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Wildfires Damage Agricultural and Forest Areas

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Agriculture in the News

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Report Highlights:

On January 20, the Government of Chile declared a state of emergency and requested international assistance to combat wildfires that took place in the regions of Biobio, La Araucania, Los Lagos, Maule, Metropolitana, O'Higgins, and Valparaiso regions. The damage resulted in a significant loss of commercial forests that amounts to 8 percent of Chile's total forest area. These areas could take up to 30 years to recover. As such, domestic wood supplies are expected to decline in 2018 which may lead to increased demand for imports to fill the shortfall.

Overview

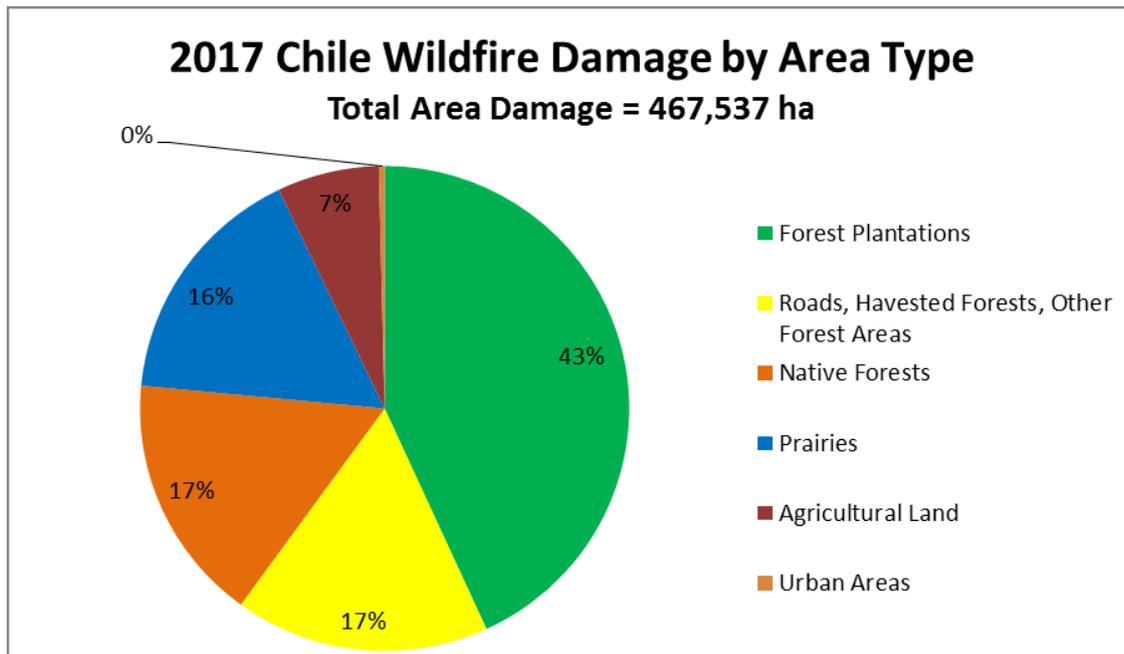
On January 20, the Government of Chile declared a state of emergency and requested international assistance to combat wildfires that took place in the regions of Biobio, La Araucania, Los Lagos, Maule, Metropolitana, O'Higgins, and Valparaiso. These wildfires devastated a total area of 467,537 hectares composed of native forests, radiata pine and eucalyptus plantations, towns, factories, and vineyards in the dry coastal areas of the country. The damage resulted in a significant loss of commercial forests that amounts to 8 percent of Chile's total forest area. These areas could take up to 30 years to recover. As such, domestic wood supplies are expected to decline in 2018 which may lead to increased demand for imports to fill the shortfall.

Damages and Losses in Various Sectors

Official assessments note significant damage to the forestry sector, which includes radiata pine and eucalyptus plantations (mostly for export), native forests, and other forest areas. Official data from the Ministry of Agriculture reports a total of 467,537 hectares (ha) were burned between January 18th and February 5th:

- 77,131 ha were native forests;
- 201,808 ha were forest plantations (radiata pine and eucalyptus) which are equivalent to 3 million cubic meters of production per year and 8 percent of the forest area in Chile;
- 78,753 ha were roads, harvested forests, and other forest areas;
- 76,551 ha were prairies;
- 31,516 ha were agricultural land;
- 1,778 ha were urban areas and terrain without vegetation.

