

## Relevant visit to Chile of the prunes cluster industry of Mendoza

The first days of November, a delegation of approximately 50 people linked to the Prunes Industry Cluster of Mendoza (Argentina), especially producers, visited Chile. They specifically toured orchards and processing plants in the VI Region - south of its capital, Santiago -, an area that represents over 70% of the production at the country level.



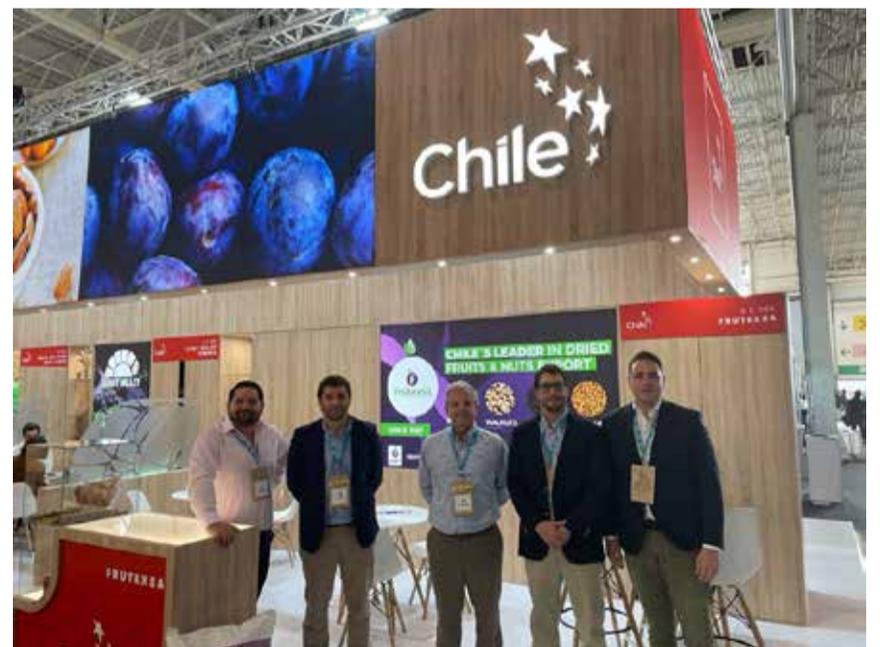
The goal of the visit were two, says Francisco Araujo, coordinator of said cluster: to generate an exchange and learning around new techniques, innovations and trends that are carried out in Chile, as well as to strengthen ties with representatives of the industry in this country, grouped in Chileprunes, Association of Prunes Processors and Exporters of Chile, which groups 70% of the exports of said fruit. "For us, prunes sector in Chile is a global benchmark, so learning about how they have been working in the orchards and processing plants was very important," adds Francisco Araujo, who represents a young institution, formed only two years ago. Some of the topics of interest were the super-intensive production of prunes, which implies having 2,000 plants per hectare, while a traditional orchard has between 400-500. While in the first case it can be produced in the third year, in the traditional orchard it is 4-5 years. With some producers, Chile has 7-8 years of experience in this matter, with very good results. Other topics of interest were irrigation and nutrition. In both cases, the implementation of technology in the orchards in Chile, the existing mechanization there, especially with regard to drip or sprinkler irrigation, as well as the package of fertilizers used, are striking, allowing very high production levels. The coordinator of the plum cluster industry of Mendoza, does not want to stop "thanking the authorities and technical team of Chileprunes, who have attended us with a generosity and vocation of support that was remarkable. We have taken the first step of presenting ourselves as a cluster, visiting our peers in Chile". The plum cluster industry is made up of 18 public and private institutions, among others, exporters, Chambers of Commerce, cooperatives and, in the public sphere, the national State, the municipalities of San Rafael and Alvear, universities, among others. "This is a different model from Chileprunes, but it works," he says. Its exports are made to around 20 countries, where the focus of the last years were Brazil and Russia. "With Brazil



we work well, there is proximity and an important market. Russia's case, it is very difficult to trade, there are some ports that continue to function with difficulties to which we can make our shipments, but we have also had to redirect exports to nearby countries due to the war. "Along with the above, a negative aspect has been the pandemic and the cost of maritime freight, which has led to excessively high costs and reduced profitability. But he also rescues positive aspects of these last two years: the association that the prunes has achieved with the world of health and wellness, as well as its advantages regarding storage, "these are ideas that must be maintained and promoted," he says. All Argentine prunes exports come from the province of Mendoza. It is around 10,500 hectares, although 11 years ago, there were 18,000. 80% of what is exported comes from the south of the province, from San Rafael and Alvear, while the rest comes from the East. 25 thousand tons are exported, equivalent to US\$ 60 million, figures that correspond to an average of the last 15-20 years.

