CHILE FACTSHEET

February 2022

AHDB

Market overview

- The Chilean meat market holds 1.5% of the value share of meat in the Americas, with a forecasted growth during 2019–2024
- Over half the demand for meat is dominated by fresh meat, with frozen meat representing 5% of all categories of meat. While small, there is an opportunity for growth as behaviours are changing
- The consumption of pork per capita is expected to continue to steadily increase to reach an estimated 22 kg by 2028. Pork meat remains one of the most consumed proteins after poultry, which is expected to reach around 39 kg by 2028, while beef and veal are forecast to reach around 20 kg per capita by 2028. These figures place pork as the second highest consumed meat in Chile
- Despite the impact of Covid-19, in 2020 Chile's gross domestic product was around $252.76 billion, with a forecast increase of 36.6% by 2026 to reach $398,68 billion. This increase in the GDP is a good indicator of Chile's economic power as it suggests an increase in disposable income. It was reported that the growth in the meat sector is supported by the increased spending by middle-class consumers
- Consumer behaviour is changing. There is a shift from locally produced goods to more expensive, higher quality products, including processed and packaged. In 2020, it was reported that Chileans experienced a change in their eating habits, from the traditional consumption of beef towards poultry and pork
- In 2021, Brazil was the main exporter of pig meat to Chile, representing 39% of total imports, followed by the US (26%), Germany (21%) and Spain (4%)
- In the first half of 2021, pig meat imports increased by over 70%, in response to pork products being diverted from China

Strengths

Purchasing power of Chile's middle and upper-middle-income consumers continues to rise.

Retail outlets in place.

Increasing demand for imported products.

Well-developed food retail industry – supermarkets are the main distribution channels for food/beverages, which accounts for market share of about 62%.

Weaknesses

Limited knowledge of UK products, which may require more promotion.

Strong business relationship prior entering the market.

Relatively small-size market compared to neighbouring countries.

Chileans are price-sensitive, and accustomed to competitive prices due to the openness of the economy.

Opportunities

The UK has an association agreement with Chile, enabling UK pig meat exporters to benefit from the import tariff under the most favoured nation tariff.

Growing demand for convenience and healthy premium processed foods and beverages.

Growing trend in consumer buying pattern with as shift towards retail outlets.

Threats

Chile has multiple free trade agreements that could impact competitiveness.

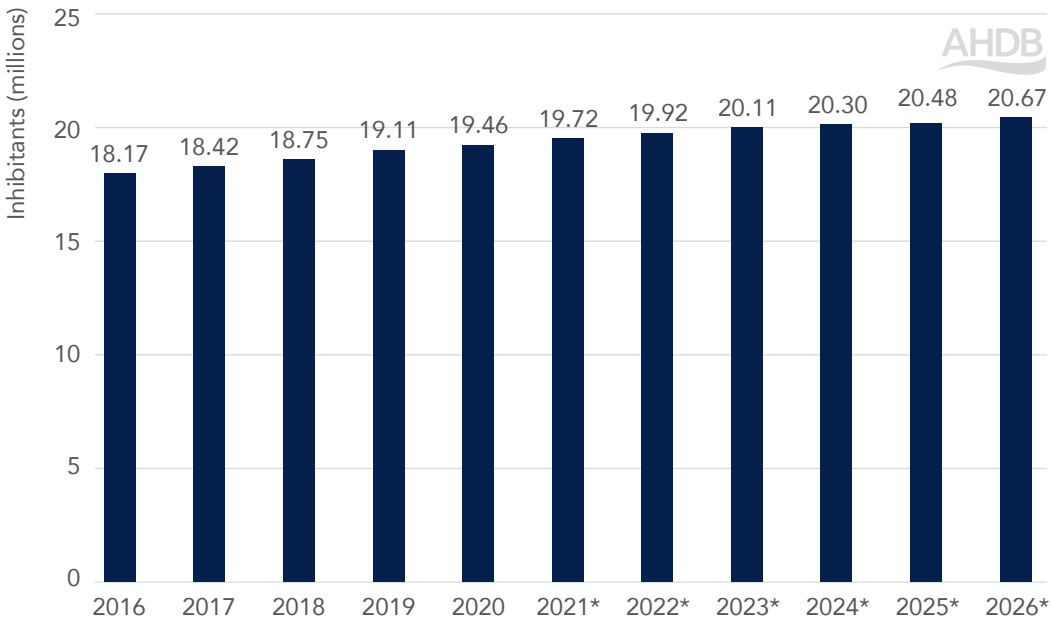
Direct competition from the USA and Brazil – which are close proximity.

Key figures

Growing total population

The total population is expected to reach approximately 20.7 million by 2026.