The most affected region by the wildfires was Maule, with 279,930 ha burned (60 percent of the total burned area). In Biobio, 99,480 ha were burned (21 percent) followed by O'Higgins region at 88,127 ha (19 percent).



Source: Chile Ministry of Agriculture

A total of 4,696 farmers were impacted by the wildfires through the loss of animals, farmland, and/or feed. Chile's Wood Products Association (CORMA - Corporacion Chilena de la Madera) estimated losses at US\$350 million due to the fires. According to the Chilean Insurance Association, 75 percent of affected forest plantations (151,356 ha) had coverage. However, only US\$100 million of the losses were covered because the deductibles were so high. Recovery of these forest plantations could take up to 30 years according to local sources.

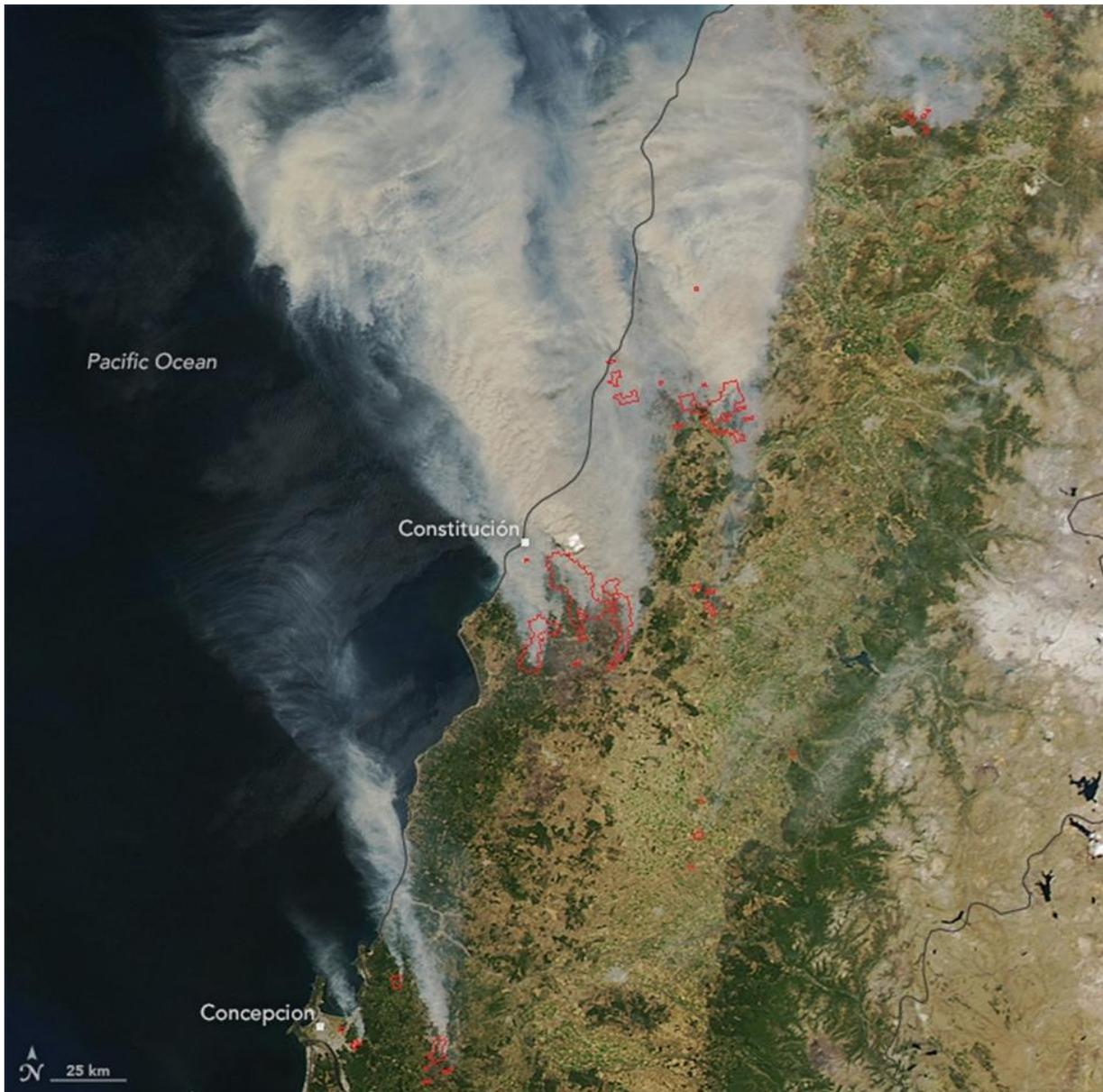
The Chilean Agriculture Association (SNA-Sociedad Nacional de Agricultura) estimated total losses for its sector at US\$20 million. This includes the loss of 400 ha of olive orchards and 100 ha of vineyards valued at US\$5 million, and an additional loss of US\$15 million as a result of damaged storage houses, packing plants, and fences. SNA warned that smaller farmers are likely to incur economic hardship due to the wildfires. The association also noted the loss of native flora and fauna has taken a toll on the local environment.

