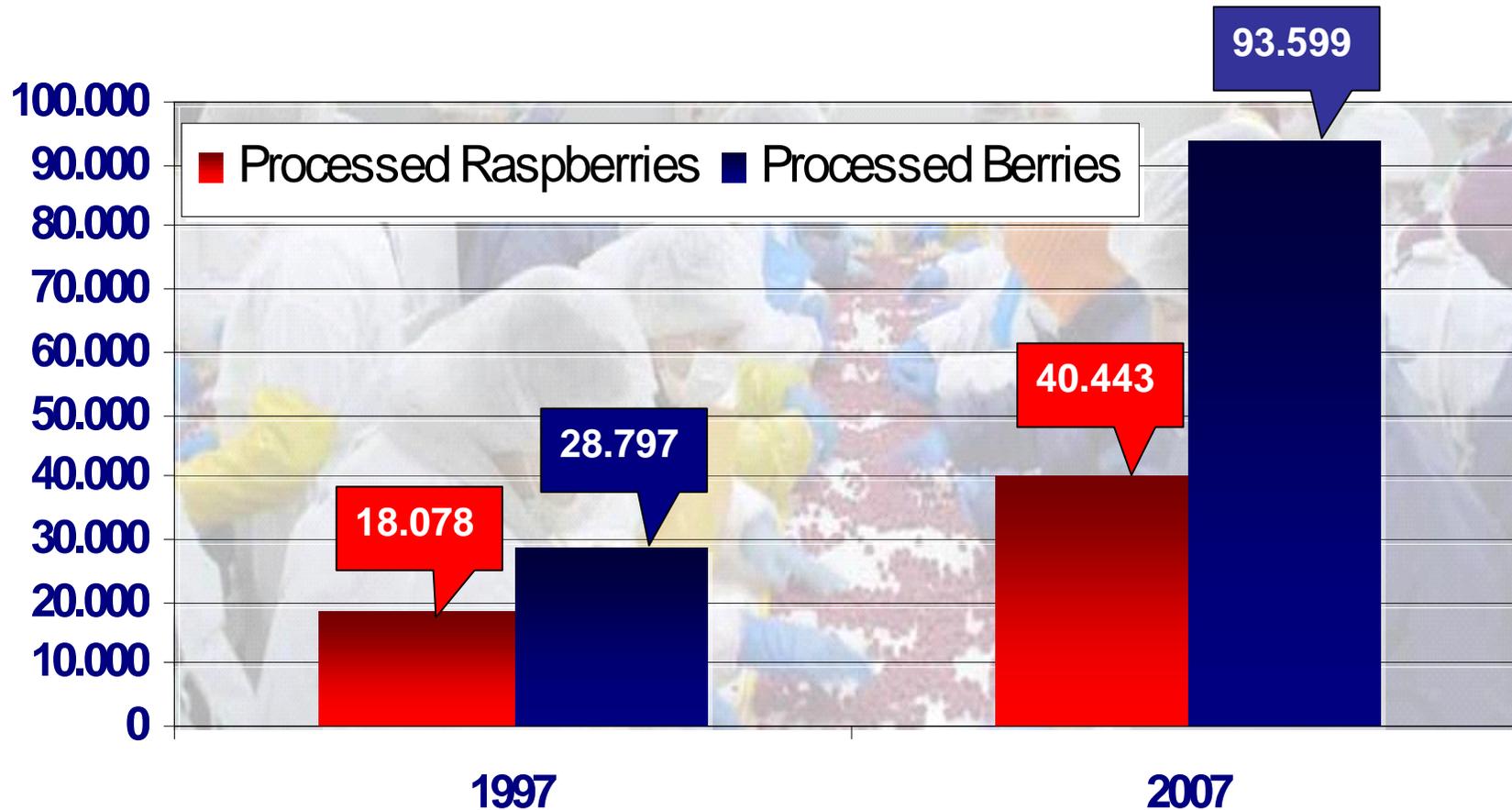


EXPORTS OF FRESH BERRIES (MT)





EXPORTS OF PROCESSED BERRIES (MT)





EXPORTS OF FROZEN BERRIES (MT)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Red Raspberries	17.871	26.554	36.075	40.573	38.659	37.998
Blackberries	8.932	10.373	9.679	7.073	12.651	20.489
Strawberries	7.850	10.608	16.099	15.843	20.294	23.649
Boysenberries	774	508	935	975	1.086	1.268
Blueberries	314	371	362	981	1.940	3.208
Others	508	418	298	1.730	2.724	2.307



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RASPBERRIES PRODUCTION INDICATORS IN CHILE

Varieties:

Heritage	84 %
Meeker	9 %
Chilliwack	4 %
Others	2 % [A. Bliss, Amity, Tulameen and others]

Total Surface : 13.744 Ha (SAG)

Average Yield/Ha : 4,14 MT (5-6)