Total population of Chile, 2016–2026



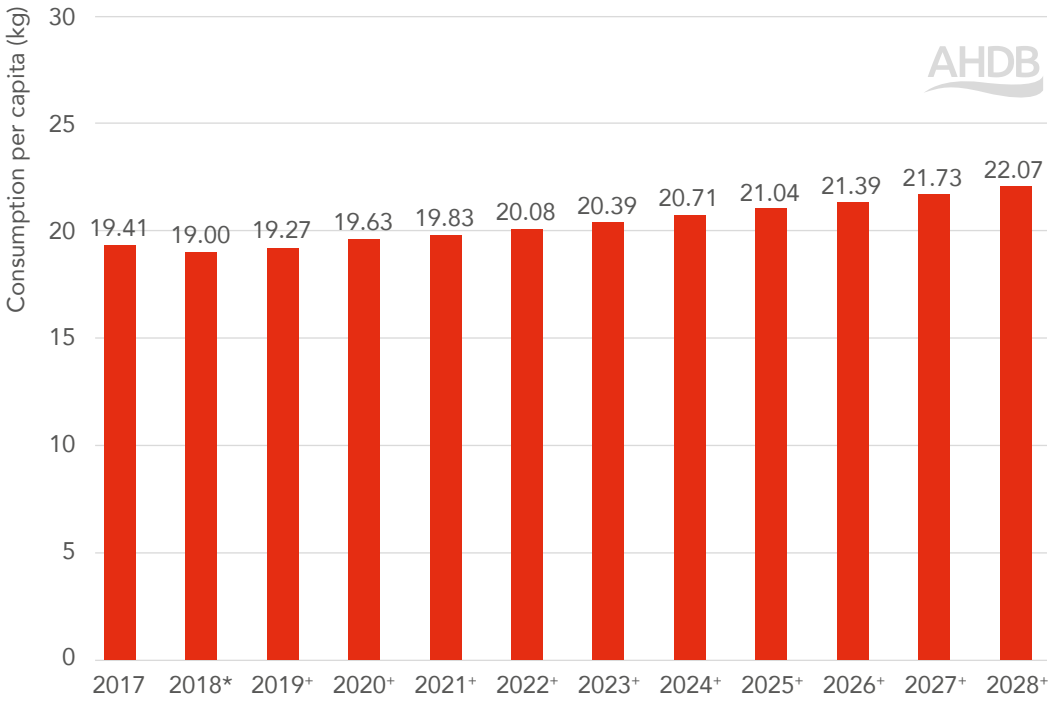
*Estimated

Source: Statista, 2022

Growing meat consumption

Per capita consumption of pork in Chile is expected to reach 22 kg by 2028.

Per capital consumption of pork in Chile, 2017–2028



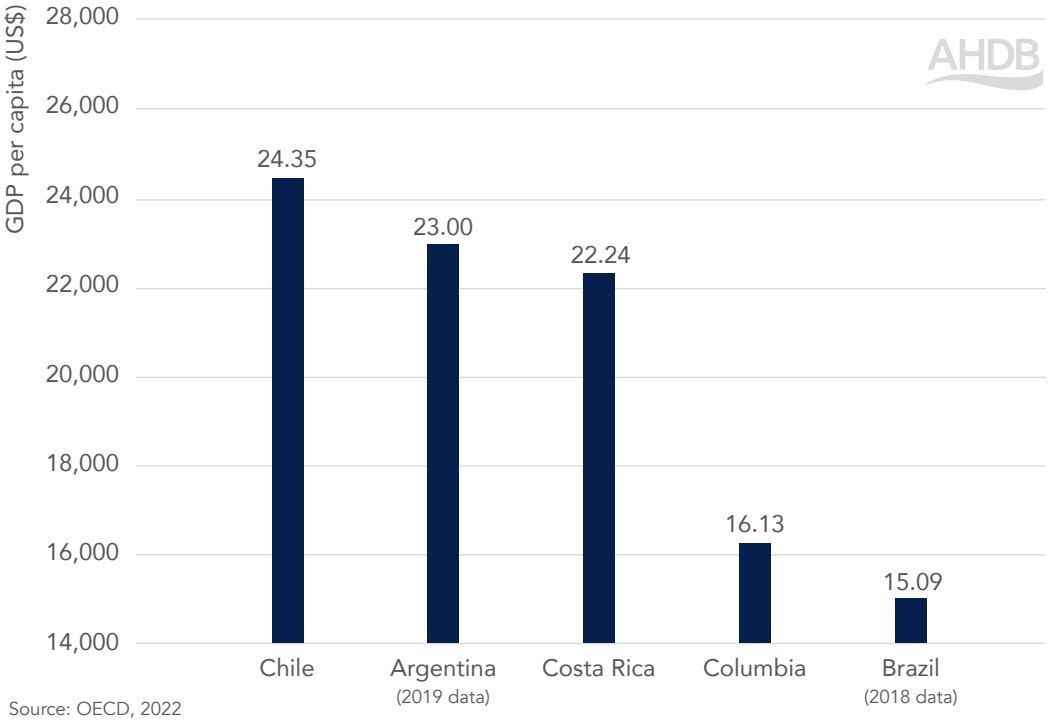
*Estimated +Forecast

Source: Statista, 2022

Gross domestic product (GDP)

Chile has the highest GDP per capita in the Latin American region and the strong economy is the main driver for consumer spending.

