

# Potato product exports: A twelve-month snapshot

By Immaculate Zinde

South Africa has a dual agricultural sector comprising of highly developed commercial producers as well as small-scale or subsistence-based producers. The gross value of agriculture in South Africa was reported at US\$21.6 million in 2018, which translates to around R30,8 billion using current dollar-to-rand exchange rates.

This value is indicative of the significance of farming which, at its core, provides access to food and other necessities for many South Africans. Potato production in South Africa has been on the rise, with total hectares averaging 52 407 between 2010 and 2020, and an estimated average total crop of 2.3 million tons during the same period.

The South African potato industry boasts 16 production regions with the capacity to supply potatoes year-round. The primary potato sector is valued at R8 billion, while the secondary sector is valued at R25 billion. This makes the sector a positive and powerful contributor to the country's gross domestic product (GDP), as well as a potent

alternative to addressing issues of poverty, hunger and ever-increasing unemployment.

When considering the economic performance of South Africa in 2020, which is reported to be the biggest annual drop in economic activity since the early 1940s, it is encouraging to know that agriculture is among two out of ten industries that showed growth. This growth was driven by increased production of food, beverages and motor vehicles, reports Statistics SA.

## A look at the export market

Potatoes South Africa (PSA) monitors the exportation of fresh potatoes, frozen potatoes, and prepared or preserved potatoes. In the case of fresh potatoes, Mozambique is South Africa's main export country, followed by Namibia. The third spot varies from month to month with Eswatini remaining a firm contender. The data that was monitored also revealed small volumes exported to the Seychelles, Canada and the United Arab Emirates (UAE). Between January and June 2021, South Africa exported 105 161 535 kg of potatoes.

In respect of frozen French fries, Zambia and Namibia are South Africa's main export destinations. Between January and June 2021, a total of 5 182 302 kg was exported.

"On a global scale, the European market accounts for two-thirds of the frozen potatoes exported worldwide, making it the largest processed exporter in the world. According to the latest research, the European market for French fries, chips, flakes and mashed potatoes is expected to grow steadily. The European market has been holding strong in the face of the Covid-19 pandemic, with chips proving to be the best performing category.

"In terms of market segmentation, research shows that Western European countries, which include some of the largest potato producers and processors in the world, are consolidating their leading position. However, there is great potential for growth in Eastern European countries, from Poland to Romania, Hungary and the Russian Federation," reports *Potatoes News*.

The following section focusses on South African potato product line exports from July 2020 to July 2021.

**Fresh potatoes**

The top five export countries for fresh potatoes in the year under review, were Mozambique, Namibia, Eswatini, Lesotho and Angola. Mozambique has taken the lead for 2019, 2020 and 2021 by a huge margin. It was noted that, during certain months, small volumes of fresh potatoes were exported to the Seychelles, Canada and the UAE. The biggest volumes were exported between November 2020 and April 2021, with volumes for the months of February, March and April representing the highest volumes compared to the same period in 2019 and 2020. The total volume exported between July 2020 and July 2021 was 174 889 112 kg.

**Seed potatoes**

In the year under review, Zimbabwe was consistently the number one export country for seed potatoes, with the exception of November 2020, when it was surpassed by Namibia in November. The total volume exported between July 2020 and July 2021 was 20 373 328 kg.

As depicted in Figure 2, between February and May 2021, South Africa exported the highest volumes compared to other months. Small volumes of potato seed to Great Britain, Italy and the United States were observed during certain months of the year under review.

**Frozen chips/French fries**

In the year under review, Zambia was consistently the number one export country for frozen French fries. The total volume exported between July 2020 and July 2021 is 11 077 603 kg.

