

# Current situation and future prospects for Specialty Plant Nutrition products in Latin America



**Claudio Morales**

During his presentation in Guadalajara, Claudio Morales, SQM Sales Director for Latin America, showed great optimism about the growth potential of the market for specialty plant nutrition products in Latin America. The main reason? The economic stability in the region, with an inflation rate likely to remain rather stable at about 6%.

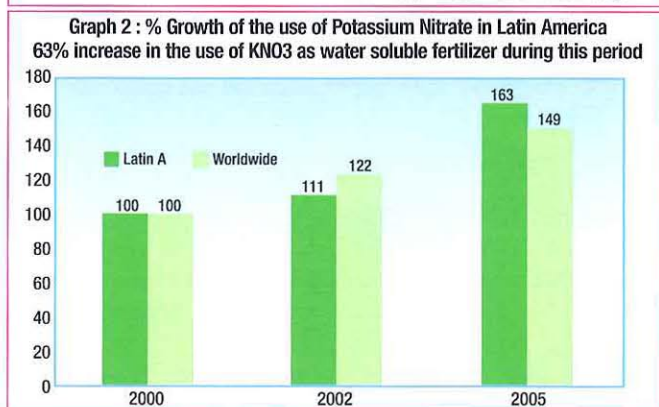
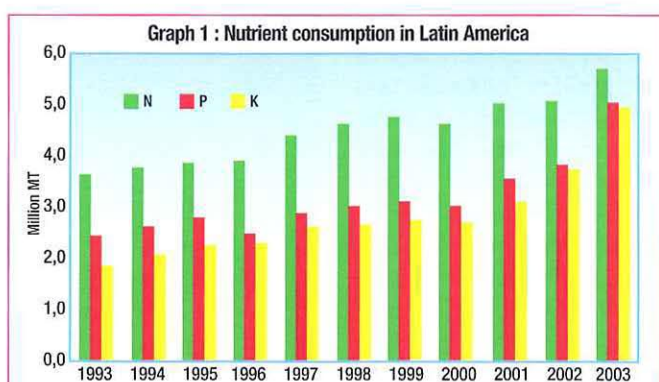
The growth of the area under mechanized and pressurized irrigation (such area has increased twice as fast as the agricultural area during the past 10 years) is also one of the reasons why the market has grown and will continue to grow.

## A BOOMING CONSUMPTION OF POTASSIUM NITRATE

The first figure that shows the potential of this market is the increase of 5% on average of the consumption of N, P, and K, with a total consumption of around 26 million tons in Latin America during 2005. During the period 2000-2005, the consumption of Potassium Nitrate has increased by 63% (vs "only" 49% worldwide) and such growth was mainly driven by the demand for Potassium Nitrate as a straight fertilizer for use in fertigation but also as a raw material for the manufacturing of water soluble fertilizers (soluble NPKs for fertigation).

## GOOD PROSPECTS IN A NUMBER OF COUNTRIES

Brazil currently represents 64% of the total Latin American consumption of fertilizers and shows a good potential for use of specialty plant nutrition products on



sugarcane, coffee and citrus but the perspectives of growth are also important in a number of countries. Peru is the world's second asparagus exporter, the first paprika exporter and the 3rd biggest US onion provider and artichoke exporter. Argentina is currently increasing its production of wine, citrus and vegetables. It is among the top 10 world's biggest apple exporters. Ecuador is the second largest flower producer in South

America after Colombia. In this country, mango producers mostly use pressurized irrigation and it is the world's largest banana exporter. Colombia is the second largest exporter of flowers in the world and the main provider of flowers for the USA. It is also one of the biggest banana exporters. Chile, besides its increase in wine exports, has signed a new international trade agreement that is likely to boost the exports of Ag produce for the next years. ■