GDP in Chile compared with other Latin American countries, 2020 or latest data available

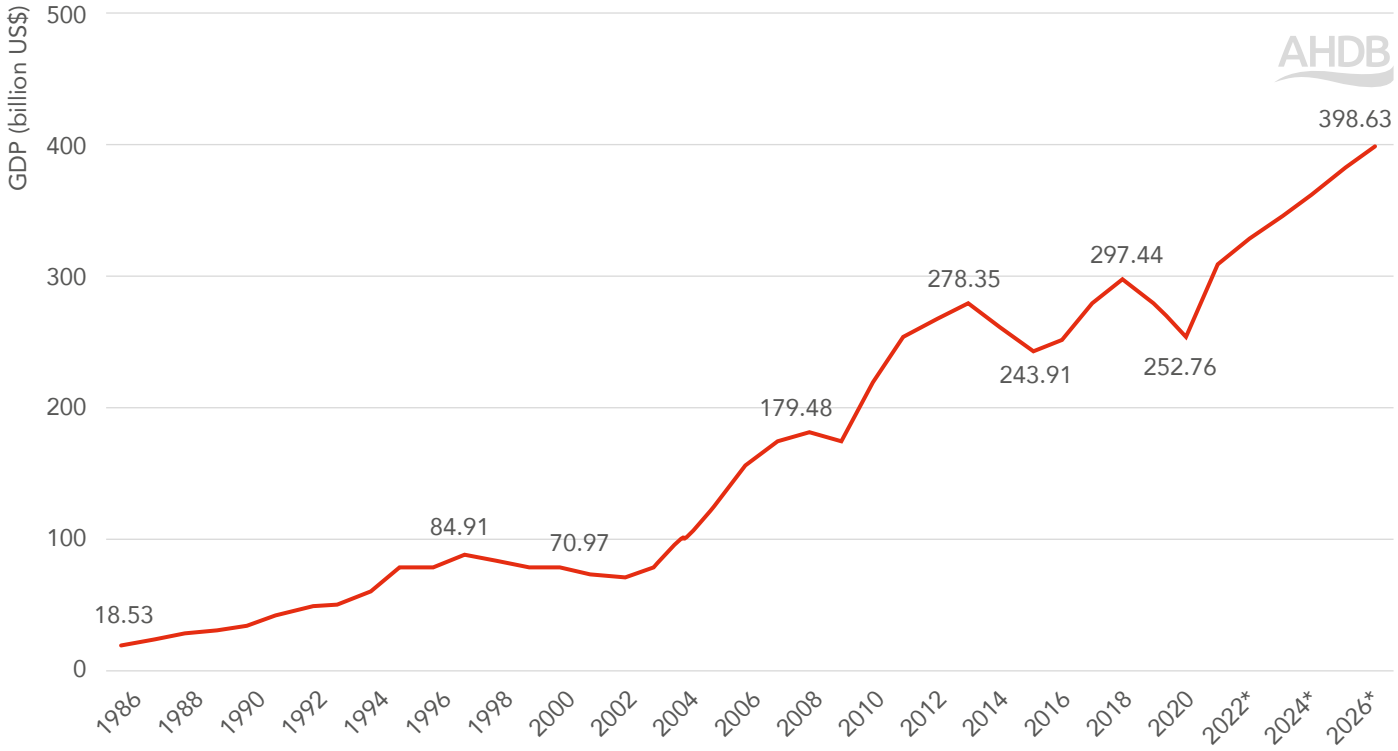


Source: OECD, 2022

Growing GDP

In 2020, despite the impact of Covid-19, Chile's gross domestic product was around $252.76 billion, with a forecast increase of approximately 37% by 2026 to reach $398.63 billion.

GDP in Chile, 1986–2026



*Estimated

Source: Statista, 2022

Produced for you by:

AHDB
Stoneleigh Park
Kenilworth
Warwickshire
CV8 2TL

T +44 (0)24 7669 2051
E exports@ahdb.org.uk
W ahdb.org.uk
@TheAHDB

AHDB is a statutory levy board, funded by farmers, growers and others in the supply chain. Our purpose is to inspire our farmers, growers and industry to succeed in a rapidly changing world. We equip the industry with easy to use, practical know-how which they can apply straight away to make better decisions and improve their performance. Established in 2008 and classified as a Non-Departmental Public Body, it supports the following industries: meat and livestock (cattle, sheep and pigs) in England; horticulture, milk and potatoes in Great Britain; and cereals and oilseeds in the UK. AHDB's remit covers 72 per cent of total UK agricultural output. Further information on AHDB can be found at **ahdb.org.uk**