Vinos de Chile (Chilean Wine Association) estimated at least 92 ha of vineyards were burned, = including 10 ha in Pirque (Maipo Valley, Metropolitan Region), 7 ha in Colchagua (O'Higgins region), and 75 ha in Cauquenes area (Maule region). Chile's vineyards have a total area of 142,000 ha.

Unprecedented and Historic Wildfires

National Forest Corporation (CONAF) Director for the Maule region, Andrea Soto, reported that the wildfires began on January 15 and soon led to a national emergency declaration. The wildfires constituted a civil emergency because of their damage to forest plantations and communities. Plantations located close to villages and towns presenting a huge safety risk to the local population and led to evacuations. The wildfire that took place was classified as a 6th generation wildfire, unlike anything ever seen before in Chile, with the ability to shift the atmosphere at a continental level. In one

instance, five high-magnitude wildfires occurred simultaneously. Nothing of this sort had ever been reported before. The causes of the fires are currently under investigation.



NASA satellite image captured on January 25 showing widespread smoke originating from the wildfires in the coastal areas of Maule and Biobio regions



The town of Santa Olga on April 29, 2017



Burned forestry plantations on April 29, 2017



Burned forest in Constitución, Maule Region on April 29, 2017. The local company harvested the remaining lumber after the wildfire.



Damaged forest plantation in Constitución, Maule Region on April 29, 2017



Damaged forest next to the main road that leads to Constitucion, Maule Region on April 29, 2017

Impact on Employment

The wildfires have spurred concerns over their effect on local employment in the forestry sector. According to CORMA, the labor needed to rebuild plantations, houses, and infrastructure will offset most of the job losses initially incurred. However, there could be an increase in unemployment after reconstruction efforts are completed next year. The full recovery of forests is expected to lag leading to a decline in wood supplies available for saw mills. Some of the damaged saw mills may not be reconstructed as there are limited wood supplies available to ensure their operation at an adequate capacity.

Government Actions to Support the Agriculture Sector

The Ministry of Agriculture (MOA) focused its assistance in rebuilding farmers' productive capacity as soon as possible. MOA provided grants for immediate assistance to farmers of up to 1,000,000 Chilean pesos (around US\$ 1,500). Vaccines and anti-parasites were administered to affected livestock populations. In addition, MOA supplied feed to producers whose feed supplies were destroyed. MOA also assisted beekeepers by provided sugar supplements for their hives. Other MOA programs seek to bolster preventive measures. More attention is now focused on land use planning as a way to address wildfire variables, such as firewalls, electrical grid placements, plantation area, and the management of ravines. Finally, a joint action plan was developed by the Ministries of Agriculture, Finance, Economy, and Environment aimed at recovering the natural and productive assets affected by the wildfires.

Support from the United States and Others

The U.S. Agency for International Development through its Office of Foreign Disaster Assistance (USAID/OFDA) donated US\$ 500,000 to support the humanitarian needs of affected communities and US\$ 200,000 worth of protective equipment to those fighting the fires. In addition, the non-profit organization of Caritas Chile donated US\$ 100,000 for the local procurement and delivery of firefighting equipment and US\$ 20,000 to purchase tools needed to build firewalls. An emergency response team of nine U.S. Forest Service and USAID/OFDA wildfire technical experts was also deployed. A private foundation provided the 747 “Supertanker” airplane to help combat the wildfires.

Other countries also gave support to Chile; some of their support is listed as follows:

- Argentina - 35 firefighters and 50 specialists
- Brazil - 28 military personnel and 2 Hercules C-130 airplanes
- Colombia - 35 firefighters
- Spain - 56 voluntaries
- Portugal - 51 firefighters
- México - 58 firefighters
- France - 4 experts and 65 firefighters
- Russia - Ilyushin II-76 airplane
- Peru - 50 voluntaries and a Bell 212 Air Force helicopter
- Venezuela - 80 firefighters
- Panama - 20 firefighters