

Argentina's cherry exports pale in comparison to Chilean exports

Argentinian cherry exports, which are mainly produced in Neuquen and Rio Negro, continue to grow but they are losing more and more competitiveness when compared with Chile, the leading exporter of this product in the world.

The difference in exports is huge; in the last season Chile exported 180 thousand tons, while Argentina only exported five thousand tons.

"Chile's growth is very big, and it is due to economic reasons. Argentina doesn't have the conditions to export because we are not competitive. This affects all regional economies, our internal costs are high and the operating costs and inflation don't allow the sector to grow," said Anibal Caminiti, the executive director of the Argentine Chamber of Integrated Cherry Growers (CAPCI).

In addition, there are new actors in South America, such as Peru, which have already displaced Argentina in other fruits, such as the blueberries, he said.

"We hope the economic situation improves and that we can at least guarantee predictability. This, however, will be very difficult if the internal variables and the exchange rate don't change," he added.

In terms of production, Chile plants about 3,000 hectares per year of cherry, while Argentina has 2,300 hectares planted and about 10 percent growth.

The trans-Andean nation also generates an oversupply of this fruit, which saturates markets like the Asian market, and makes Argentina even less competitive.

"This is why it is important that Neuquen and Rio Negro ship their products to the market early through the Neuquen airport, even though we're also shipping the fruit through Valparaiso, Chile, in the Pacific, through charter shipments," Caminiti said. "Our reaction is slow and that's why we're being overtaken. We have a great opportunity thanks to our production capacity and quality but we can't develop it due to our economic reality," he added.

Argentina exports 80 percent of the cherry it produces. Most of the cherry exported comes from Neuquen and Rio Negro.

In fact, nearly 3,000 tons of the 4,200 tons that the country exported last year, came from the two provinces of the Alto Valle.

The volume exported doubled in the last 10 years

In the last ten years, Argentina doubled its cherry export volume. In 2008, the country exported 2,134 tons of cherries, mainly to the Asian market, while in 2017 it exported 4,200 tons. There still is no official data for this season, but according to the Argentine Chamber of Integrated Cherry Growers, the country will reach five thousand tons. This shows that, despite the sector's competitive issues, the activity has had a great evolution. Regarding foreign currency, the income for the country has tripled, since 10 years ago. 7.5 million dollars were received and now they will receive 21.5 million of the American currency.

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