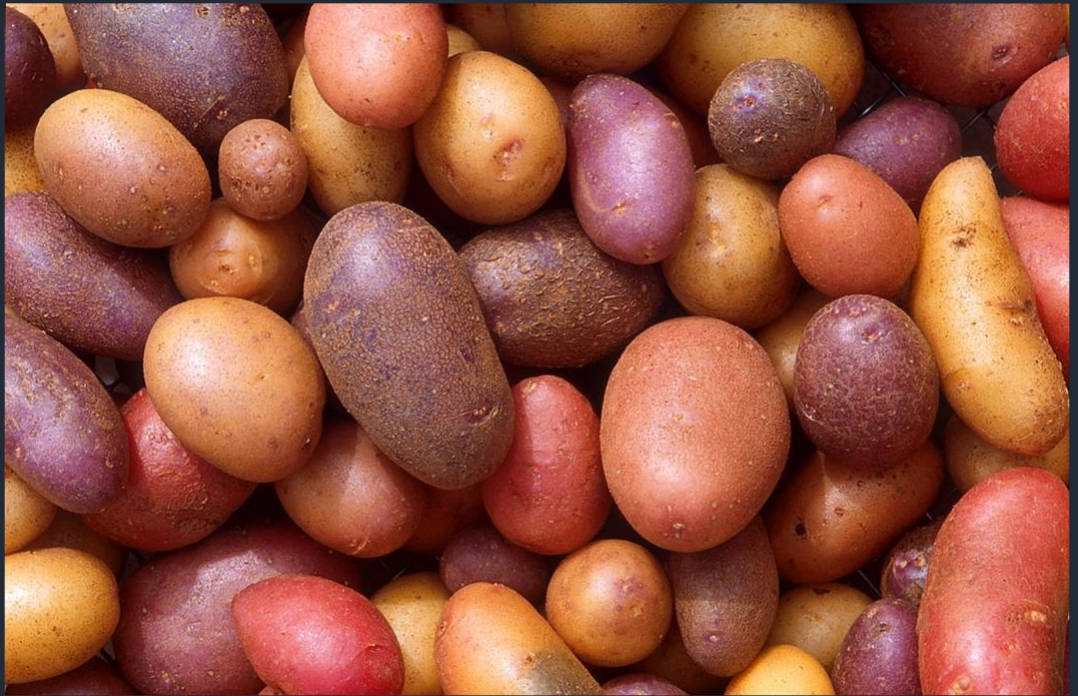


2023

Trade Analysis

Potato & It's Value Added Products



Turn Potential into Profit!



Small and Medium Enterprises Development Authority (SMEDA)
Ministry of Industries and Production
Government of Pakistan
www.smeda.org.pk
UAN: 111 111 456

1. Product Description

Potatoes are a versatile food crop and can be processed into a wide variety of products. Potatoes are also used in many commercially produced products such as potato chips, mashed potato flakes, and instant potatoes. In addition to being used as food, potatoes are also used for industrial purposes, such as in the production of alcohol, glue, and starch.

The Harmonized Commodity Description and Coding System (referred as HS Codes) designated for international trade of Potatoes can be seen in the following table:

Table 1: Potato and Value-added Products

Product Category HS Code	Product Description
0701	Potatoes, fresh or chilled.
070110	Seed Potatoes
070190	Fresh / Chilled Potatoes
1105	Flour, meal, powder, flakes, granules and pellets of potatoes.
110813	Potato Starch
200410	Preserved Potatoes Frozen
200520	Preserved Potatoes Unfrozen

Source: Trade Map

2. Global Trade of Potato and Value-added items

Potatoes are one of the most valuable and important commodities in international trade. During the year 2021, the international trade value of the Potatoes and its value-added products were US\$ 16.6 Billion. The exports have shown a mixed growth trend with an average growth rate of 4.31 % from the year 2017 ~ 21. The last five years' exports of Potatoes and value-added items in global trade are as follows:

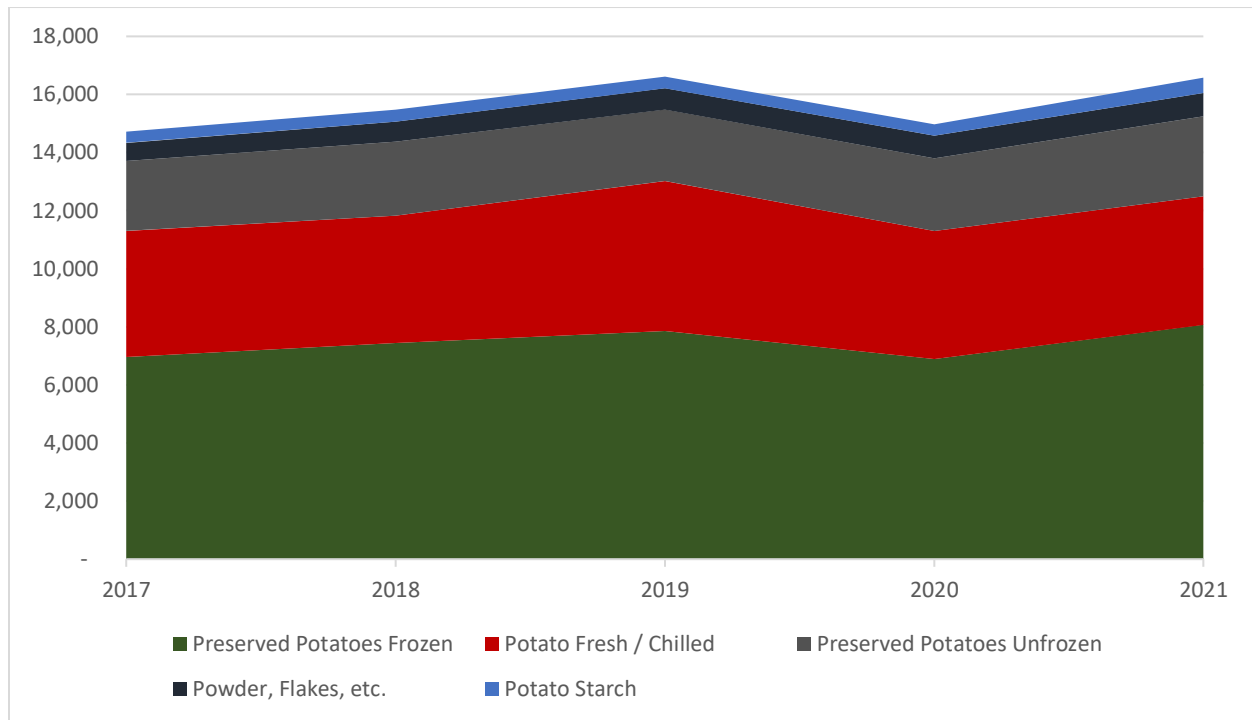
Table 2: Global Exports of Potatoes and Value-added items - Last 5 Years (US \$ million)

World Export	2017	2018	2019	2020	2021
Preserved Potatoes Frozen	6,963	7,449	7,857	6,890	8,077
Potato Fresh / Chilled, Potato Seed	4,342	4,372	5,162	4,419	4,443
Preserved Potatoes Unfrozen	2,435	2,611	2,542	2,524	2,787
Powder, Flakes, etc.	628	708	732	775	821
Potato Starch	383	410	398	390	515
Total	14,751	15,550	16,690	14,999	16,642
Growth %age	8%	5%	7%	-10%	11%