## Positive industry balance of prunes after visit to SIAL fair

Executives from Onizzo, Prunesco, Frutexsa and Superfruit comment on the attendance at this important event for the food industry.



There is agreement in the Chilean prunes industry that their attendance at the SIAL International Food Fair, held last week in Paris, France, was very positive. Business closures were not so much, but because of meeting again with large clients from the main global markets, the networking that is generated there, as well as having clear first-hand how the industry is and is coming in 2023. Indeed, SIAL, a great congress and source of inspiration for the food industry, had not developed for two years due to the pandemic. For this reason, there were high expectations for being present at this world event, which is regularly attended by some 140,000 visitors. Claudia Marangunic, Onizzo's Export and Logistics

Manager, was pleased with the "mission accomplished", that is, "contacting the customers we frequent every season and renewing business relationships after a while without seeing each other during the Covid-19. They said they were very willing to close deals for the new season." And he adds: "Onizzo's presence was not on the point of view sales, since we had large prunes in place from before. We had something of a small caliber left, and that we left compromised. It shows the importance of being present at this type of fair to move the fruit in the long term, "The executive has participated in multiple SIAL since 2010, and even so, it never stops to be surprised



and there have been business deals. There is pressure to buy prunes, there is little supply and availability; you can see that in Chile there are few plums left and France had a bad harvest," he says. There is a significant demand from Europe and the Middle East to buy large sizes, which have very good prices this season. The small sizes, as well as the prunes in their natural condition, have a significant demand from China, although their prices have fallen. In Superfruit they also consider that this SIAL has been positive. Although it is not a fair with so much business transaction -like Anuga, in Germany-, José Antonio Soffia, assistant manager of Sales of said company, points out that in this SIAL -the third one that he attends-, it is allowed to see several customers from various fruit markets, and in that sense, there are efficiencies. "SIAL has lowered its commercial prominence, since, in general, we have almost everything sold at this time and the prunes is no exception, but it is still worth it for the contacts, to see how the industry is doing, we can share with other companies, knowing about the competition from the United States and France, how their crops and volumes are coming; Conversations take place that in other instances would not take place". Around 80% of the Chilean prunes export force was present at SIAL, with some type of representation and through the companies that are part of Chileprunes, the Chilean Association of Processors and Exporters of Prunes, which has 11 associated exporters, and that seeks the development of the sector in the long term, carrying out multiple promotion and market opening actions, among others.



at the effort that our clients continue to make to visit this fair; as well as the presence of China as exhibitors covering more and more products". Onizzo's main customers are in Europe: Poland, England, Holland, distributed among wholesalers and repackers. Other important markets are Mexico and Guatemala. Marcelo Lacunza, commercial manager of Prunesco, earns good dividends from the fair. It is not one of the largest, but it was "the first where we back to normal. It has been good to meet the clients, to be in person with them, to see their faces, therein lies the success of this SIAL", he comments. It also highlights that many clients from Europe, Asia, and Latin America attended. From Asia, "we visited some (in previous seasons), but it is different from going to see you at a fair." Likewise, it assigns relevance to these meetings to find out how the markets, the industry, and the 2023 projections are, detecting that in the Old Continent, the European economic crisis, with high inflation, that is considered the most worrying, independent that Chile is constantly exploring other markets and businesses, says a Prunesco executive. In the case of Frutexsa, its commercial manager, Sebastián Plaza, comments that it is beginning to be seen, post Covid-19, a good return of people to this type of activities, with an audience like the good fair Gulfood, held in Dubai, at the beginning of the year. The good organization of ProChile stands out. "Now, at SIAL, clients have arrived

## "There is a complement in the Chilean industry of the fresh and prunes that should be used"



**Jesús de la Riva, president of Prunes Chile A.G.**

**Both unions share the concern for sustainability, which should be a work philosophy and a differentiation when it comes to a commodity product, says the executive.**



Cooperation. A collaborative work whose purpose is a quality and sustainable product. Address common markets with joint marketing. These are concepts that are repeated in an interview with Jesús de la Riva, president of Ciruelas Chile A.G (European prunes producers), a union that seeks a greater synergy of actions, strategies and market attack with Chileprunes, a trade association that brings together 70% of exports of Chilean prunes. "Both guilds have many things in common. From the start, we think and work with plums in a sustainable way, which should be a work philosophy and also a differentiation when it comes to an almost commodity product", adds the executive. "We must continue with the concept of Chile-country-responsible that is concerned with safety and sustainability, with ESG standards, and that covers not only processing plants but also agricultural production systems; there, both guilds aligned ourselves to get a product sustainable being, for example, rigorous with water resources, energy efficiency and work in the orchards with the communities". Chile had a total prunes production of 90,000 Metric Tons (MT) at the end of the 2022 harvest. Of that amount, 71,000 MT remained available for dehydrated (79%), and the remaining 19,000 MT were used for fresh fruit. In both cases, around 95% is exported.

