GB Potatoes

Market Intelligence 2017–2018

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Foreword

At the time of writing this, in late October, the full crop picture is still unknown. Although planted area was up again in 2017 by a further 4%, we learnt from last season that poor yields can offset the impact of an area increase. That said, many within the industry are expecting a larger crop this season. This has increased speculation of poorer financial yields for many growers, as buyers seize the chance to recoup some of the costs following the previous two high-priced years. This is becoming apparent, as we have seen the WAPS free-buy price drop by almost £50/t since the start of the season. Although there are a growing number of reports suggesting higher than average yields this year, there is still a lot to be revealed about the total GB crop size. AHDB's production estimate, due to be released around the end of November, will provide an insight for the coming season's available crop, so stay tuned to Potato Weekly for further updates.

Regardless of market conditions, we can ensure that the market information we provide equips our levy payers and stakeholders with the information needed to make the best possible business decisions. Produced by the AHDB Market Intelligence (MI) team, whose systems are certified to ISO 9001:2015, the aim of this annual publication is to provide trusted, key information about the GB potato market in order to inform decision-making and provide answers for common questions about the industry. This publication provides final figures for the 2016/17 crop year and provisional area figures for the 2017/18 season (as of November 2017).

The AHDB MI division's role is to communicate accurate, timely, independent and transparent information on potato markets and prices. Senior Analyst Sara Maslowski and Analyst's Amber Cottingham and James Webster provide potato expertise in the Market Specialists team, an integral part of the MI division. They can draw on the support of consumer specialist Emily Beardshaw and Data & Analysis team to give their work context and assured quality. Their role is to provide information to help growers and purchasers understand the business environment for potatoes, giving them the information to make fully informed business decisions. The launch of the new Potato Data Centre (**potatodatacentre.ahdb.org.uk**) now provides the industry with the latest prices and statistics, visualised in an interactive way to provide insight and knowledge to facilitate these business decisions. We would like to express our thanks to the many individuals and organisations that have provided us with information and support for this publication.

Season overview

The 2017/18 season is looking to be a year characterised by a significantly higher level of production and lower average farmgate prices for many markets. Although a clear production picture was not available at the time of writing, reports suggest yields are likely to be higher than average. Increased yields, coupled with a 4% area increase this season makes a compelling argument for higher production. This comes in stark contrast to the previous season where, despite an area increase, yields were below average and production dipped for the second year in a row. This helped to drive farmgate prices higher than average for the second year running. It therefore came as no surprise that the planted area increased once more this season, owing to the strong correlation between higher farmgate prices driving increases in planted area (see Figure 5 for more detail).

The 2017/18 season started dry, aiding planting progress throughout the country. Many growers reported being well ahead of normal and AHDB's planting progress survey found it to be the fastest year to 100,000ha planted since 2011. However, this dry spell continued for many parts of the country and it soon became a concern for many growers whose crops desperately needed water. According to the Met Office, the majority of the UK saw between just 50% and 90% of average rainfall in spring of 2017. This caused concern that crop progress would fall behind as plants were slow to emerge.

The conditions over the summer growing period were quite mixed with prolonged spells of hot dry weather and heavy rainfall in some regions. Both caused concern for crops to some extent but in large, after the crops got the much needed post-planting rain, they grew well and made good progress. Lifting has also been a mixed bag this season, with many regions, especially in the West, struggling with very wet weather. This has caused delays in harvest progress as well as issues with excess mud and disease pressure.

As the end of harvest draws closer, we have begun to gain a clearer picture for yields in 2017/18, which are looking to be higher than average. This has already started to put pressure on market prices, causing price decreases across the board. A key driver for this has been a high level of potatoes entering a market place largely dominated by contract supply, currently leaving very little demand for free-buy potatoes.

Over the water in Europe, the North-Western European Potato Growers group (NEPG), reported a planted area increased by almost 6% this year, to fulfil the ever-increasing processing need. Early indications suggest the NEPG region's production will be up by more than 17% on the previous season, although there is still a proportion of the crop to be lifted in both the Netherlands and GB. This increase has been driven by all five member countries (GB, Belgium, France, Germany and the Netherlands) increasing their planted areas this season as well as many reporting higher than average yields. Both the Netherlands and Belgium have reported production increases of over 20% on the previous season.

The fluctuations in yields and planted area from year to year continue to drive volatility in prices between seasons. While it remains to be seen how price trends will develop in 2017/18, the past five seasons (2012/13–2016/17) have featured the widest range in average GB farmgate prices between seasons ever recorded by AHDB.

Section 1 – The GB potato industry

The GB potato industry

2016/17 saw an increase in planted area from 112,000ha in 2015/16 to 116,000ha. This season has seen a similar increase of 4% in planted area, taking GB's crop area up to 121,000ha, as at June 2017. If average yields are achieved this year, production could be between 5.6 and 5.7 million tonnes. This would mean a crop at least 400,000 tonnes larger than the two previous seasons.

Considering long-term trends, while the planted area has decreased considerably, production has remained at around the 5–6 million tonne mark. This is because yields have risen over the same period, compensating for the reduction in area.

Increased yields have been driven largely by improved agronomy, crop protection, fertiliser regimes, variety changes and developments in irrigation practices.

As with other arable crops, weather is the largest driver of short-term fluctuations in yield and production. This can be seen most recently in 2012/13, when the second wettest year on record caused GB potato production to fall to the lowest level since the drought year of 1976.

Figure 1. Yield per hectare and total production

Source: AHDB (Crop Data Forms)

Trends in planted area

In 2016, the number of registered growers was down again to 1,925. A figure for 2017 will not be published until early 2018. The area per grower has been steadily increasing since the 1960s, although there was a period this century when growth stalled; it has begun to increase again. The average area planted per grower is now approximately 63ha, meaning growers are planting on average 10ha more than they did five years ago.

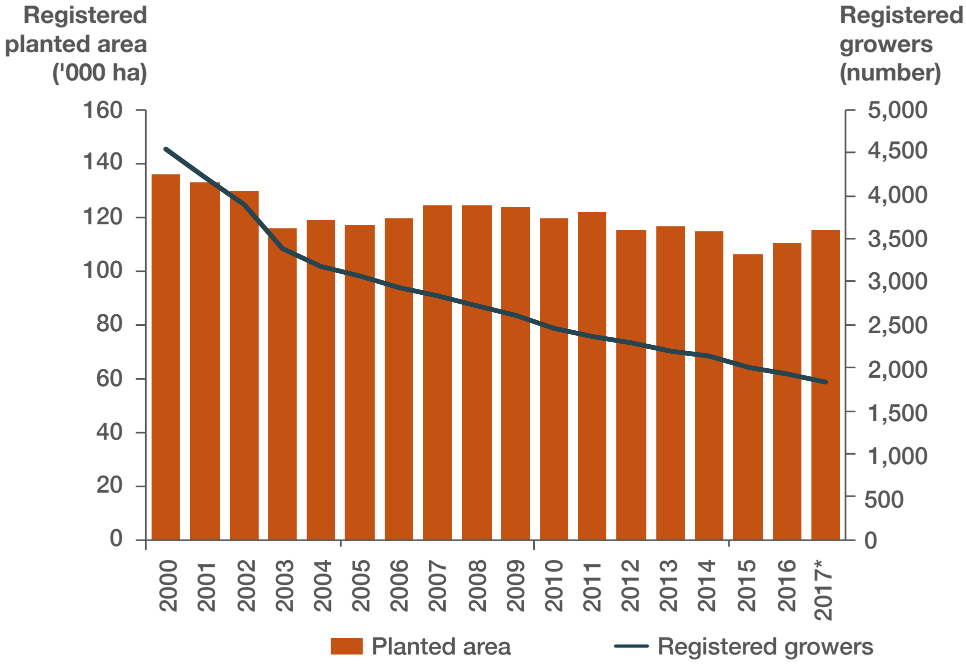


Figure 2. Planted area and number of growers 2000–2017

Source: AHDB. Notes: *2017 provisional data as at August 2017

Consolidation of the industry

In 2017, 15% of all registered growers were estimated to have planted 100ha of potatoes or more, representing over half of the total planted area (53%). This compares to just 5% of growers in 1999, representing 28% of the planted area.

Smaller-scale growers are in decline, with an estimated 20% of registered growers planting 3–9ha in 2017 compared to 36% in 1999.

As with many other agricultural industries, numerous organisations within the potato sector are becoming more highly specialised in order to compete.