Source: Trade Map

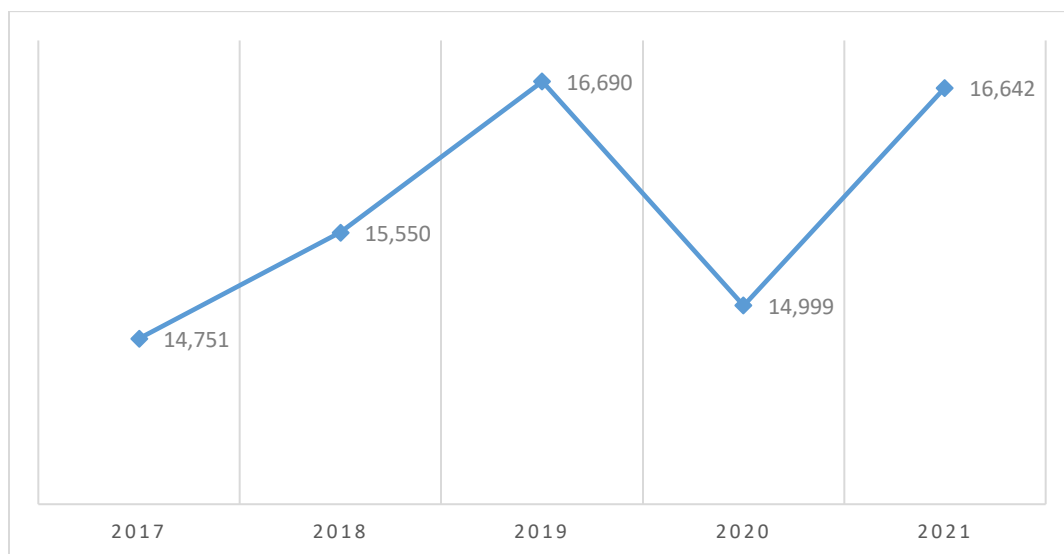
The combined global export of Potato and its Value-added items can be seen in the following graph.

Figure 1: Global Exports of Potatoes and Value-added items (US \$ Million)



By examining the export statistics of potatoes and their value-added products over the last 5 years, it becomes apparent that Frozen Preserved Potatoes are the most exported item, followed by Fresh/Chilled Potatoes and Unfrozen Preserved Potatoes.

Figure 2: Growth Trend of Global Export of Potatoes and Value-added Items (Value US \$ Million)



Source: Trade Map

The graph above shows the trend of global export of potatoes and value-added items of potato. The decline in the year 2020 may be mainly due to Covid-19 among other factors.

Top Exporting Countries of Potatoes and Value-added items

Major Exporters of Preserved Potatoes Frozen (HS 200410)

During the last 5 years, the exports of Frozen Preserved Potatoes have been dominated by Belgium, followed by Netherlands and Canada. The percentage share of top exporting countries for this product category is given in the following table:

Table 3: Major Exporters of Frozen Preserved Potatoes in 2021

Sr. No.	Country	Exports (Value in US \$ Million)	% Share in World Export	Avg. % Growth (2017-2021)
1	Belgium	2,210	27%	8%
2	Netherlands	1,773	22%	2%
3	Canada	1,305	16%	8%
4	United States of America	1,179	15%	2%
5	France	401	5%	6%

Source: Trade Map

Major Exporters of Fresh/Chilled Potatoes (HS 0701)

During the last 5 years, the exports of Fresh Potatoes have been dominated by Netherlands, followed by France and Germany. The percentage share of the top exporting countries is given in the following table:

Table 4: Major Exporters of Fresh/Chilled Potatoes in 2021

Sr. No.	Country	Exports (Value in US \$ Million)	% Share in Exports in World	Avg. % Growth (2017-2021)
1	Netherlands	828	19%	2%
2	France	673	15%	3%
3	Germany	387	9%	2%
4	Canada	293	7%	6%
5	United States of America	276	6%	7%
11	Pakistan	112	4%	12%

Source: Trade Map

As can be seen in the table above, that Pakistan ranks at 11th in export for this category of product during the year 2021.