Prunes Chile A.G has 100 member companies that own close to 2,000 hectares, and around 90% of which are producers and the rest, producers, processors and exporters from the VI Region of O'Higgins, the main producing area of Chile. They represent 30% of the companies in



the sector in the region and the invitation is to add more producers who want to work for a more robust Chile Brand, offering a quality product. Jesús de la Riva comments that a few years ago, cool, as a business, almost did not exist. Now it is relevant, but it suffers from many ups and downs: "We had a return to the producer of US\$2 per kilo of exported fresh plums; then, from one year to the next, it is at US\$0.4 and then it goes back to US\$2", he comments. The fresh went almost 100% to China, more than two thousand containers. A good figure, but with the risk of having everything destined for a single country that, along the way, places Covid Zero health policies that slow down the entire chain. This is how a fruit that should be available to the consumer in 3-4 weeks arrives in 6, losing quality. "We are very focused on China, it is good to address a series of initiatives to open spaces and markets, take advantage of the fact that prunes reach nearly 80 different countries," he says. The fluctuations in the price and the concentration in a single country are high risk, but when you have US\$2 per kilo it is good. The fresh one also has fast payment, which helps the cash flow. In addition, despite the new health and wellness trends, the consumption of prunes remains stable over time, there are years in which the supply exceeds the demand, "this has been a topic in the IPA, a concern for Californians, for price pressure, which many times it has hit the producers ". All of the above invites us to think about a mix, where fresco emerges "as a channel that decompresses and offers opportunities to producers.

It is true that this requires plums with a minimum diameter of 33 mm, which means that we often fall short in large sizes for dehydration. This is when we must apply market intelligence so that there is a competitive balance and that it gives us visibility of the business in the long term, and where maintaining quality is part of our hallmark". The president of Ciruelas Chile points out that our country has done a good job with plums: 15 years ago, it was considered a second-class fruit, cheaper, due to its less homogeneous quality. With time and the excellent work carried out by the public and private sector, which allowed for better calibers and volumes, "we have become undisputed leaders with a good brand position in all markets. In addition, we are well aligned with the Prunes from Chile brand."




## Putting the focus on sustainability, to achieve better standards

In recent months, Chileprunes has carried out important actions on a relevant issue for the planet, the country and agriculture: sustainability.



For this reason, in October, the first session of an Executive Committee was held in charge of the "Design of a Sustainability Standard for the Agroindustrial Sector of Prunes". Its executor, Chileprunes, was present with Federico Montes and Agustín Marín, members of the board of directors, and its executive director, Pedro Acuña, project manager. The full Committee also included representatives from IICA, the Sustainability and Climate Change Agency (ASSC) and the Office of Agrarian Studies and Policies (ODEPA). On the occasion, the progress of the project in its first quarter of execution was discussed, its governance structure was presented; outlined a schedule for its next short-term actions and delved into the importance of APLs (Clean Production Actions that measure social benefit and greenhouse gas reductions), in order to establish a sustainability standard to deliver international certification to companies of the sector. The executive director of Chileprunes, Pedro Acuña, points out that "the idea is to create a support program to close gaps related to the established standard, that's certifying an important group of companies in the field." The project will be divided into 4 stages: development of the standard, audit, training and certification; It contemplates an implementation of 28 months, and in its projection to date it has already carried out the official start-up; a mapping of actors; a survey to prioritize areas and the conformation of the governance bodies.

## Chileprunes invites the industry to meet again in a new Prunes EXPO

Set for March 22, 2023.

After a long pandemic, Chileprunes, the Association of Prunes Processors and Exporters of Chile, wants members of the industry to see each other again.