Producers : 16.492

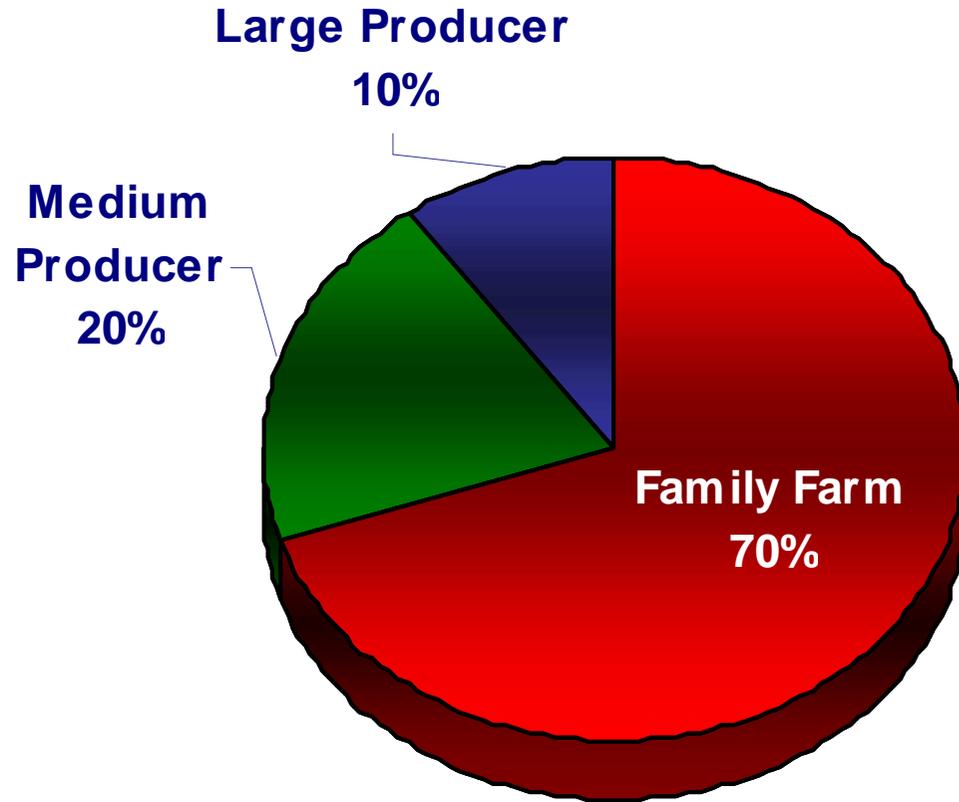
Average Surface : 0,83 Ha

Manual/Mechanical/Harvest : 95% / 5 %

Freezer Plants : 71



SURFACE SHARE



Family Farm: < 1 ha
Medium Producer: 1 – 10 ha
Large Producer: > 10 ha





DESTINATION OF RASPBERRIES PRODUCTION (MT)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Local Consumption	2.300	2.500	2.500	2.600	3.000	2.500
Exports as Juice*	8.561	12.383	7.056	12.810	13.300	12.362
Exports as Fresh	4.344	4.704	4.480	5.288	4.143	4.077
Exports as Frozen	17.871	26.554	36.075	40.573	38.659	37.998
Total	33.076	46.141	50.111	61.271	59.102	56.937



DESTINATION OF RASPBERRIES PRODUCTION IN 2007

Raspberries are mainly used for the frozen industry.



National production of raspberries: 57 mil ton

Every 100 kilos of raspberries :

67 kg are exported as frozen.

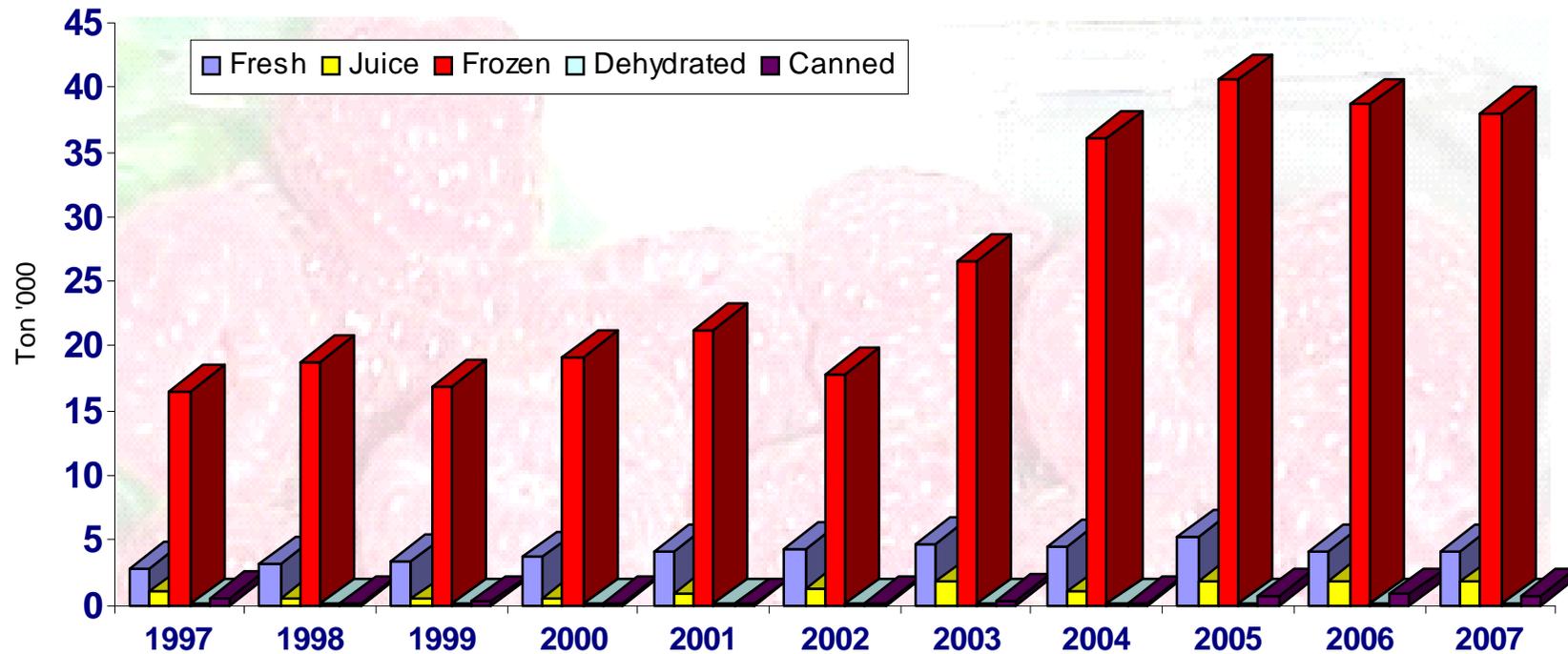
22 kg are exported as concentrate juice.