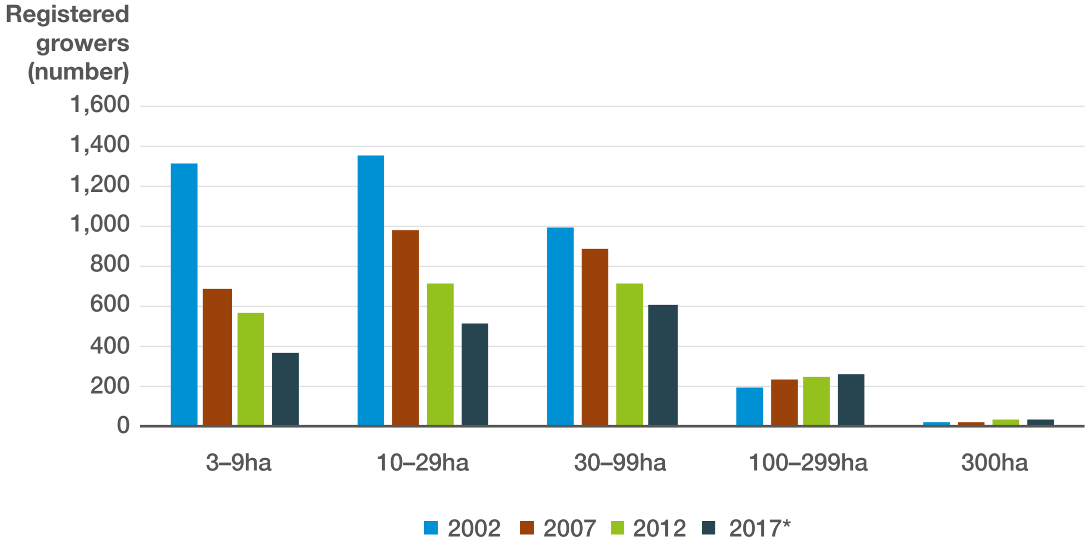


Figure 3. Number of potato growers by size band in hectares
Source: AHDB. Notes: *2017 provisional data as at November 2017

Main production areas

- Scottish planted area down 10% over the last 10 years and down 4% over the last 5 years.
- North East planted area down 30% over the last 10 years and down 3% over the last 5 years.
- Yorkshire and Humber planted area up 12% over the last 10 years and down 9% over the last 5 years.
- East Midlands planted area down 7% over the last 10 years and up 3% over the last 5 years.
- East of England planted area down 4% over the last 10 years and down 2% over the last 5 years.
- South East planted area down 13% over the last 10 years and down 11% over the last 5 years.
- North West planted area down 3% over the last 5 years.
- Welsh planted area up 8% over the last 10 years and down 16% over the last 5 years.
- West Midlands planted area up 24% over the last 10 years and down 11% over the last 5 years.
- South West planted area down 13% over the last 10 years and down 3% over the last 5 years.

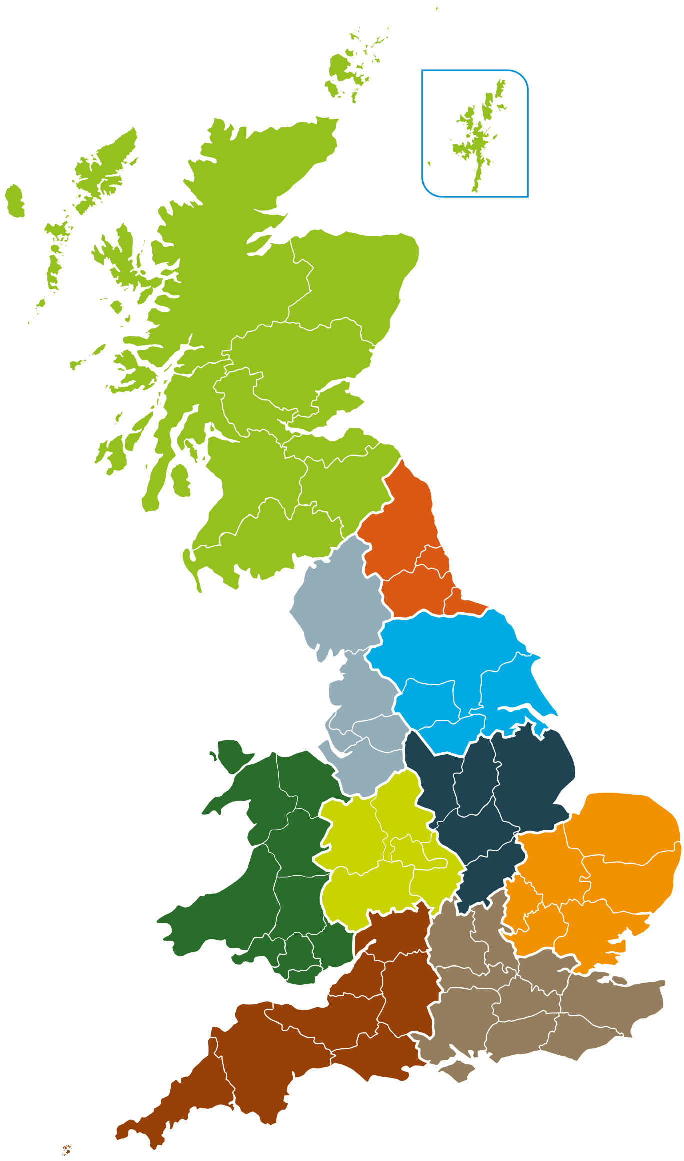


Figure 4. Regional change over 5 and 10 year periods
Source: AHDB, November 2017

Table 1. Planted area by region in hectares

GB region	2013	2014	2015	2016	2017*	2017 % of total area
North East	900	1,000	800	900	900	1
North West	5,800	5,800	5,600	6,100	5,800	5
Yorks & Humber	13,900	14,400	13,600	13,800	15,400	13
East Midlands	16,500	16,800	16,200	15,900	16,600	14
West Midlands	14,700	13,900	12,800	13,500	13,800	11
East of England	32,800	32,300	30,300	31,300	32,300	27
South East	3,200	3,000	2,600	2,800	2,800	2
South West	6,000	5,800	4,900	5,500	5,800	5
Scotland	26,900	26,400	23,600	24,800	25,800	21
Wales	1,600	1,700	1,700	1,700	1,800	1
Grand Total	**122,400**	**121,100**	**112,000**	**116,200**	**120,900**	

Source: AHDB. Notes: *2017 provisional data as at November 2017. Please note that totals may not exactly tally due to rounding. Data for 2016 and 2017 has been restated due to improved data availability for the period

Most popular varieties by planted area

A combination of factors influence the choice of varieties grown. These could include disease resistance, yield potential, soil type, irrigation availability, storage availability, farm setup or end-market requirements.

Maris Piper remains the most popular variety in terms of planted area, accounting for around 14% of area planted in 2017, as shown in Table 2.

Newer packing varieties seem to be increasing in popularity, with Nectar (packing: +39%) having an increased area of almost 900ha. Similar strong gains were made by Lanorma (packing: +115%) and Cultra (packing: +39%), although these remain outside the top 10. These are all newer varieties, which seem to be proving popular with both purchasers and growers.

Lady Rosetta has had the largest area decrease again this year, down by around 500ha, followed by Hermes, Estima and Markies. All of these varieties have continued to decline for the past few years.

Table 2. Planted area by variety in hectares

Top 10 varieties	2017*	2017 % of total area	2016 Rank	Change in rank Final 2016 vs. Provisional 2017	
1. Maris Piper	16,300	14	1	0	▶
2. Markies	5,900	5	2	0	▶
3. Maris Peer	5,100	4	3	0	▶
4. Melody	4,300	4	5	+1	▲
5. Lady Rosetta	3,400	3	4	-1	▼
6. Nectar	3,200	3	10	+4	▲
7. Estima	2,900	2	6	-1	▼
8. Taurus	2,800	2	7	-1	▼
9. Pentland Dell	2,800	2	8	-1	▼
10. Innovator	2,500	2	12	+2	▲

Source: AHDB. Notes: *2017 provisional data as at November 2017

Market sector trends

In 2017, the largest proportion of the planted area grown was intended for use in the pre-pack market at around 38%, up 1% from last year. Favourable free-buy prices achieved during 2015/16 and much of the 2016/17 season made this an attractive option for growers, so it is not surprising that the area planted increased again.

Potato plantings intended for the processing sector make up the second largest area, with 29% of the total area planted in 2017. This shows an area decline for this sector for the second year in a row.

Table 3. Planted area by sector in hectares

Market sector	2013	2014	2015	2016	2017*	2017 % of total area
Fresh bags	7,000	7,000	6,100	5,900	6,100	5
Fresh chipping	14,400	13,900	12,900	14,000	14,900	12
Pre-pack	46,000	43,000	38,600	42,300	45,600	38
Processing	33,800	34,300	34,400	35,700	35,200	29
Other ware	5,200	6,300	4,800	2,500	2,400	2
Seed	16,000	16,500	15,100	15,900	16,200	14
Total	**122,400**	**121,100**	**112,000**	**116,200**	**120,900**	

Source: AHDB. Notes: *2017 provisional data as at November 2017. Please note that totals may not exactly tally due to rounding. Data for 2016 and 2017 has been restated due to improved data availability for the period

How price affects planting decisions

A range of factors such as price, grower confidence and contract arrangements drive planting decisions. Figure 5 illustrates the lagged relationship between price and planted area, comparing the influence of the previous year's price on the following year's area.

During 2015/16 and half of the 2016/17 season, prices for most markets were unusually high. The 2015/16 season's overall free-buy average price was just over £170/t, making it the third highest-priced season this century, behind the 2012/13 (more than £225/t) and 2016/17 (almost £194/t) seasons. Looking at these prices would indicate that the area planted would likely increase – and it did, two years in a row. The 2016 and 2017 seasons have seen a 4% area increase each, taking the planted area back up to that of 2014.

Knowing this and seeing it in action makes it easy to understand why the potato market is such a volatile place to trade, with area planted and price paid for potatoes having such a close and direct influence on one another. Depending on final yields achieved this year, this may add downward pressure to prices, which, according to historical trends, could encourage fewer growers to plant in 2018/19.