PSA is considering conducting a full-scale study of export opportunities, focussing on Angola, Congo, Mozambique,

Figure 1: Export of fresh or chilled potatoes, 2020/2021. (Source: Agri-Inspec)

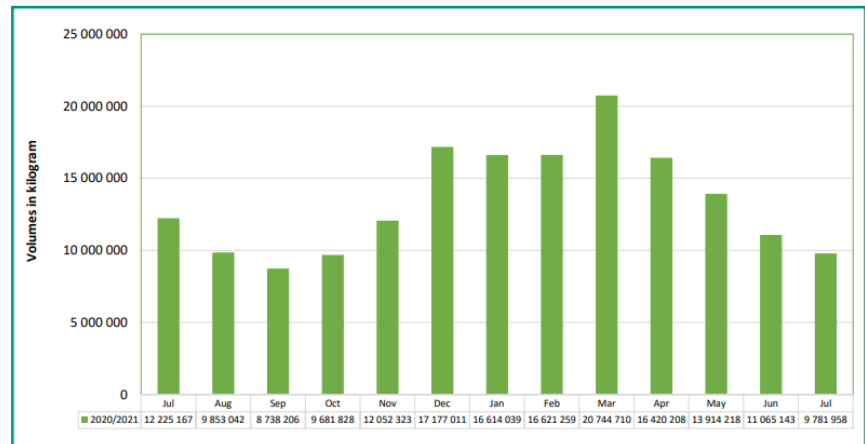


Figure 2: Export of seed potatoes, 2020/2021. (Source: Agri-Inspec)

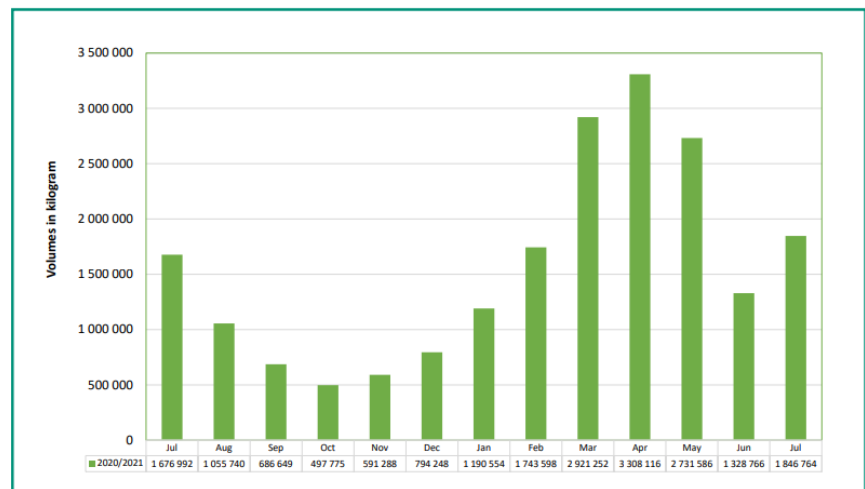
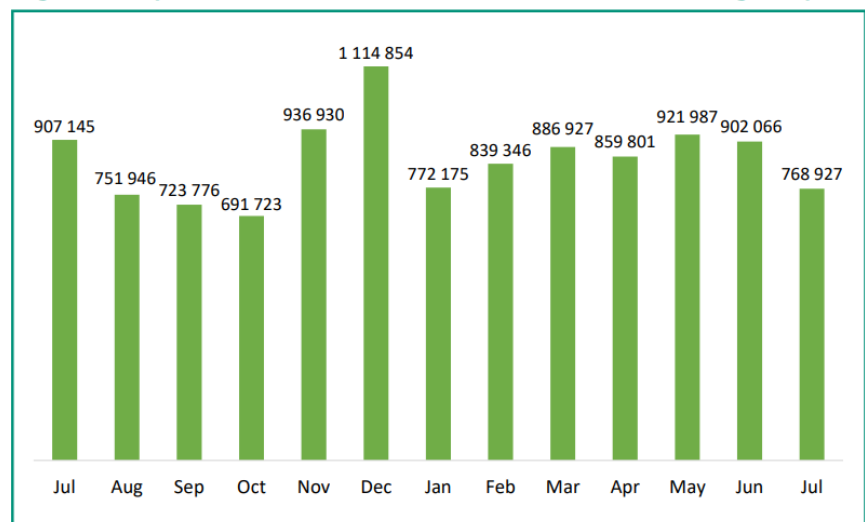


Figure 3: Export of frozen French fries, 2020/2021. (Source: Agri-Inspec)



Zambia and Zimbabwe. The results of the study will be used to draft an industry strategy for market access and foreign market development. ©

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