HISTORY OF THE PRUNE INDUSTRY IN CHILE

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I - GROWING AREAS

In Chile growing areas are grown from the Vth Région < + 65 miles North of Santiago > down to the VIII Region < + 185 miles South of Santiago > and also in the Metropolitan Region that includes Santiago and its neighborhood < + 30 miles around the city itself >.

For the general knowledge, Chile is divised politically in 12 Regions, starting with the 1rst.Region up in the North limiting Peru and Bolivia, plus the Metropolitan Region that includes the city of Santiago and its vacinity and finishing down South with the XII Region and Antartica.

The last statistic we have of prune plantation in Chile made by Ciren-Corfo can be summarized as follows :

Fig. 1

REGION	N° ORCHARDS	SURFACE <Ha.>
IV	2	10,14
V	8	55,00
R.M.	125	1 144,08
VI	112	1 142,32
VII	34	281,01
VIII	3	0,69
IX	1	0,81
	285	2 634,05

As per the figures above indicated you easily can understand that the two most important growing areas are the Metropolitan and VI Region and in both areas are concentrated the 86,80 % of the total planted in Chile.

On the attached image, we show a map of our territory divided in Regions and a graphic indicating the distribution and percentage of prune plantation here in Chile.

N° OF HA. BY AGE OF THE TREES

GROWING AREAS	HA. W/ NON BEARINGS (0-3 YEARS)	HA. W/ INCREAS. (4-9 YEARS)	HA. W/ FULL PROD. (10-24)	HA W/ DECREAS. (25-UP)	TOTAL
IV	3,00	7,14	-	-	10,14
V	18,60	7,07	29,33	-	55,00
R.METROP.	77,50	140,91	842,51	83,16	1 144,08
VI	251,51	174,04	597,56	119,21	1 142,32
VII	18,21	84,15	177,75	0,90	281,01
VIII	-	0,02	0,54	0,13	0,69
IX	-	0,81	-	-	0,81
	368,82 14,10 %	414,14 15,72 %	1 647,69 62,55 %	203,40 7,72 %	2 634,05 100 %

2 - PRODUCTION IN THE PAST THREE YEARS

According to the statistic of 1993 the information we have regarding the Chilean exports represent to 90-95 % of the whole prune production.

The real domestic consumption is around 1.000 tons per year and also there some prunes sold in Chile to prune juice manufacturers that export all their prune juice production. Please see 2.2.

2.1 - EXPORTS (From Jan. 1 - to Dec. 31)

YEAR	METRIC/TONS	DESTINATION TWO LEADING IMPORT COUNTRIES
1991	9 632	Mexico : 32,11 % Brasil : 24,22 %
1992	12 071	Mexico : 38,88 % Brasil : 16,53 %
1993	12 291	Mexico : 36,15 % Brasil : 28,91 %

According to these figures more than 50 % of the Chilean exports in the past three years have been destinated to Brasil and Mexico.

2.2 - EXPORTS OF PRUNE JUICE CONCENTRATE

1991	467 tons	314 tons to U.S.A.
1992	410 tons.	410 tons to U.S.A.
1993	1.038 tons	752 tons to U.S.A.

These figures by themselves show a notable increase in the exports of this product.

3 - GROWERS ORGANIZATIONS AND TRADING IN CHILE

The first attempt to organize the prune growers in Chile was made by a group of about 25 farmers in 1941. They got together and decided to process and sell by themselves their fruit. They succeeded to do and formed Asprocica, still alive after 53 years.

Tradicionally Asprocica handles between 40 to 50 % of the Chilean production. The balance has been processed and sold mainly for export by different companies (brokers and packers) that buy the fruit to the growers, one by one, and try to make profit. Some of them have succeeded some others not. This is why every year new comers appear and some others dissapear and no more than 5 to 10 years.

In the past two years due to good prices and relatively easy selling of prunes throughout the world and specially in South America not quality minded, all these private packers and exporters have become very aggressive in the domestic market buying prunes from the growers at very attractive prices specially to the growers that have small size or low quality. This is possible because these buyers do not make a great difference of price offered to the growers by size or quality as we do in Asprocica and consequently small size or regular quality growers are in my opinion overpaid for their fruit as big size or good quality growers are not paid enough for their fruit in this market.

4 - EXPORTS

I would like to give an idea of the distribution of our export sales throughout the world. The percentages shown in the following table we determinated according to the FOB valeur exported to each country or zone (not by tonnage).

COUNTRY OR ZONE	YEAR		
	1991	**1992**	**1993**
Brasil	24,22	16,53	28,89
Mexico	32,11	38,88	36,15
Others Latin America	11,53	13,48	12,10
Great Britain	4,89	10,01	2,59
Spain	7,34	4,88	4,62
Italy	11,63	3,11	1,14
Germany	1,70	4,02	0,68
Others Europe	3,42	5,06	1,23
USA-Canada	1,41	2,25	10,53
Asia	-	0,78	0,49
Australia	1,75	1,00	1,58
TOTAL	100,00 %	100,00 %	100,00 %