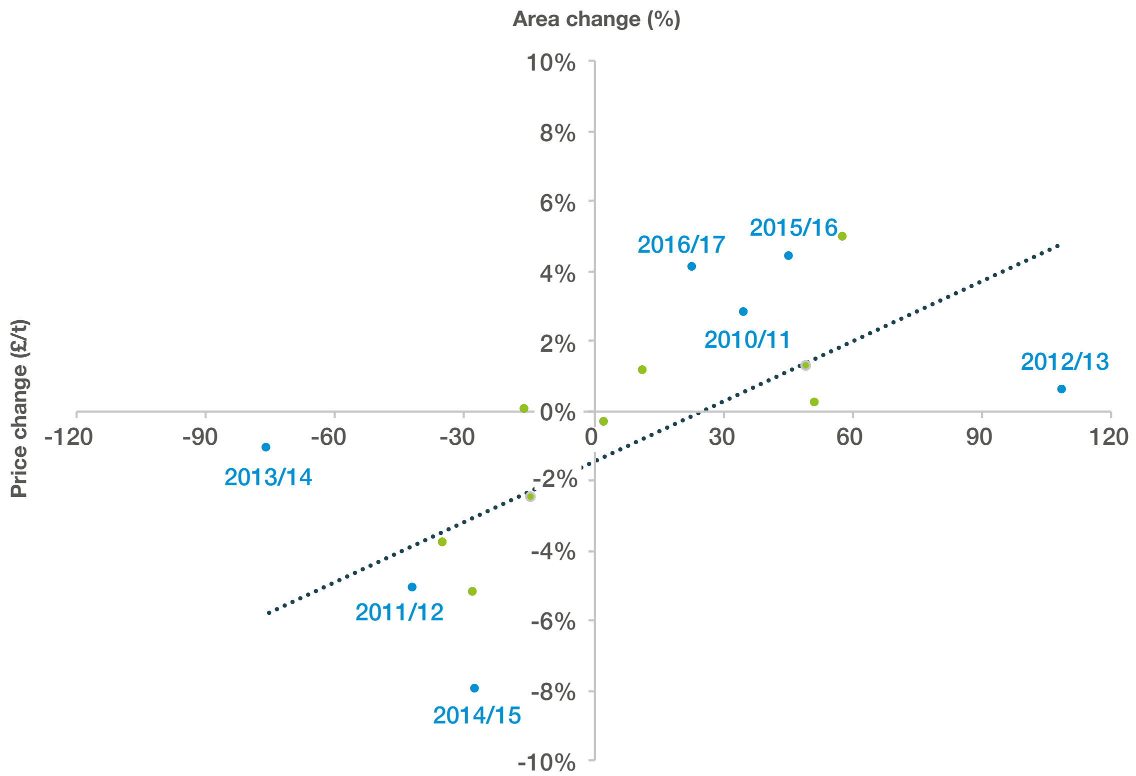


Figure 5. Relationship between the percentage price change and the change in area the following year
Source: AHDB
Notes: The first year refers to the price difference from the previous year and the second year refers to the difference in area from the previous year

Farmgate potato prices

AHDB's Weekly Average Price Survey (WAPS) provides a weekly look at overall potato market directional trends. It comprises two prices: the overall average, produced by combining the free-buy market values as well as the contract market values and the free-buy rate, which is a spot market price for the week in question. Both of these prices are derived from a panel of 20+ companies within the potato industry, covering a large proportion of first purchases made each week. Although these prices are produced using actual sales information, due to the different market sectors represented, the price produced should only be used to show the directional trend of prices and not to represent any individual market's actual price at the time.

The 2016/17 season had a 4% planted area increase on the previous year. However, yields were poor and total production ended up at a similar level to the previous season. This looked to have compounded the already tight supply situation following on from the 2015/16 season, leading to some high prices throughout the first half of the season. For some markets, such as processing, these prices remained firm; conversely, in some other markets, where supplies were more readily available, prices started to dip in January. Although they held for a time, they then began to decline towards the end of the season.

So far this season, prices have followed their usual start-of-season decline, albeit from a lower starting point than in the previous two years. Keep an eye on Potato Weekly and WAPS for a more in-depth look at individual quotes from the various markets.

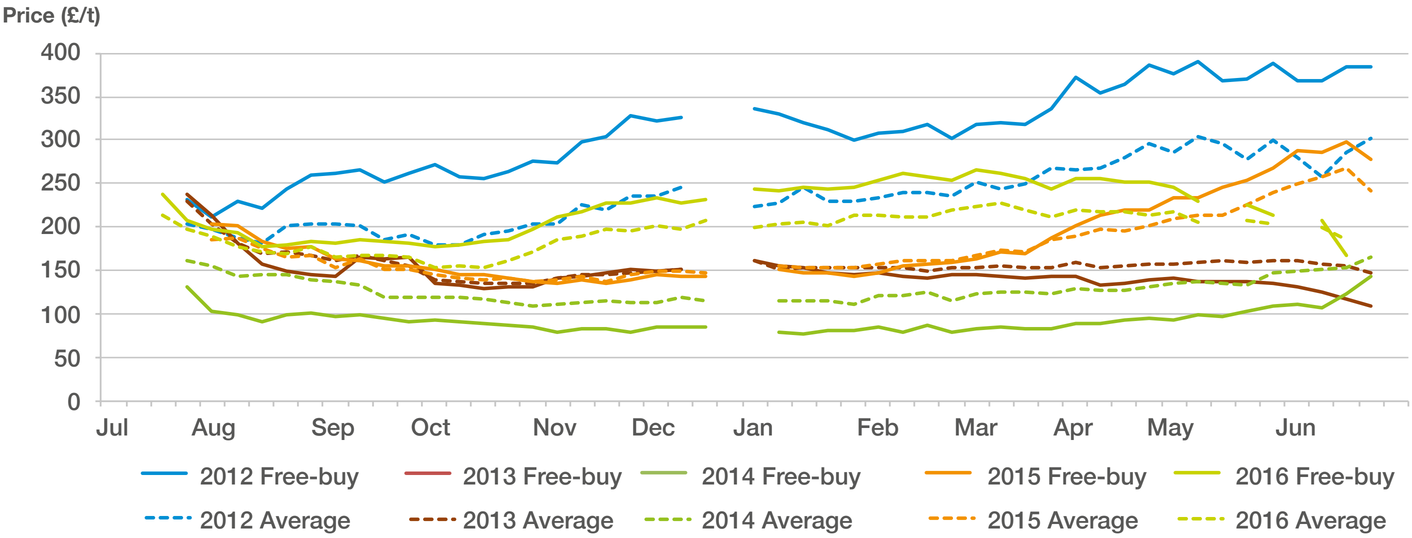


Figure 6. GB weekly average and free-buy price trends

Source: AHDB

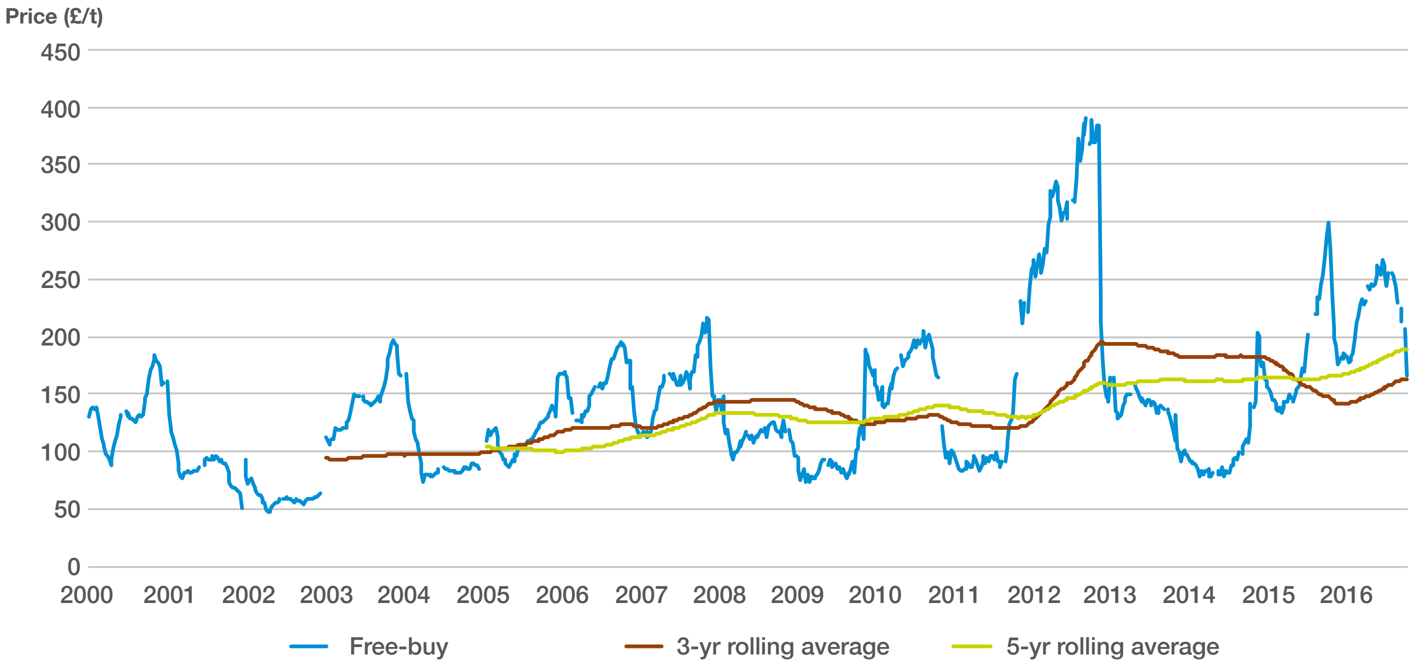


Figure 7. GB weekly average trends and long-term averages from 2000–2017

Source: AHDB

+24% Processed exports are up, while imports are also up 5%

54,000t Net import of fresh potatoes up 22%

+3% Seed exports have increased, while imports are 60% down

GB potato exports and imports

According to HMRC data, during the 2016/17 season, total imports increased slightly and total exports decreased a little, albeit both by less than 1%.