For this reason, after nearly three years and virtual events developed from 2020 onwards, the union that brings together more than 70% of the exports of said fruit, is organizing the "X Expo Prunes, the Industry Reunion" for Wednesday March 22, 2023. This important Congress will take place at the Monticello events center, in San Francisco de Mostazal, in the VI Region, a meeting place for Chilean prunes growers. "We want to invite the prunes industry, the entire production chain, producers, processors, exporters, suppliers, customers, institutions to save the date and participate again in a great event, where they can find out about commercial aspects and technicians, together with great exhibitors, specialists in the field, and talk with their peers, to project and visualize the future of the sector in a good way", says Pedro Acuña, executive director of Chileprunes. Throughout this period, and in the last five years, Chile has continued to be, authoritatively, the world's main player in prunes; the largest exporter and the second largest producer, thanks to the fact that we are a serious country, with a developed fruit industry and solid public-private work, adds the executive, who adds that "to the above, I add the quality of work carried out by the most of the productive chain, from the tree to the commercialization in the international markets". Undoubtedly, various issues of tremendous contingency will be addressed inside and outside Chile, such as the changes that are installed post-pandemic, and an increase in associated costs of inputs and maritime freight, possible new destinations for prunes, market adjustments, low world stocks, new production techniques in the orchard, how the 2023 harvest season is coming, new protocols for the industry, among others. The total Chilean exports of prunes, as of October 2022, is 50,378,252 kilos exported for a value of US\$ FOB 203,640,123



**10 EXPO**  
ciruelas secas  
El reencuentro de la industria

Centro de Eventos - Sun Monticello  
San Francisco de Mostazal

**22** 2023  
MARCH/MARZO  
Save the Date

## After the thinning period, a good 2023 season is expected for Chilean prunes

The Zonal Agronomist Engineer of Prunesco, fruit advisor at Ciruelo D'Agen and member of the Technical Committee of Chileprunes, Rosario Larraín.



In Chile, a few weeks ago the period of fruit development or filling began, which is valid for various Chilean export products, and of course, also for the D'Agen prunes, which after a drying process is offered as prunes to more than 70 countries in the world. And so far it's going well. This, after a normal flowering, not as abundant as last year where there was a greater supply of flowers, but with warm temperatures that are beneficial for the plum tree, indicates the Prunesco Zonal Agricultural Engineer and member of the Chileprunes Technical Committee, Rosario Larraín. Depending on the area, until the first days of November, the thinning stage was worked on in Chile, where it is concluded that no more than 15 to 20% of the orchards had to be thinned, with trees that came with 6,000 - 7,000 fruits. to leave them around 3,000 to 4,000. "There are years when the orchards have 10 or 12 thousand fruits per tree, which has forced us to thin more than 50% of the fruit load. This season the thinning was more moderate since the number of fruit set was not so high," says Rosario Larraín, although he clarifies: "The ideal production for an orchard is the maximum possible load that allows it to obtain a certain caliber, according to its productive potential, its phytosanitary and nutritional status, the type of wood that it is made of, and handling in general. All of the above, added to the commercial conditions of each season, allows us to define the appropriate amount of darts for each tree in pruning." Indeed, some orchards can be left with 2,500 fruits, others 3,500 or 4,000 so that they deliver the expected production. The current one, in short, has been a good season, she says. Thinning 15-20% is a moderate amount, while 70% of the orchards in the Colchagua area (where most of Chile's D'Agen prunes crop is) are under normal loads, according to the potential that they have and only 5% could be dragging a poorer flowering and a low load in relation to their potential, but that happens in fully identified plots. "You see a slightly smaller load than last year, but with better calibers. The fruit is growing very well," says the Prunesco expert. First fortnight November there have been surprising rains in the central zone of Chile, including the Colchagua zone. Does this not affect the fruit? "This rain does not cause problems, because we currently have green fruit with no concentration of sugars. The one that scares the most is the rain between flowering and fruit set, as it washes away the pollen, and after it, frost could eventually come. The rain that occurs from the end of December onwards is also very problematic, when there is more mature fruit that can suffer splitting. In addition, the closer to the harvest, the worse, because the fruit dries in drying fields, which

must be obviously dry, otherwise the probability of generating fungi in the fruit increases." In Chile, in a normal period, the prunes harvest starts between February 5 and 8. The marathon is long. Can't claim victory yet. But so far so good: The flowering period and rainfall were positive, the fields they have been with optimal humidity in the soils, the pruning had abundant labor, there were no important frosts, but there was an important accumulation of hours of cold, and the weather also accompanied the fruit set period. Prunesco characteristic. Prunesco, founded in 1941, is the largest exporter of prunes in Chile, with a 20% market share. Founded in 1941 by a group of producers looking for better conditions to export their products, the company has today become the largest in Chile, a leader in Latin America and one of the three most important in the industry worldwide, thus reaching to more than 50 markets on five continents. It has more than 100 producers of various sizes, with surfaces ranging from 3 hectares to others with around 270, totaling more than 3,500 hectares.



## Chilean industry indicators October 2022

**Exported volume**  
50.378.252 kilos



**Exported amount**  
203.640.000 US\$ FOB.



**Main markets;**



These 10 countries represent 70% of the volume inside of the 61 destinations of Chilean prunes to date.