Major Exporters of Preserved Potatoes Unfrozen (HS 200520)

During the last 5 years, the exports of Unfrozen Preserved Potatoes have been dominated by Netherlands, followed by Belgium and USA. Pakistan ranks 52nd in terms of exports for this category of the product. The percentage share of the top exporting countries is given in the following table:

Table 5: Major Exporters of Unfrozen Preserved Potatoes in 2021

Sr. No.	Country	Exports (Value in US \$ Million)	% Share in Exports in World	Avg. % Growth (2017-2021)
1	Netherlands	393	14%	2%
2	Belgium	302	11%	2%
3	United States of America	300	11%	2%
4	Poland	178	6%	16%
5	United Kingdom	160	6%	-1%

Source: Trade Map

Major Exporters of Potato Powder, Flakes, etc. (HS 1105)

During the last 5 years, the exports of Potato Powder, Flakes, etc. have been dominated by Germany, followed by Netherlands and Belgium. The percentage share of the top exporting countries is given in the following table:

Table 6: Major Exporters of Potato Powder, Flakes, etc. in 2021

Sr. No.	Country	Exports (Value in US \$ Million)	% Share in Exports in World	Avg. % Growth (2017-2021)
1	Germany	235	29%	8%
2	Netherlands	180	22%	9%
3	Belgium	126	15%	14%
4	United States of America	111	13%	3%
5	Poland	36	4%	13%

Source: Trade Map

Major Exporters of Potato Starch (HS 1108.13)

During the last 5 years, the exports of Potato Starch have been dominated by Germany, followed by Poland and Belgium. The percentage share of the top exporting countries is given in the following table:

Table 7: Major Exporters of Potato Starch in 2021

Sr. No.	Country	Exports (Value in US \$ Million)	% Share in Exports in World	Avg. % Growth in Last 5 Years
1	Germany	233	45%	5%
2	Poland	91	18%	11%
3	Belgium	31	6%	16%
4	Canada	9	2%	4%
5	Czech Republic	8	1%	5%

Source: Trade Map

3. Pakistan's Import and Exports Statistics of Potatoes and Value-added Items

Pakistan exported fresh/chilled potatoes worth US \$501 million to the world during 2017-2021 and imported US \$47.11 million during the same time period. It is worth noting that the majority of potatoes are imported for the purpose of seed planting. Regarding value-added potato products, Pakistan is not substantially exporting. However, the import of such items is high due to the lack of potato processing facilities in Pakistan. Details of these products can be seen in the following graph.

Pakistan is one of the major exporting countries of Potatoes with availability of high-quality Potatoes. Over the years, export figures have shown positive growth with slight decline in last couple of years with an average growth rate of 14% from the year 2017 ~ 21. Pakistan's last five years' export figures of Potatoes are as follows:

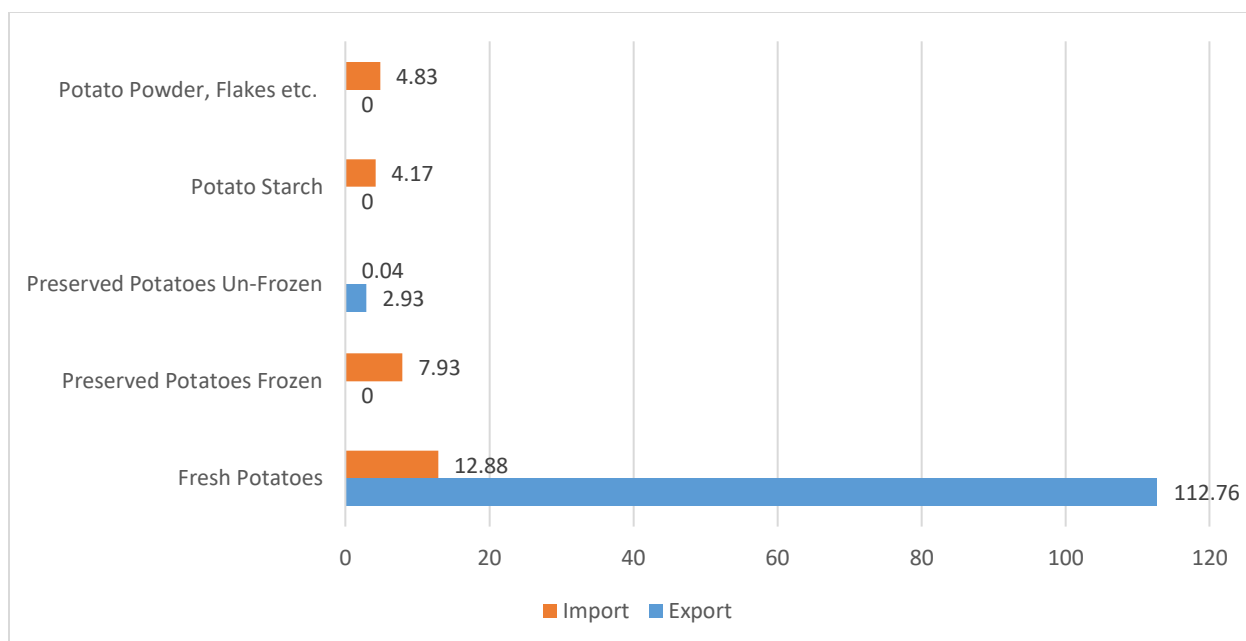
Table 5: Pakistan's Export of Potatoes and Value-added Items - Last 5 Years (amount in US \$ Mn.)

Description	2017	2018	2019	2020	2021
Fresh Potatoes (HS Code 0701)					
Import	5.87	4.46	4.65	19.26	12.88
Export	81.10	121.64	115.63	69.87	112.76
Preserved Potatoes Frozen (HS Code 200410)					
Import	11.31	10.20	7.33	6.30	7.93
Export	0.002	0.038	0.073	0	0
Preserved Potatoes Un-Frozen (HS Code 200520)					
Import	0.19	0.09	0.02	0.16	0.04
Export	2.49	2.24	2.57	4.12	2.93
Potato Starch (HS Code 110813)					
Import	6.06	7.01	5.38	2.65	4.17
Export	0.00	0.00	0.00	0.00	0.00
Potato Powder, Flakes etc. (HS Code 1105)					

Import	5.01	5.62	4.90	2.79	4.83
Export	0.00	0.05	0.24	0.00	0.00

Source: Trade Map

Figure 3: Pakistan's Import and Export of Potato and Value-added Products –2021 (US\$ million)



Source: Trade Map

The above chart shows imports and export of potato and value-added products of potato from Pakistan. Pakistan export large quantities of fresh potatoes, while there is no export in preserved potatoes frozen, potato starch, potato powder, potato flakes etc. Similarly, Pakistan imports large quantity of fresh potatoes as compared to other categories.

Pakistan's Export Destinations for Fresh Potatoes

In last five years, Pakistan's major export partner for Potatoes was Afghanistan, followed by Sri Lanka and UAE. The detail of top five importing countries of this commodity from Pakistan is given in the following table:

Table 6: Pakistan's Top Five Export Partners for Fresh Potatoes – Last 5 Years (Value in US \$ Million)

Country	2017	2018	2019	2020	2021
Afghanistan	52.10	61.00	23.12	3.24	29.57
Sri Lanka	7.54	16.35	21.01	18.86	19.50
United Arab Emirates	9.56	16.45	22.10	16.03	18.72
Russian Federation	0.81	3.45	6.85	2.74	15.39
Qatar	2.68	6.77	9.86	9.26	10.64

Pakistan's Import Partners for Fresh Potatoes

Potato imported by Pakistan is mainly for seed planting purpose. The detail of countries from where Pakistan is importing is provided in table below:

Table 6: Pakistan's Import Partners for Potato – Last 5 Years (Value in US \$ Million)