7 kg are exported as fresh.

4 kg are consumed on the local market.

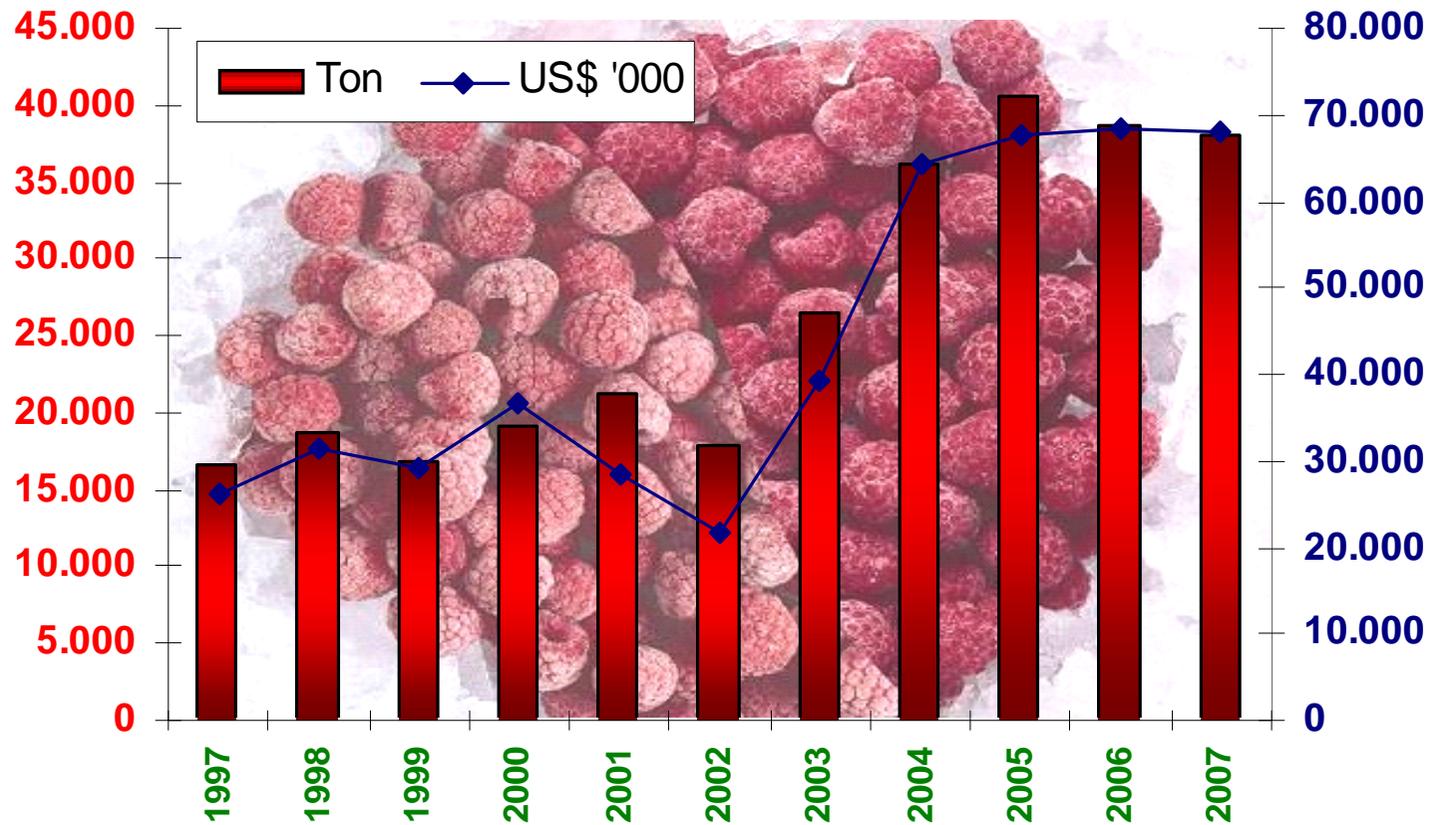


RASPBERRY EXPORTS 1997 – 2007 (MT)