Imports of seed potatoes during the 2016/17 season were down significantly, by 60%. Although this comes as no surprise, due to the poor yields achieved on the continent in the previous year, seed was in very high demand and was reported to be fetching upwards of €1,000/t for certain varieties. This was driven by a 62% reduction in seed from the Netherlands. Imports of fresh potatoes were down 5% and exports down 11% following the tight domestic situation as well as limited supplies on the continent.

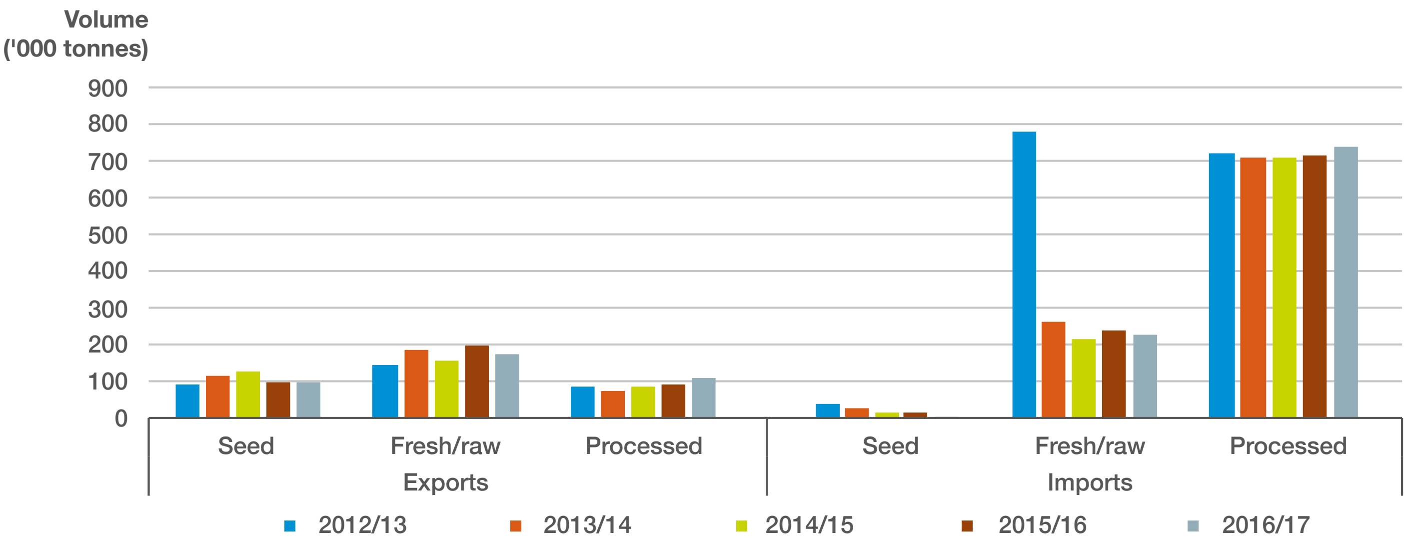


Figure 8. UK exports and imports of potatoes by sector

Source: HMRC, November 2017

Potatoes in the carbohydrate market

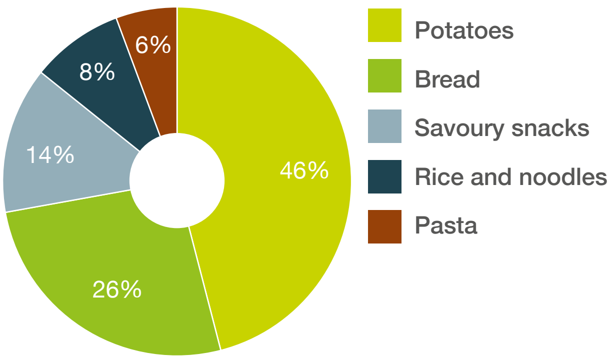
Fresh potato sales have continued their long-term downward trend over the past five years according to Kantar Worldpanel data, with volume sales declining by 4% and value sales declining by 19% in the period.

In the most recent year, fresh potatoes sold in GB retail were worth £1.1bn (year ending August 2017). This was 2% lower than in the previous year and is due to lower average retail prices, as volumes have remained relatively stable over the past year.

Volume sales of fresh potatoes across the retailers have been relatively stable, with the major multiples and the hard discounters experiencing some growth year-on-year.

The proportion of fresh potatoes sold on promotion has fallen again in the last year, from 30% in the year ending August 2016 to 24% in the year ending August 2017, reflecting the reduction in promotional activity seen across the grocery sector.

The chilled potato market represents a small proportion of the total potato market by volume but is an important value-added segment. Spend on these products was up 9% in the year ending August 2017, exceeding £272 million. This has resulted from an increasing number of people buying into the category and a higher average price.



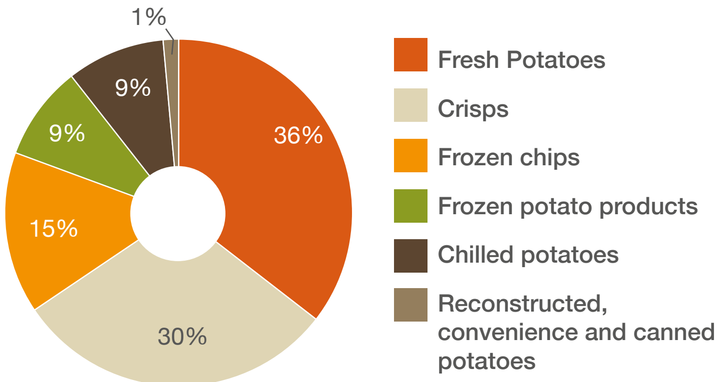


Figure 9. Breakdown of the share of the carbohydrate and potato sector markets by value of sales

Source: Kantar Worldpanel, 52 weeks to August 2017

+46% Potatoes make up the largest share of the UK carbohydrate market

-19% Continued decline of fresh potato sales by value

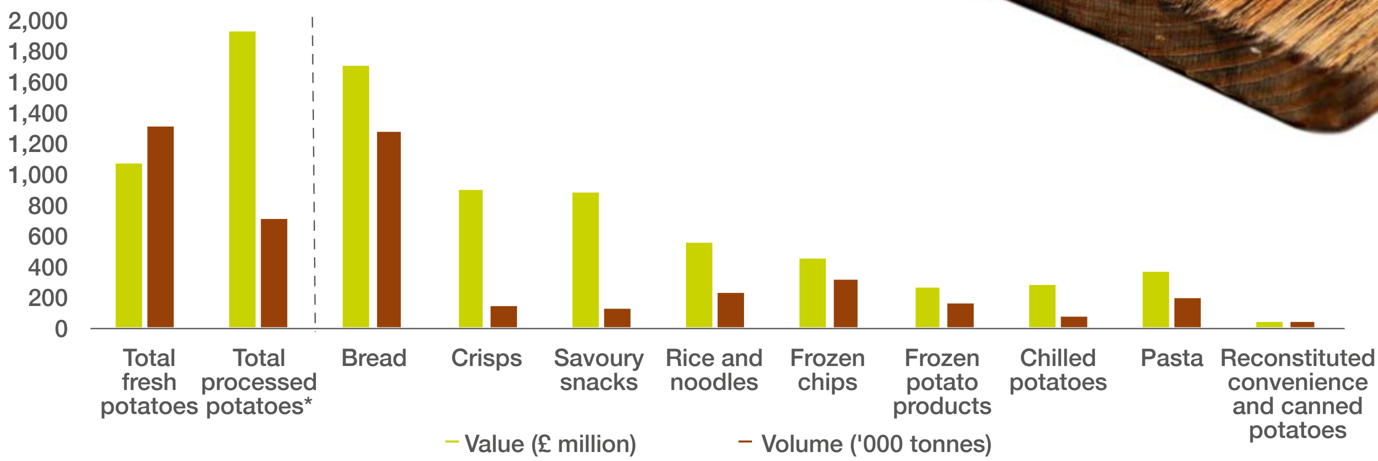


Figure 10. Value vs volume relationship

Source: Kantar Worldpanel, 52 weeks to August 2017

Notes: *Includes crisps, chips, frozen, chilled and reconstituted, convenience and canned

GB carbohydrate retail sales

Volumes of different carbohydrates sold in the GB retail market have remained relatively static over the past year, with rice and noodles experiencing the most significant volume growth.

Maincrop accounts for 60% of fresh potato volumes sold through GB retailers. This proportion has decreased this year, as volumes have declined. New potato volumes have also seen a 3% fall in volume sales, while baking potatoes have seen good volume growth of 13% year on year. This has been driven by an increase in volume purchased per buyer, with baking potatoes now representing just over a fifth of fresh potato volumes sold.

The total volume of frozen potatoes sold has been lower this year than in the previous year, but spend in the category has remained stable overall. Lower volumes of both frozen chips and frozen potato products have been sold in the last year. On the other hand, there has been increased spend in the frozen chip category, which was driven by an increase in average price.

