

NEPG hopes that the potato area has reduced with 5 %



The foodservice demand for potato products has dropped with 50 – 60 % and the export markets have lost their potential, so the world-wide potato-processing industry has reduced their capacity and need for raw material. More than 2 million tons will probably not be processed in the NEPG mainland potato countries only.

Between 70 – 80 % of all raw material needed for processing is contracted. A large part of these potatoes and the free potatoes in the stores will not be processed as planned and the sector will have to find other outlets. So far, the processing factories respect the contracts with the growers and will collect these potatoes against the contracted price. Nevertheless, more than 2 million tons will probably find no buyer, some will go for, cattle and animal feed, biogas or bioethanol, This is the first time in the recent history that the factories have to respect the contracts as it was mostly the grower who had to supply his contracted quality in those years where the yields were not always enough to supply the contract. The world upside down.

In all NEPG countries, the demand from the retail has increased both for fresh table potatoes as well as potato products. Also, the export of fresh potatoes is at a medium high level (some difficulties to find enough trucks and drivers). However, this extra demand is not enough to consume the whole remaining harvest of 2019, realizing that not all varieties are suitable to be used as fresh table potatoes for home consumption or exports. The NEPG estimates that only on the continent there will be more than 2 million tons of not processed potatoes at the end of the season.

Not only the growers and processing industry have enormous financial challenges, but also the question rises what to do with all these good potatoes in a sustainable way?

The processing has requested their growers to store their potatoes as long as possible, which implies more costs (antisprouting products, energy for ventilating and cooling, ...), so these potatoes could be processed till the end of August, which is unexceptional long, and a challenge and risk for the growers. Normally during July, the factories will change to the new early processing crops from Belgium and Germany, and again, these crops have to be “bulldozed” forward as well and clutch with the regular harvest in October.

Less area was the only solution

As the cold stores for potato products are filled to the roof and with the question when the restaurants will open again (not to mention open air events where a lot of chips, frites or crisps are consumed), much fewer plantings would have been the only solution. However, fields were already rented, seed potatoes were already bought or delivered, and the plantings started by the end of March, mostly too late to reduce enough.

Nevertheless, the NEPG hopes that the potato area in the 5 NEPG countries has reduced with 5 %, which is considered as not enough. However as always, the growing conditions and the yields will determine the final harvest quantity and rain is needed. But the growing season just started, and no estimation is possible.

Alternative of contracting desired

This exceptional crisis shows that in the future the industry as a whole will have to re-think the ways of organizing production and supplies, sharing risks and responsibilities,

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