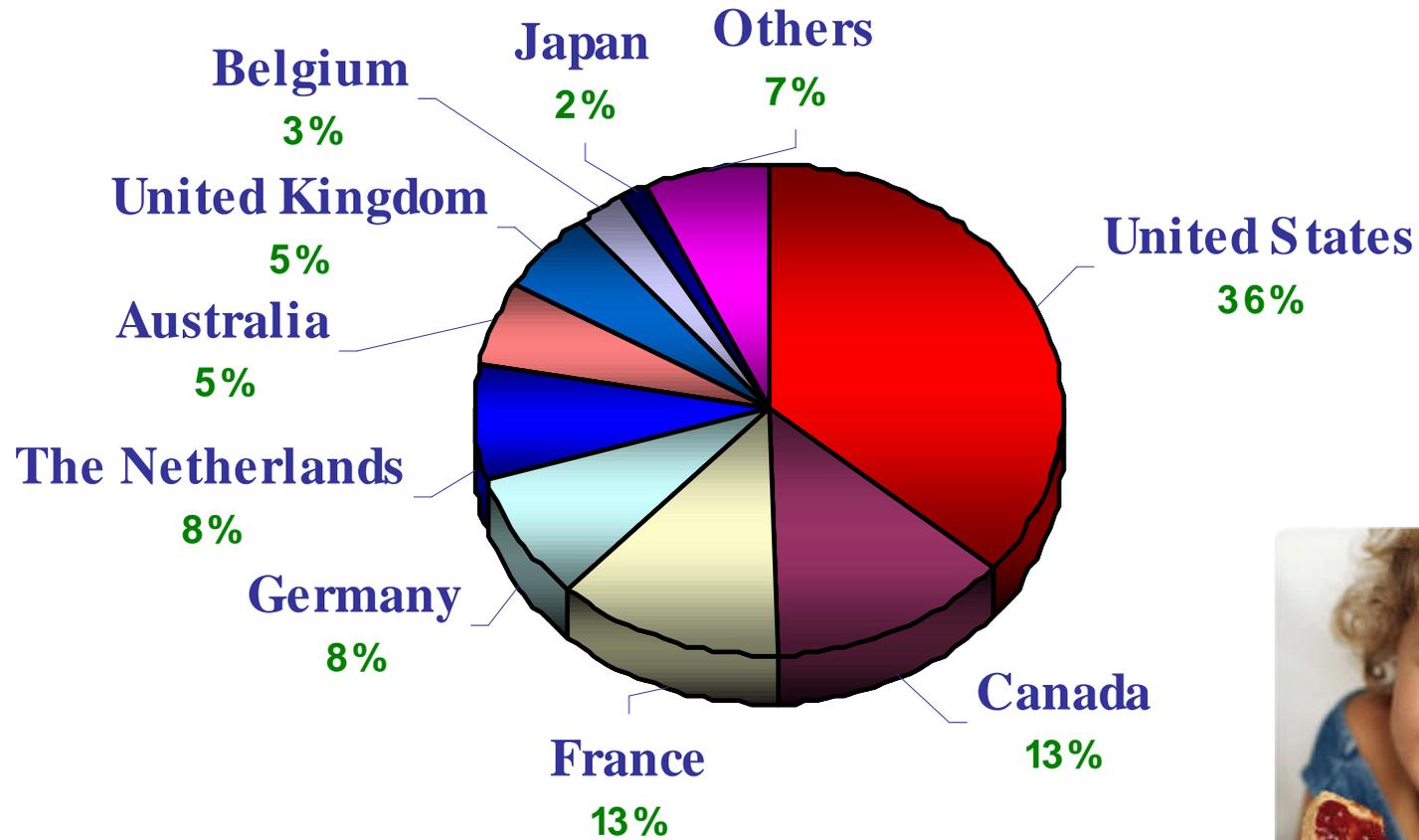


FROZEN RASPBERRY EXPORTS



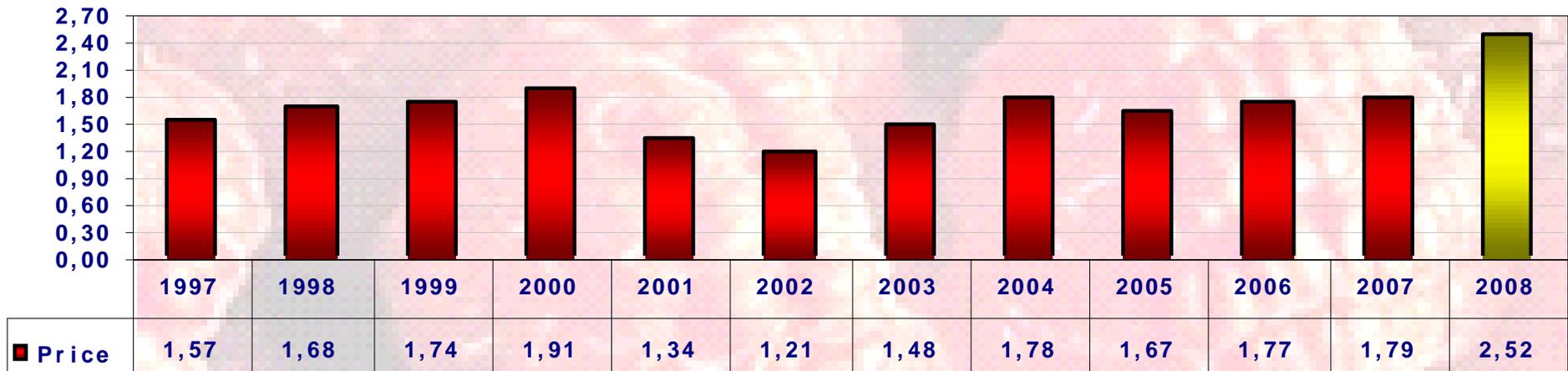


DESTINATION OF FROZEN RASPBERRY EXPORTS 2007 = 37.998 ton



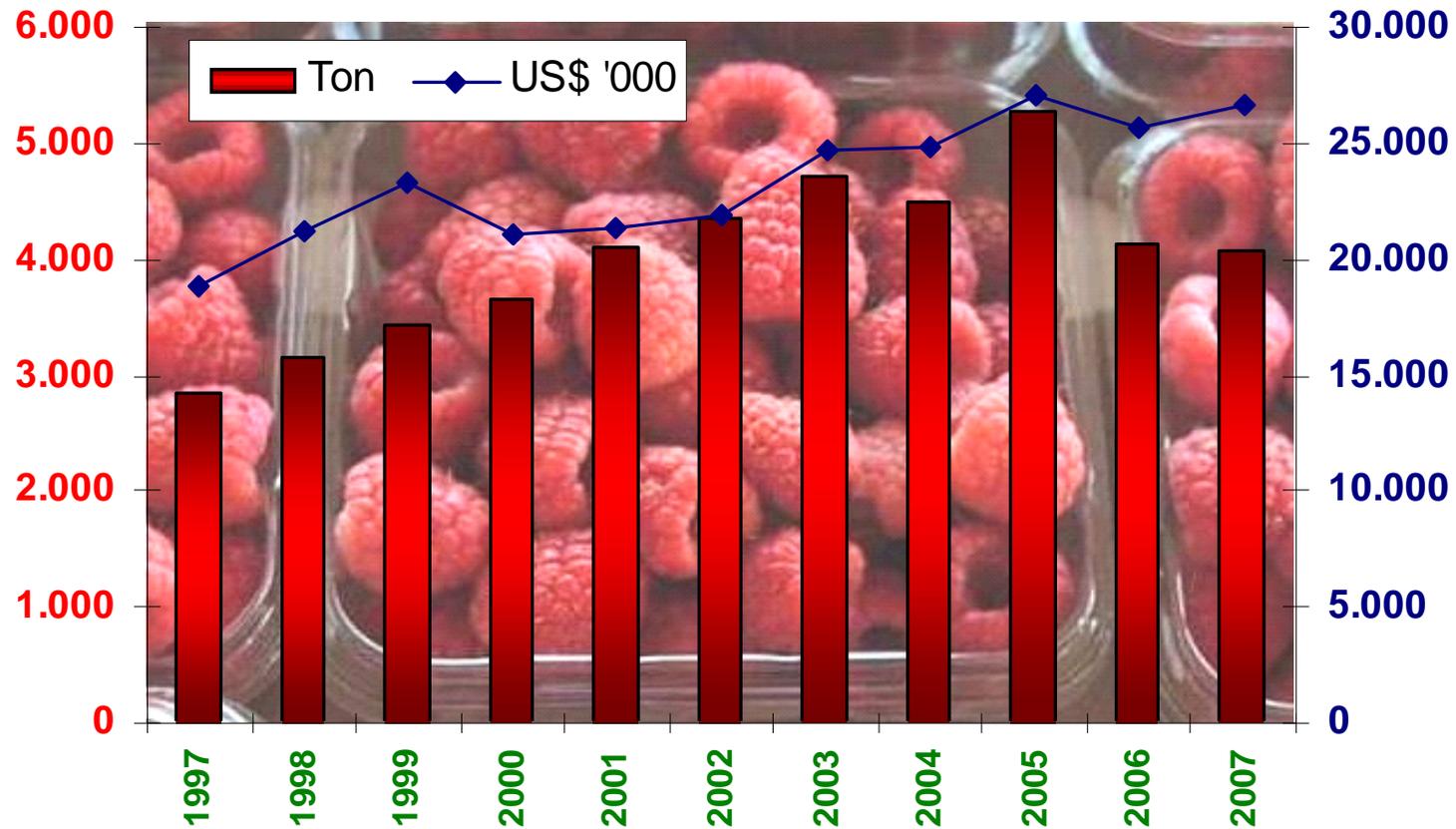


PRICES FOR FROZEN RASPBERRIES, US\$ Fob/kg



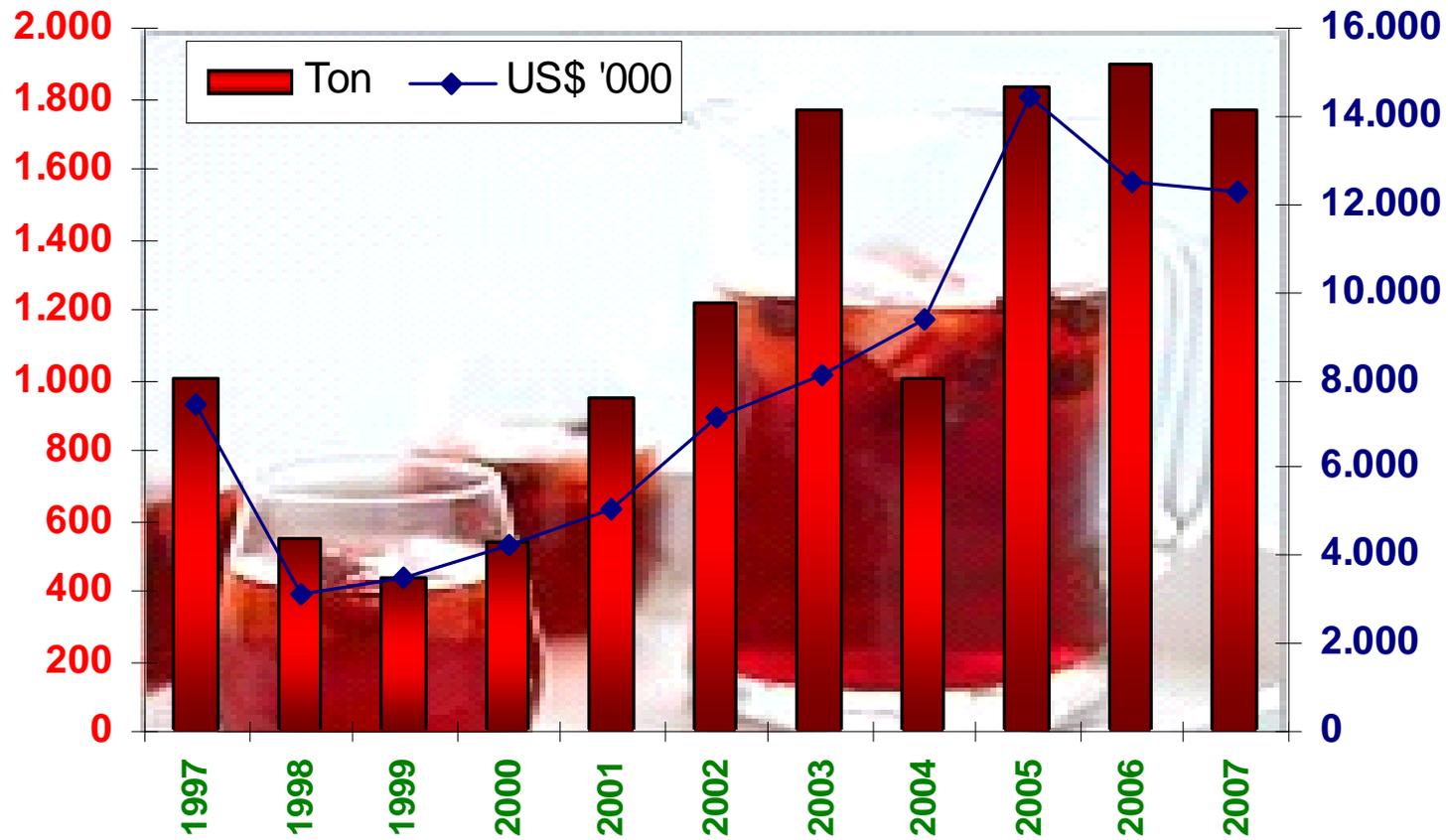


FRESH RASPBERRY EXPORTS



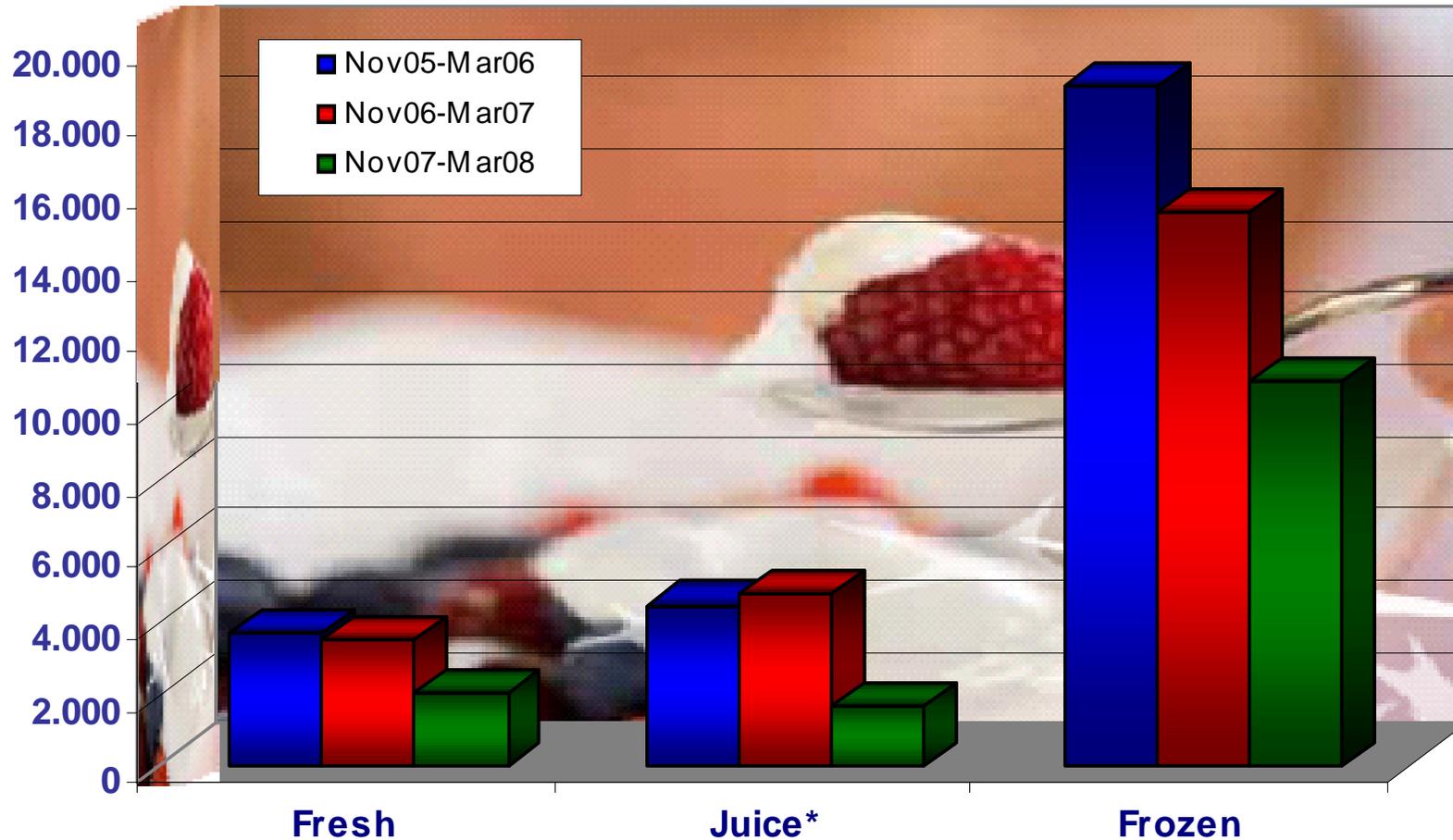


RASPBERRY JUICE CONCENTRATED EXPORTS