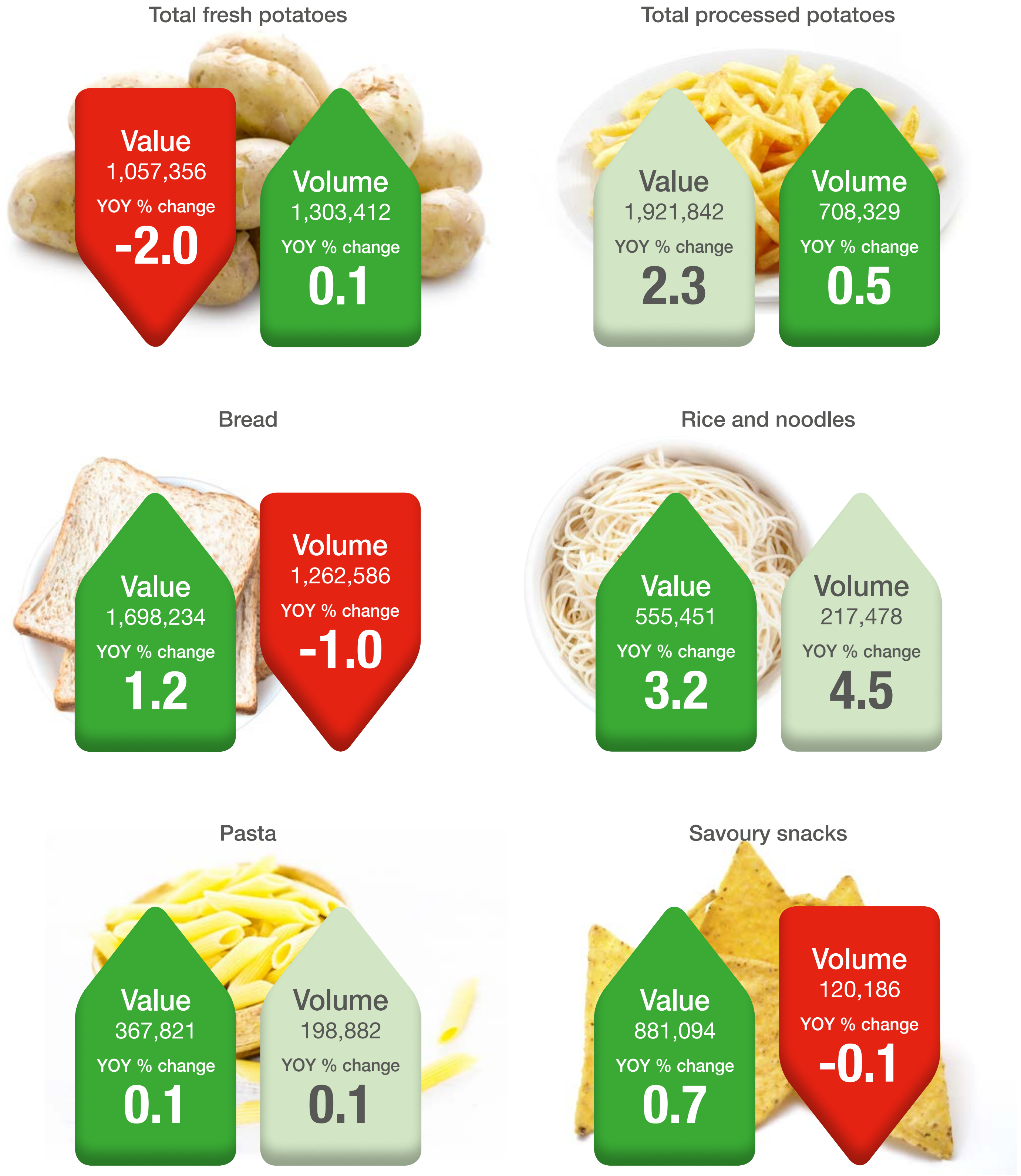


Figure 11. Volume and value of carbohydrates market

Source: Kantar Worldpanel, 52 weeks to August 2017. Notes: Value (£ millions) Volume ('000 tonnes)

Consumer perception of potatoes

AHDB conducts a consumer tracker with YouGov to monitor attitudes toward potatoes on a six-monthly basis. The most recent findings of this survey show that 76% of consumers eat potatoes on a weekly basis and when asked, 71% of people surveyed said they considered potatoes to be healthy.

While there are threats to potato consumption from alternative carbohydrates such as pasta and rice in terms of their perceived healthiness and how convenient they are to prepare and cook, versatility and being tasty are key areas that consumers consider positive in relation to potatoes.

Some consumers believe the varieties of potatoes below are worth paying a bit more for. The per cent agreement can be seen below:

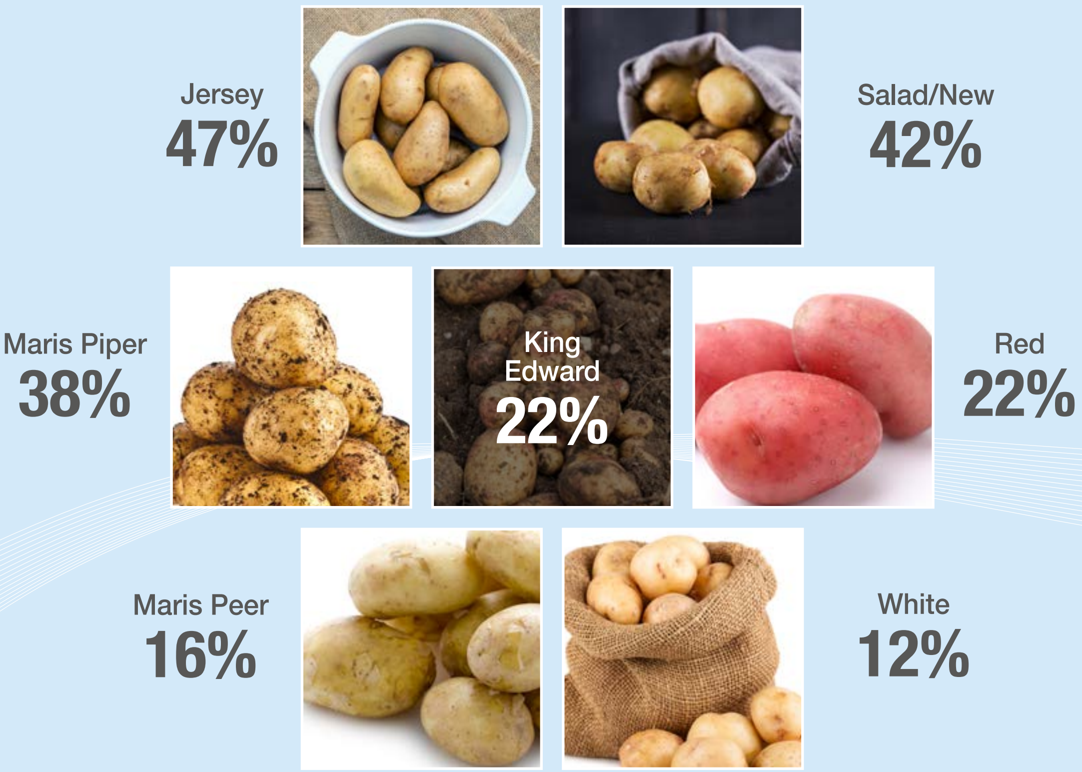


Figure 12. Potato types consumers consider worth paying more for
Source: AHDB/YouGov's consumer tracker, July 2017

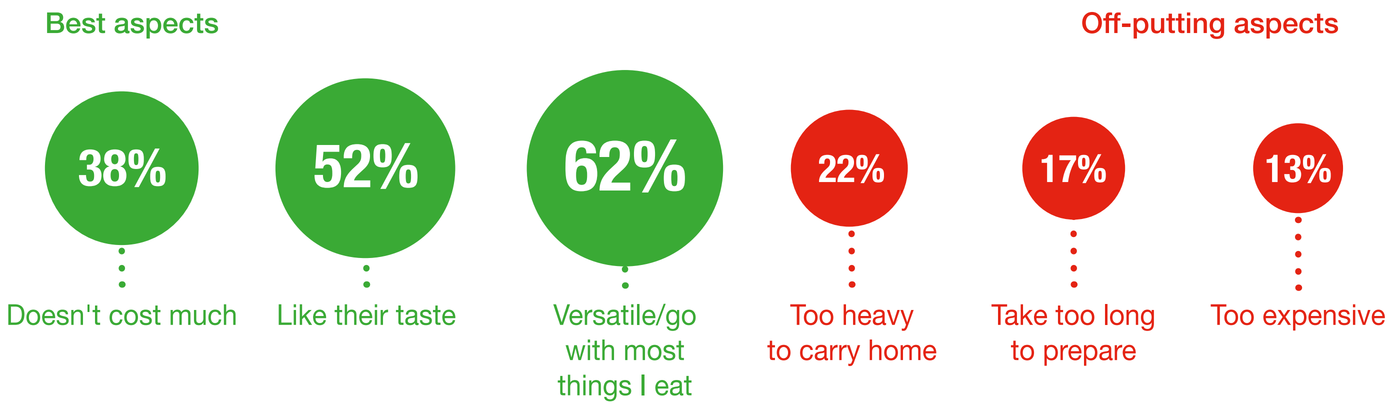


Figure 13. Pros and cons of purchasing fresh potatoes
Source: AHDB/YouGov's consumer tracker, July 2017
Notes: Base: All respondents in potato section (1,052)
YGq21: Which THREE, if any, of the following would you say are the best aspects of potatoes? (Please select up to three options)
YGq20: Which THREE, if any, of the following put you off buying more fresh potatoes? (Please select up to three options)

GB potato consumers

In the year ending May 2017, there were 5.4 billion meal occasions featuring fresh potatoes eaten in the home and a further 2.8 billion featuring frozen potato products.

