

# OVERVIEW GLOBAL SWEET POTATO MARKET

Sweet potatoes are grown and marketed worldwide. When looking at the ranking of the largest producers, some African countries appear at the top next to China. However, that picture changes completely when the export data are taken into account. Then the US, the Netherlands, Vietnam and Spain are at the top. It is in these markets (in Europe and the US) where sweet potatoes are still considered to be an exotic species, even though the product has quickly been moving away from that image.

## **Egypt: Good year for growers**

Egypt is the most renowned exporter of sweet potatoes in the region. This year, the country has had an exceptional season. "This year has been very good for us," says a grower. The company grows three varieties: white, red and orange. "The quality is good; we did not suffer any shortages this year."

Exports mainly go to Europe, especially the United Kingdom and Italy, and the Gulf countries, namely Saudi Arabia, Qatar, Kuwait and the Maldives. The price reaches 0.50 Euro per kilo FOB. "This is reasonably high compared to other countries, like Spain and Italy, and is a result of the higher logistics costs from our production areas south of Alexandria and in the middle of the Egyptian Delta," explains the trader.

Each country has its own preferences for particular varieties. In Europe, there is mainly demand for medium and large calibres, while the Gulf countries mostly prefer the larger sizes and in the Maldives consumers tend to go for the smaller sweet potatoes. China mainly demands the white sweet potatoes.

## **Spain fears oversupply in the market**

Worldwide production is on the rise and is perhaps growing faster than the demand. Spain is an example of this, as production there has increased by 40%. "Production has skyrocketed this year, so we see the pressure on prices," says a trader of organic sweet potatoes. This increase is partly due to the expansion of the acreage and to the favourable weather conditions.

"This year, the difference between supply and demand is more visible than ever," says a trader. Compared to last year, prices have fallen worryingly. Compared to the season two years ago, the difference is even greater.

Conversion to organic farming is difficult, but conventional crops can easily be expanded. "Until recently, it was a product with an interesting margin due to growing demand, but production is rising so fast that the product is no longer considered an exotic."

The growing production in other European countries is taking a toll on the Spanish sector. Investments are being made for the crop's cultivation in the Netherlands, France and the United Kingdom. These markets prefer local products.

Growers in Malaga were the first to give sweet potato cultivation a try. The growers there have started switching to other tropical crops. The Spanish production is mainly found in Cadiz, Seville, Huelva and Granada, so Andalusia is the fastest growing region. Other regions, such as Valencia, Alicante and Murcia, have also seen the acreage increase. Due to the limited storage capacity, the Spanish season lasts until January.

### **Belgium: Sweet potato emerging in Northern Europe**

Most of the sweet potatoes currently imported by Belgium arrive from Spain, Portugal and the United States. The price per kilo amounts to around 1 Euro, although the price of the product from the United States can sometimes be somewhat lower. According to a trader dealing with sweet potatoes, there are differences in terms of quality between the three countries mentioned above. Since sweet potatoes from the United States take longer to reach their destination compared to those from Europe, the production from the US can often appear to be not as fresh. Outer damage and mould formation are more common. Although the chance of damage is greater for the sweet potatoes from the US, the quality in both the US and Spain and Portugal is good.

In northern Europe, more and more trials are being carried out with sweet potatoes. It is still too early to say to what extent their quality will compare to that of already producing countries. Especially for growers in both Belgium and the Netherlands could it be beneficial to switch to sweet potatoes, given the high price of the product.

### **The Netherlands: US traditionally supplies sweet potatoes, but other growing areas are gaining ground**

While the United States has always been the most important supplier of sweet potatoes on the Dutch market, there has been more competition from other countries in recent years. Spain and Egypt in particular have been paving the way in this sector. Both countries are on the market from September to March and they grow the famous orange-fleshed American varieties, managing to supply them with almost no damage to their skin. This season, however, the demand for sweet potatoes from the United States has still been high. Most sweet potatoes are grown in the state of North Carolina, with the

Covington variety accounting for the biggest share. However, the question is whether this will remain so in the future. Countries such as Senegal, Honduras, China and Eastern Europe also see chances in the sweet potato sector. Last week, the first harvest from Tholen actually hit the market.