RASPBERRIE EXPORTS



* As fruit
Source: Chilealimentos



NEW REGULATIONS IN CHILE FOR RASPBERRY EXPORTS (fresh or frozen)

Mandatory Resolution 3410-2002 From Ministry of Agriculture (SAG).

Regulates the following agents of the supply chain:

- **Farms.**
- **Fresh Raw Material Brokers.**
- **Fresh Fruit Collection Points.**
- **Freezing Plants.**
- **Exporters.**



RESOLUTION 3.410

▶ **Safety**

▶ **Traceability**

Key elements:

1. Ministry of Agriculture requires that each agent of the supply chain must be register with SAG.
2. GAP (Good Agriculture Practices).
3. GMP (Good Manufacture Practices).
4. Control and Analysis of water source and water usage in spraying.
5. Keep records for traceability.



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What is INDAP?

AGRICULTURE DEVELOPMENT NATIONAL INSTITUTE

Is a main service by which the State of Chile supports small-scale farming. It was founded on November 27, 1962.

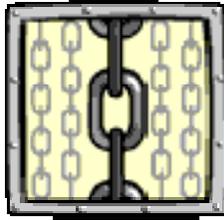
The main objective of INDAP is to promote and strengthen the development of small-scale farming. It is present in all regions of Chile through its 15 regional direction and 111 offices.