Combined, fresh and frozen potatoes accounted for 33% of all in-home* meals containing carbohydrates. However, fresh and frozen potatoes featured in 3% fewer meal occasions than in the previous year.

Fresh potatoes have an older consumer profile than frozen potato products. Consumers consider these processed products to be more convenient due to reduced involvement in cooking and preparing. They tend to appeal more to families.

The British foodservice market experienced some growth in the year ending June 2017, with total food servings up 1.1%. Out-of-home potato servings have also increased, with the highest levels of growth from servings of chips, crisps and hash browns.

More information about consumer trends can be found here: **www.ahdb.org.uk/consumerinsight**

*refers to in-home/carried out consumption, which is food that has been consumed at home, or taken out of the home and consumed elsewhere

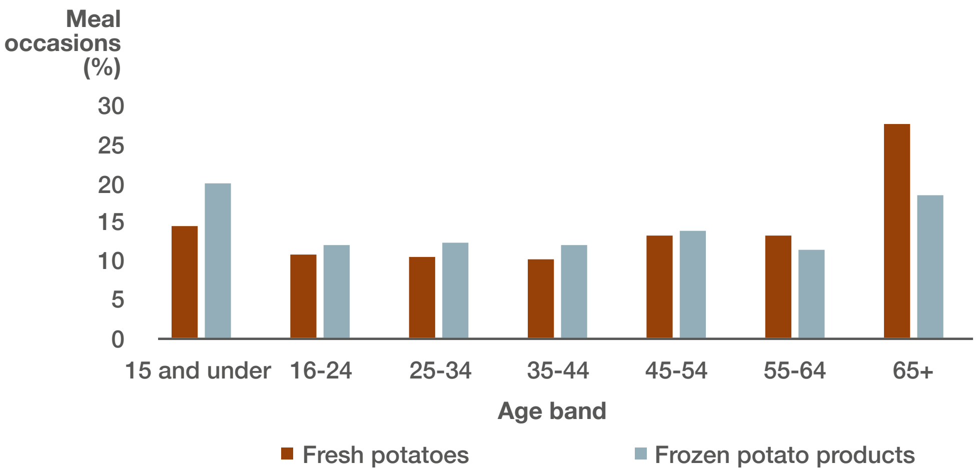


Figure 14. Consumer profile – fresh potatoes and frozen potato products

Source: Kantar Worldpanel Usage

Notes: 52 weeks to 21 May 2017

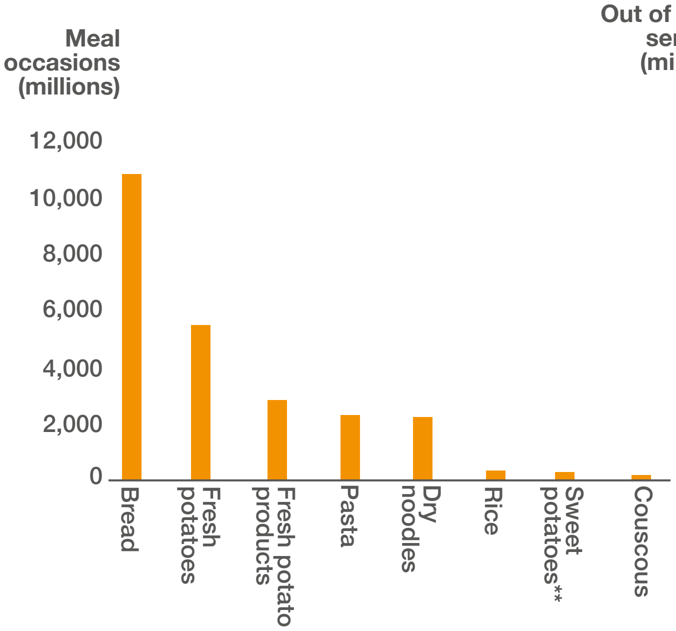


Figure 15. In-home meal occasions (millions) – carbohydrates**

Source: Kantar Worldpanel Usage

Notes: Total in-home/carried out, 52 weeks to 21 May 2017.

** sweet potatoes are a vegetable but have been included here for comparison purposes only

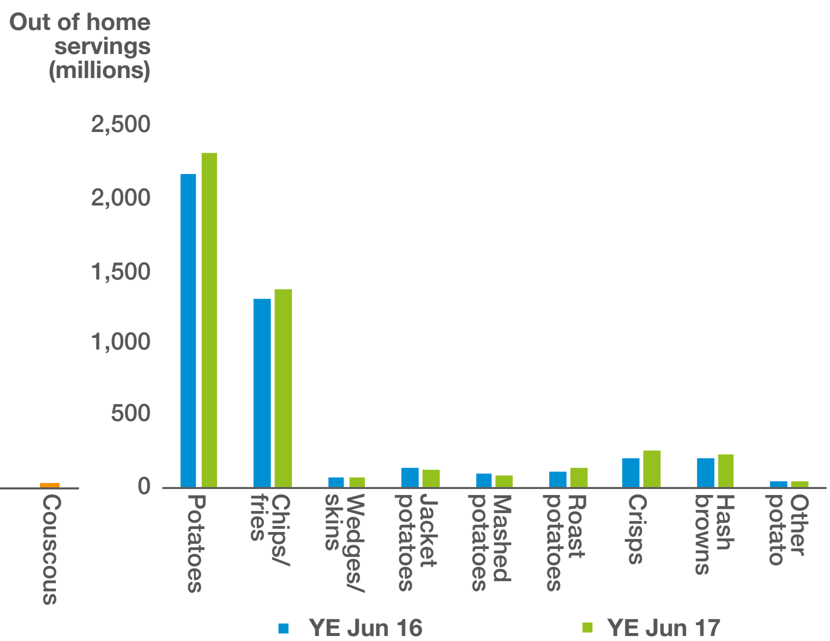


Figure 16. Total out-of-home servings (millions) of potatoes

Source: NPD Crest, year ending (YE) June 2017

Section 2 – The European market

The European market

The GB market is increasingly influenced by the European potato market. Volatility in potato supply and prices, due to issues such as weather, means that imported European product plays a part in the GB market. Price, quality and variety of homegrown supply, as well as currency fluctuations, influence the level of imports in any particular season.

The North-western European Potato Growers (NEPG)

Established in 1997, and representing the five leading potato-growing countries, NEPG aims to facilitate the communication of up-to-date and accurate business information for the benefit of the industry.

The network also aims to improve the stability of the EU processing supply chain through information provision and exchange. AHDB is a member of NEPG and, as such, gains insight into the dynamics of the North-west European potato market.

Privileged access is also given to information on production as well as technical and marketing aspects of NEPG countries.

More information is available at **www.nepg.info**

The Belgian potato market

The processing industry has expanded tremendously during the last 23 years, from 0.8 million tonnes in 1994 to nearly 4.4 million tonnes in 2016.

To fulfil industry requirements, the potato area has increased from 52,000ha in 1994 to 96,300ha in 2017. New growers are being attracted to the potato business, and a few farmers are highly specialising. However, since 2006/07, around 0.8–1.0 million tonnes is imported into Belgium each year from neighbouring countries (mainly the Netherlands and France but, increasingly, also Germany) to meet its strong processing demand. Belgium is thus a net importer (almost 1.0 million tonnes in 2016/17).

Belgium is the second largest producer of earlies (between 8,000 and 12,000ha planted) for the industry after Germany. The Amora and Sinora varieties start going to the chipping industry, depending on the year and season, between mid-June until the beginning of September at the latest. Second earlies such as Felsina, Miranda and Zorba follow. Usually, the German earlies are up to two weeks earlier than the Belgian supplies.

The fresh market is heavily dependent on imports coming mainly from France but also from the Netherlands and, increasingly, Germany. In the winter, imports of earlies start with potatoes from Israel and Egypt, followed by the Cypriot crop, with late-spring earlies from Italy and Spain, then France. For the last decade, the Belgian packers and retail markets have slowly developed the use of more Belgian crop thanks to new varieties, some irrigation, new packaging and marketing and more boxed storage in cold stores.

The French potato market

The total French planted area of 175,000ha (consumption, seed and starch) is cultivated by about 15,000 potato growers. Twenty per cent of potato growers plant 80% of the French potato area and the industry still continues to consolidate and specialise.

About 1.2 million tonnes of potatoes, or a quarter of French potatoes, are processed in factories every year. Of these, 75% are contracted, about 10% are free-buy purchased and around 15% imported.

Unlike Belgium and the Netherlands, the processing industry development is steady, with little new capacity introduced over the past few years.

About 1.0 million tonnes of fresh potatoes for the French market are produced each year. Similarly to GB, consumption of fresh potatoes has seen a decline in recent years (especially in 2016/17: -6%). A total of 52kg/capita (fresh or processed) are eaten each year.

There has been major development of fresh exports over the past 15–20 years, but trade is steady now, at about 2.4 million tonnes. The main importers are Belgium, Spain, Italy and Portugal. Half of the potatoes exported from France are for the fresh market (mainly to the south of Europe) and the other half to Belgium and the Netherlands, to be processed then reimported to France or exported to other countries as French fries, flakes or crisps.

The German potato market (Source: REKA)

Germany remains the largest North-western European potato producer, producing on average 8.0 million tonnes of potatoes each year, excluding potatoes for seed and starch.