### **Sweet potato is not a high flyer in Germany**

In Germany, the months of November and December are the peak season for the sweet potato, with the American and Spanish productions dominating the market. Most of the German consumption is of the Beauregard and Covington varieties. The price of the Beauregard oscillates between 5 and 6 Euro per 6 kg, while the Covington fluctuates between 6 and 7 Euro. Smaller traders, for their part, also charge 8 Euro per 6 kg.

Traders highlight that sweet potatoes are not yet very popular in Germany. Only over the past two years has the product actually been promoted and sold by discounters, including Lidl. Convenience products have also been on the market only since recently, although to a limited extent. These include potato gratin, French fries and special baking potatoes. Frozen products are still available, unlike in many other European countries. Finally, coloured varieties have also recently appeared, including pink and orange ones.

### **Italy: Sweet potatoes becoming increasingly popular**

Worldwide, the sweet potato is among the top 10 most cultivated products. Most of the production takes place in the tropical and subtropical countries. In Italy, sweet potatoes are a niche product with an area of 600 hectares and an annual production of 13,000 tonnes. About 80% of this is grown in Veneto, which has 480 hectares devoted to the crop from which 10,000 tonnes are harvested. The sector is facing the challenge of carrying out in-depth studies in varieties, agronomic and phytosanitary issues. This could help increase the supply and make it possible to cover a good share of the Italian and European market.

In Apulia the sweet potato, or batata, is recognised as a traditional agro-food product. A grower from this region reports that "sweet potato cultivation is becoming increasingly popular and more and more consumers are interested in it; it is a trendy product." The season started between mid-August and early September. The demand from the industry is particularly high, but the prices are low. November and December are usually the quiet months, but in the New Year, the demand picks up again, says a grower. "February and March are the top months; that is when the price normally peaks. We have already completed the harvest. Our sweet potatoes are in storage, waiting for a good time to hit the market." Currently, there is still a lot of Spanish production available on the international market.

### **China expects great harvest**

Sweet potatoes are not an exotic product for the Chinese consumer. They are grown in many places across the country. The main production areas are Sichuan, Anhui, Shandong, Henan, Guangdong and Hainan. This year, production in Hainan, one of the largest production areas, has increased by 20%. The northern areas are on the market between September and April. The season in the south lasts from February to October. Although winter is approaching and prices then traditionally increase, the price for sweet potatoes is currently stable due to a larger supply. At present, there is supply from Mongolia, Shandong, Anhui, Shaanxi and other regions in the north of China.

### **Australian market covered by domestic production**

The country has about 85 sweet potato growers that together supply a total of about 100,000 tonnes. That annual production is worth about 80 million dollars. Most plantations are located in the Bundaberg region, Queensland, which accounts for 70% of the entire sweet potato production. The country's annual production is sufficient to meet the domestic demand, so there are no imports. A small part of the harvest is exported. In recent years, the United Arab Emirates has been a good market. Sweet potatoes are available all year round. The supply of the yellow variety peaks between the months of February and April. In March, a promotional campaign was organised to increase consumption in New Zealand, where the product is also known as Kumara, which is the Maori name for sweet potatoes.

### **US: Cultivation Louisiana recovered after rain last year**

After a challenging 2016, sweet potato cultivation has been good in Louisiana. Last year, a large share of the production was lost because of the rain. A grower tells that he lost half of his production. This year, prospects are looking better. "We are currently striving to guarantee a year-round supply, and so far, things have been looking good," says the grower. The sweet potato market is gradually becoming a year-round market, because the product is becoming less and less exotic. Although the valleys in the market are not as deep as 15 years ago, there are still peaks with Thanksgiving, Easter and Christmas. Consumers are demanding more convenience products, and as a result, the range is increasingly moving in that direction. "We are following the path of the potato market," explains a grower.

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