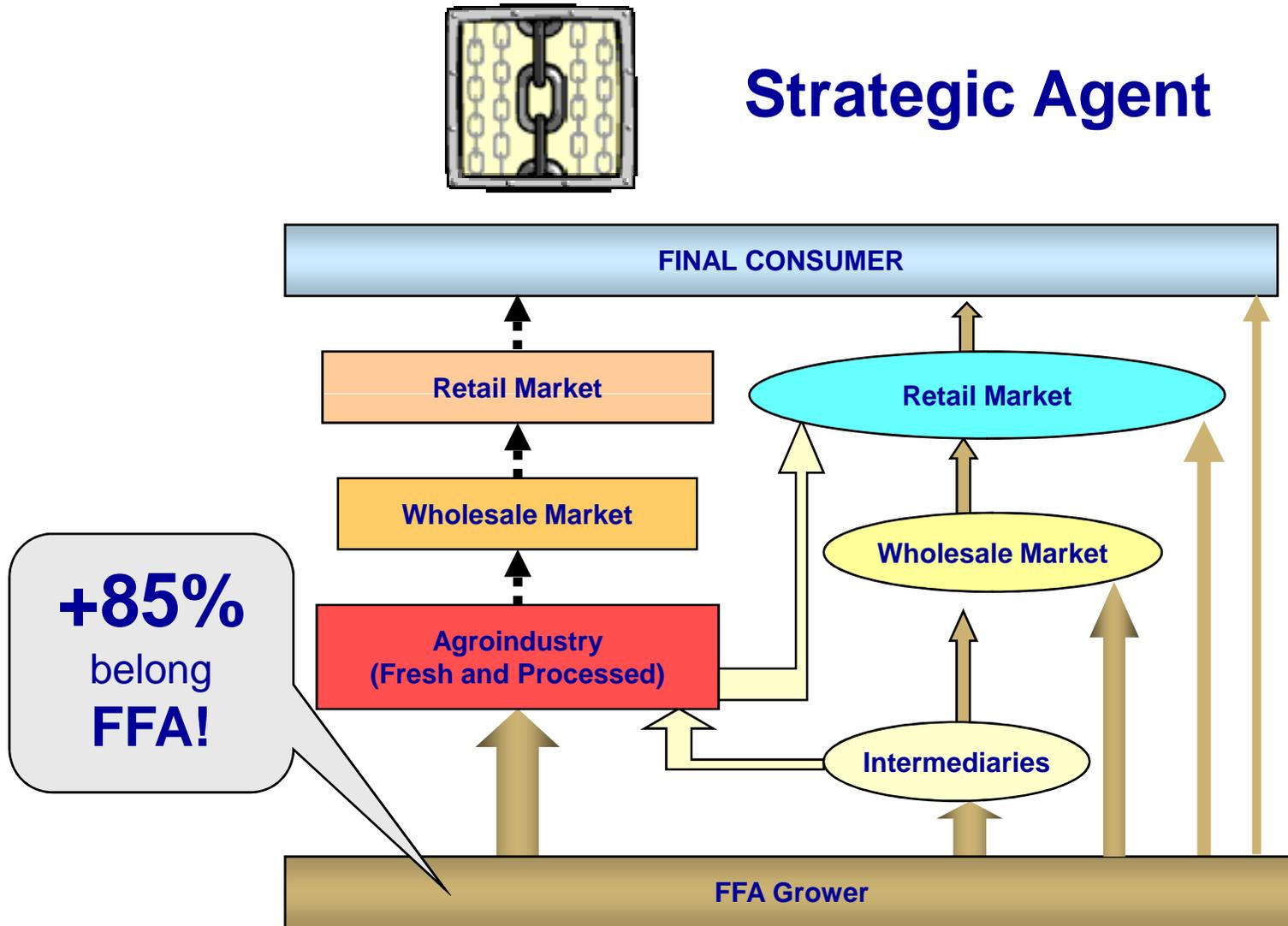
GOBIERNO DE CHILE
INDAP



Importance of the FFA in the Marketing Chain



Strategic Agent





What is Business Partnership?

Set up a plan with specific results for it's evaluation :

- 1. Technical Productive Aspects**
 - Irrigation.
 - Farming tecnics (Pesticides Uses, GAP, Traceabilty, etc.).
 - Harvest and post-harvest management.

- 1. Financial and Administrative Management**
 - Joint to management Centers.
 - Support in production, financial and spray records.
 - Training in the use of correct management tools.

- 2. Strengthening confidence and enterprising skills**
 - Enterprising Workshop.
 - Work groups between Supplier- Processor.



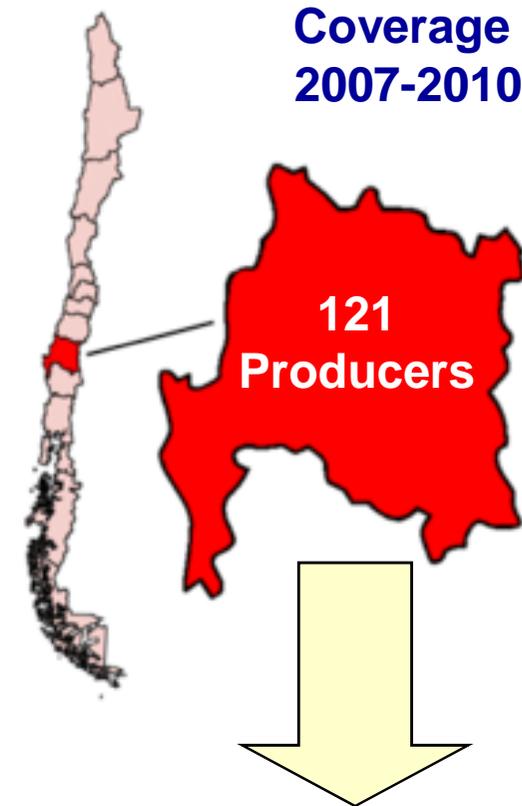
BUSINESS PARTNERSHIP PROYECTS (I)

**Actually
2 Business Partnerships Projects on
Raspberries**

Biobío Region

2 processors
Alimentos y Frutos (ALIFRUT)
Comercial Fruticola (COMFRUT)

- **Farmers from one specific area**
- **Progress on GAP Implementation**



**FARMERS INTEREST
MANAGEMENT CAPABILITIES
SUPPORT FOR RESOURCES**



BUSINESS PARTNERTSHIP PROYECTS 07/08 (II)

- ✓ 121 INDAP-producers in the program.
- ✓ 35 pct correspond to organic farming.
- ✓ Excellent coordination with INDAP instruments and loans policies.
- ✓ The processors performed an evaluation of INDAP-producers, establishing necessary steps to include in a Technical Assistance Program.



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LAST CROP (2007/2008)

- ✓ Prices of raw material from USD 1.2/Kg to USD 3.0/kg.
- ✓ Little production of Raspberry Juice.
- ✓ Higher costs of hand labor and energy.
- ✓ Strong Chilean Peso.
- ✓ Freight costs increasing.
- ✓ Sold out till new crop.





FUTURE CHALLENGES

- ✓ **Looking for new Markets.**
- ✓ **Emphasis on traceability, GAP and GMP .**
- ✓ **Improvement of quality and yields.**
- ✓ **Production could increase.**
- ✓ **Long term business.**

































THANK YOU