The total planted area is 248,000ha this season. Of this, about 128,000ha are processing potatoes, including starch. The area for starch and fresh consumption potatoes is decreasing, while the area for export and French fry raw material is increasing slightly.

Similar to the whole of NEPG, the German industry is consolidating with the number of potato producing farms decreasing every year. Farms are getting more specialised and increasing in size. Over 30% of German potato producing farms now grow more than 20ha of potatoes annually.

Germany usually exports between 1.6–1.7Mt of potatoes per year.

The Netherlands potato market

The Netherlands grows about 7.0 million tonnes of potatoes from a planted area of around 162,000ha. These include around 1.9 million tonnes of starch potatoes and 5.1 million tonnes of seed, fresh for retail and the processing industry. Bintje, once the most popular variety grown, has been overtaken by newer processing varieties such as Fontane, Markies and Agria.

There is a trend towards larger farms to achieve economies of scale. However, compared with GB and northern France, the growers are still relatively small. Land for growing potatoes is more expensive than in other North-western potato growing countries; so high yields, economies of scale and a good strategy are key for Dutch growers.

The majority of Dutch potatoes are used for processing, with around 4.0 million tonnes of potatoes processed each year. The Dutch processing industry has grown enormously over the last 15 years. The current Dutch harvest is not enough to meet processing demand and so supplies are imported from Belgium, northern France and Germany to fulfil requirements in ever-increasing amounts.

The fresh retail potato market is estimated at a maximum of 280,000 tonnes a year. A quarter of all Dutch consumers between 25 and 55 years old never buy fresh, raw potatoes, while consumption of chilled convenience potato products shows an upwards trend. Unlike GB, the food service market, such as restaurants, rarely uses fresh potatoes, only processed products.

The Netherlands is by far the largest seed potato exporter in the world, with 824,000 tonnes exported last season. The main seed variety grown is the early Spunta.

AHDB would like to thank our colleagues at Fiwap, UNPT, REKA, VTA and Phaff Export Marketing for providing information for this section.

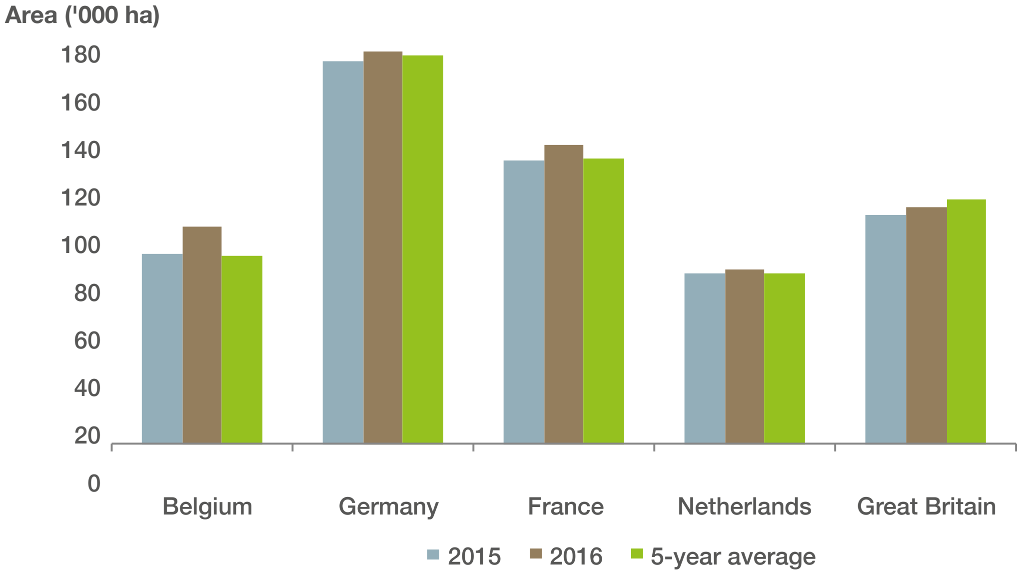


Figure 17. North-west European potato area (excluding seed and starch)

Source: NEPG

Over **820,000** tonnes – The UK potato imports from NEPG member countries.

The UK exported over **65,000** tonnes to NEPG member countries

The UK imported **708,000** tonnes of processed potato products from NEPG

The UK exported over **6,000** tonnes of seed potato to NEPG countries

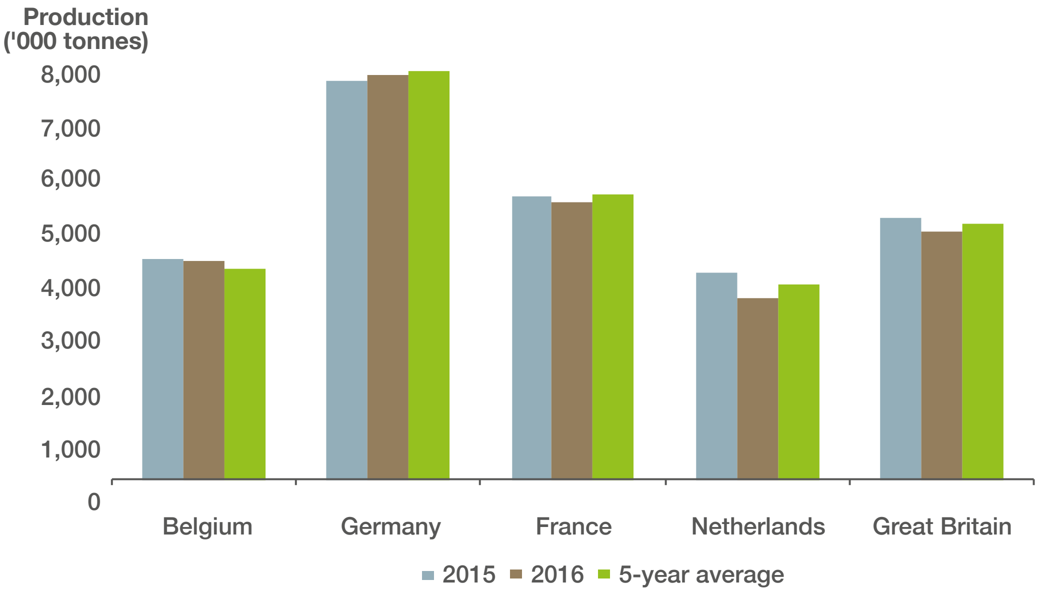


Figure 18. North-west European potato production (excluding seed and starch)

Source: NEPG

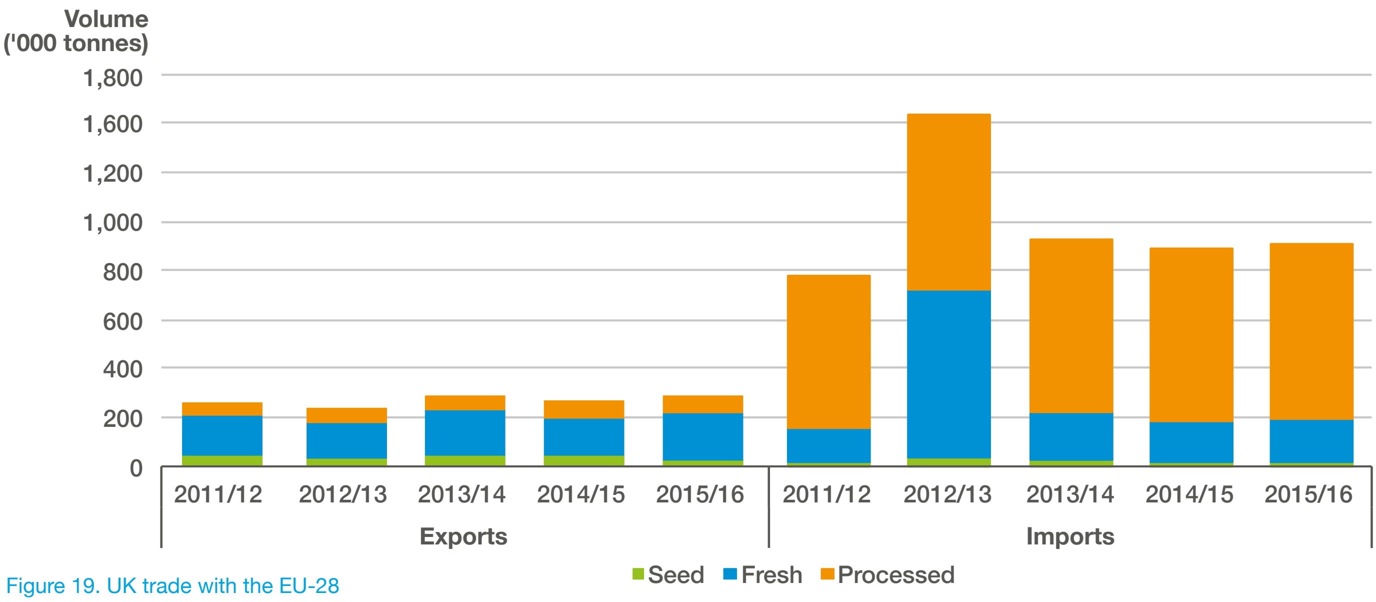


Figure 19. UK trade with the EU-28

Source: HMRC, November 2017

Section 3 – World overview

World overview

According to HMRC, in 2016/17, of non-EU countries, the UK imported the majority of fresh potatoes from Israel and processed potato products from Canada, South Africa and the USA.

For non-EU exports, the UK continued to export the largest amount of seed potatoes to Egypt, fresh potatoes to Norway and processed potatoes to Nigeria in the 2016/17 season.

