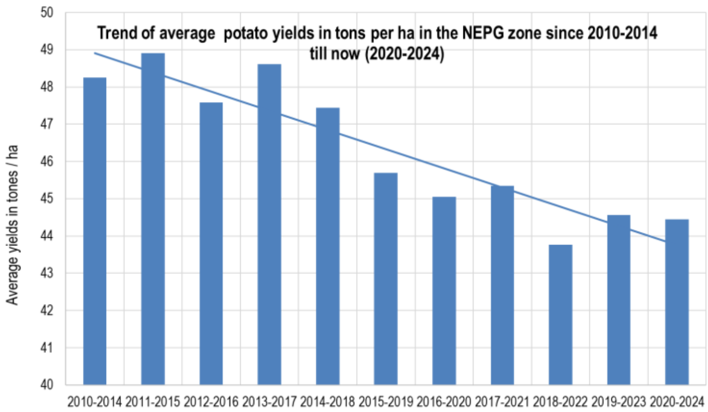
A surprising marketing season and an upcoming potato year full of uncertainties and risks.

Gembloux, 11-02-2025

The harvested potatoes from the NEPG zone (EU-04, i.e. BE, DE, FR and NL) in 2024 amounts to 24,7 million tons, a 6,9 % rise regarding the 2023 harvest. In spite of the supply increase, the market is still dynamic. Producer prices rose from 12,50 €/100 kg in October – November 2024 to 30,00 €/100 at the beginning of February. The rapid rise since the beginning of January is rather surprising. Stock assessments over the coming months, as well as the timing and conditions of spring planting, will be of prime importance for price trends this season.

2025 : area increase with weak profitability risk?

With a dynamic market (and little other alternatives), it seems very likely that coming spring, potato farmers will plant more potatoes than last season.



source: NEPG

Farmers must seriously take into account the yearly trend of lower yields (see graph) which mean higher production costs per ha. But a higher area means higher risks of a good overall production should we plant early and if we have a normal growing season

Stable contract prices and more expensive production costs

While seed is usually less expensive than last spring (Innovator type varieties are the exception), they are up by 10 to 15 % if compared to the 2023 prices. Production costs have somewhat risen, and risks are ever more important for farmers. Some processors use dissuasive tariffs to encourage growers to limit soil tare.

Throughout the NEPG zone, contracts are mostly stable throughout the storing season. Future changes and evolutions will depend on free buy prices for processing potatoes.

Uncertain world markets and challenges for export

Our market is influenced by more risks and costs in line with would be US presidential decisions, expanding Chinese and Indian fry exports and tougher environmental decisions in the EU.

EU-04 export of frozen potato products could suffer from future erratic decisions made by the new US president. At the same time, the European potato sector must be aware of growing alternative fry export players like China, India, Egypt, Argentina and Turkey.

During that time, influences of climate change, tougher pesticide regulations and availability, more soil borne problems (nematodes, wireworm, edible nutsedge…) and upcoming diseases as Stolbur as well as more problems and legislation linked to nitrogen leaches in ground water make potato technically and economically more difficult to produce and financially more risky. The need of efficient tools is a big issue to have a good quality for the entire crop.

Many uncertainties concerning next season's free buy prices and processed products sales

With the very probable bigger potato area and uncertain export markets for the EU-04, growers must be aware they are taking risks in expanding their potato hectareage. Producers must follow processing needs and not precede them.