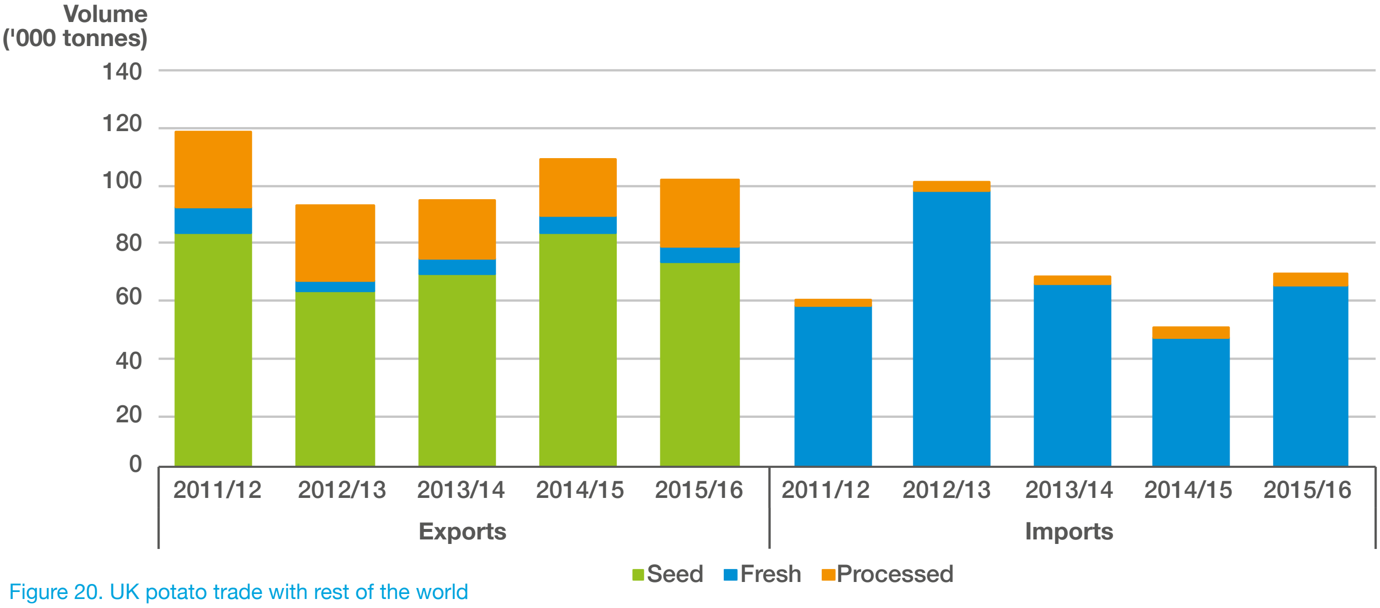


Figure 20. UK potato trade with rest of the world

Source: HMRC, November 2017

Table 4. World top 20 potato consumers (million tonnes)

	Country	2004	2014	% difference
1	China, mainland	72.2	96.1	+33 ▲
2	India	27.9	46.4	+66 ▲
3	Russian Federation	35.9	31.5	-12 ▼
4	Ukraine	20.8	23.7	+14 ▲
5	United States of America	20.7	20.1	-3 ▼
6	Germany	13.0	11.6	-11 ▼
7	Bangladesh	3.9	9.4	+141 ▲
8	France	7.3	8.1	+11 ▲
9	Poland	14.0	7.7	-45 ▼
10	Netherlands	7.5	7.1	-5 ▼
11	Belarus	9.9	6.3	-37 ▼
12	Egypt	2.5	4.8	+88 ▲
13	Iran (Islamic Republic of)	4.5	4.7	+6 ▲
14	Peru	3.0	4.7	+56 ▲
15	Algeria	1.9	4.7	+146 ▲
16	Malawi	2.2	4.7	+114 ▲
17	Canada	5.2	4.6	-12 ▼
18	Belgium	3.2	4.4	+36 ▲
19	**United Kingdom**	**6.3**	**4.2**	**-33** ▼
20	Turkey	4.8	4.2	0 ▼

Table 5. World production by commodity (million tonnes)

	Commodity	2004	2014	% difference
1	Sugar cane	1,342.1	1,900.0	+42 ▲
2	Maize	729.0	1,038.3	+42 ▲
3	Rice, paddy	607.6	741.0	+22 ▲
4	Wheat	632.1	729.0	+15 ▲
5	**Potatoes**	**336.2**	**385.1**	**+15** ▲
6	Soybeans	205.5	308.4	+50 ▲
7	Oil, palm fruit	163.3	274.1	+68 ▲
8	Cassava	204.1	270.3	+32 ▲
9	Sugar beet	251.6	266.8	+6 ▲
10	Barley	153.9	144.3	-6 ▼
11	Sweet potatoes	130.9	104.5	-20 ▼
12	Seed cotton	70.7	76.9	+9 ▲
13	Rapeseed	46.5	71.0	+52 ▲
14	Yams	47.0	68.1	+45 ▲
15	Sorghum	58.1	67.9	+17 ▲
16	Coconuts	55.0	61.4	+12 ▲
17	Oil, palm	30.1	52.2	+74 ▲
18	Cottonseed	44.4	46.6	+5 ▲
19	Groundnuts, with shell	36.5	42.4	+16 ▲
20	Sunflower seed	26.2	41.3	+58 ▲

Source: FAOSTAT*

Notes: * FAOSTAT data includes the whole of the UK so will be different to AHDB data.

Section 4 – Appendices

Appendix 1: Data sources

Levy collection data (Planting and Merchant Return)

The Agriculture and Horticulture Development Board Order 2008 requires AHDB to raise levies relating to each sector. Details can be found at the following web address: ahdb.org.uk/about/LevyRates.aspx

The information provided in the Planting Return for grower levy collection and the Merchant Return for potato buyer purchases for human consumption is not only used to calculate area levies, but is also a very important source of market intelligence. Using the return data avoids the need for separate forms and helps save levy funds. The market sector information gives us useful knowledge about the GB potato market; it helps us develop our communication strategy and enables us to provide information and feedback to growers in a more targeted and cost-efficient manner.

Weekly Average Price Survey (WAPS)

The Weekly Average Price Survey provides top-line economic indicators of the GB potato industry. The survey consists of a number of WAPS contributors, both grower groups and merchants. The WAPS survey is open to all purchasers buying potatoes directly from growers. A sample of purchasers complete a form each week summarising total tonnage and value of purchases, categorised by bags/bulk and contract/free-buy. The MI team scrutinises the information provided and calculates the weekly average and free-buy average price. This ensures that the WAPS index is as fair, robust and representative as possible. This data is subject to regular auditing to ensure accuracy.

Further information on joining the WAPS survey is available from the AHDB MI department on 024 7647 8953.

The AHDB Potatoes Pricing Panel

The Panel is open to growers and purchasers who wish to contribute price information. To ensure wide and accurate coverage of the pricing situation from week to week, a large number of regular contacts – a combination of growers and purchasers – are called on a weekly basis. These contacts represent the key supply areas for the different markets of the potato supply chain and varieties grown across different regions of GB.

For more information contact a member of the AHDB MI team on 024 7647 8953

AHDB Potatoes Grower Panel Survey

What is the Grower Panel?

The AHDB Potatoes Grower Panel is a group of growers who give information on seed use, yields and sale pathways from selected fields under their management. The data is used to provide national crop statistics on potato production.

What does the Grower Panel survey involve?

The survey involves completing a single form for each sample crop. It covers seed and planting details, yields sold and stored, sold price if known, wastage and intended markets and sale dates. The form is sent out in the autumn for completion and returned once the crop has been harvested. There is also a storage stocks survey, involving completion of a single form three times a year.

These forms can either be completed on paper or online via the Potato Data Centre.

Survey members also participate in telephone surveys relative to their potato crop and storage.

What are the benefits?

The information collected is used to provide key market information about the potato industry and in doing so, supports our levy payers in making informed business decisions.

How to get involved?

Contact a member of the AHDB MI Market Specialists team on 024 7647 8953.

Potato Data Centre (PDC)

The newly created Potato Data Centre provides the industry with the latest prices and statistics visualised in an interactive format. Users are able to use the dashboards to gain customisable insight on a range of different topics such as; WAPS, area, production, yield and varietal information.

In order to access this resource, all you need to do is sign up for free at **potatodatacentre.ahdb.org.uk**

Appendix 2: Glossary

Earlies	Refers to all potatoes harvested on or before 31 July each year
Fresh	Raw consumption potatoes
Maincrop	Potatoes are considered as maincrop if harvested after the end of July each year
Meal occasions	Numbers of times that a particular food is eaten as part of a meal
Plantings	All references to plantings refer to the measurement of planted area. Refers either to Registered Area from registered producers or Total Area, which includes an allowance for undeclared/unregistered area
Pre-pack	Washed potatoes in bags
Prices	All prices are ex-farm
Processed	Processed products are reported in finished product weight tonnage, unless otherwise stated
Trend	In this context, the word trend is used to highlight the line or curve of best fit
Years	All crop years are July to June, unless otherwise stated
Yields	All potato yields quoted in this publication relate to harvested tonnage and are expressed in terms of tonnes per hectare

Contacts

We are always keen for feedback on the outputs and information that we provide, in order to ensure that we continue to meet industry needs. To give us your feedback on the report or for further information about our Market Intelligence services, please contact:

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POTATOES