Country	2017	2018	2019	2020	2021
Seed Potatoes (HS 0701.10)					
Netherlands	5.137	4.149	4.332	10.231	11.535
China	0.102	0.134	0.212	0.343	0.379
Germany	0.087	0.094	0.041	0.578	0.204
United States of America	0.000	0.000	0.000	0.017	0.204
France	0.348	0.000	0.012	0.000	0.023
Fresh Potatoes (HS 0701.90)					
Afghanistan	0.023	0.033	0.024	1.181	0.491
Iran, Islamic Republic of	0.000	0.000	0.000	3.885	0.019
Bhutan	0.000	0.000	0.000	0.003	0.000
Germany	0.000	0.000	0.000	2.969	0.000
Oman	0.000	0.006	0.000	0.000	0.000

Pakistan's Export Destinations for Value-added Items of Potato

It can be seen in the table below that Pakistan's exports of value-added items of potato are almost negligible. In last five years, Pakistan's major export partner for value added Potatoes was Afghanistan, followed by Sri Lanka and UAE. The detail of top five importing countries of this commodity from Pakistan is given in the following table:

Table 6: Pakistan's Export Partners for Potato Value-added Items – Last 5 Years (Value in US \$ Million)

Country	2017	2018	2019	2020	2021
Frozen Preserved Potatoes (HS 2004.10)					
Afghanistan	0.002	0.038	0.048	-	-
Canada	-	0.001	-	-	-
Qatar	-	-	0.009	-	-
United Arab Emirates	-	-	0.018	-	-
Unfrozen Preserved Potatoes (HS 2005.20)					
Afghanistan	1.485	1.629	1.188	1.394	1.886
United Kingdom	0.049	0.058	0.087	0.18	0.278
Australia	0.056	0.096	0.119	0.149	0.262
United States of America	0.072	0.065	0.124	0.164	0.24
Canada	0.043	0.066	0.063	0.102	0.076
Potato Starch (HS 1108.13)					
As per the data available on Trade map, Potato Starch is not exported by Pakistan during last 5 years from Pakistan					
Potato Powder, Flakes, etc. (HS 1105)					
Afghanistan	-	0.047	-	-	-
Canada	-	-	-	0.004	-
Qatar	-	-	0.001	-	-
United Arab Emirates	-	-	0.238	-	-

Source: Trade Map

It can be seen in the table below that Pakistan's imports for value-added items of potato are increasing. In last five years, Pakistan's major import partner for value-added Potato items was Netherlands, China, Denmark followed by Egypt, Belgium. The detail of top five importing countries of this commodity is given in the following table:

Table 6: Pakistan's Import Partners for Potato Value-added Items – Last 5 Years (Value in US \$ Million)

Country	2017	2018	2019	2020	2021
Frozen Preserved Potatoes (HS 2004.1000)					
Netherlands	1.003	0.790	0.810	2.194	2.957
Egypt	0.514	-	0.473	1.263	2.078
Belgium	0.575	0.545	0.270	0.571	1.326
France	-	-	0.277	1.016	0.940
United States of America	3.798	3.825	2.749	1.029	0.295
Unfrozen Preserved Potatoes (HS 2005.2000)					
China	-	-	-	0.093	0.024
Spain	-	-	-	-	0.012
United Arab Emirates	0.004	0.003	0.008	0.062	0.005
Potato Starch (HS 1108.13)					
Denmark	4.107	5.231	3.251	2.264	3.083
Poland	0.072	0.188	0.246	0.161	0.580
Germany	0.887	0.976	0.369	0.044	0.262
France	0.875	0.236	1.480	0.140	0.100
Malaysia	-	-	-	-	0.065
Potato Powder, Flakes, etc. (HS 1105)					
Netherlands	3.784	4.558	3.767	2.388	3.285
Belgium	-	0.212	0.191	-	0.956
Germany	0.815	0.403	0.053	0.160	0.206
Denmark	0.145	0.121	0.132	0.118	0.205
United Kingdom	-	-	-	-	0.131

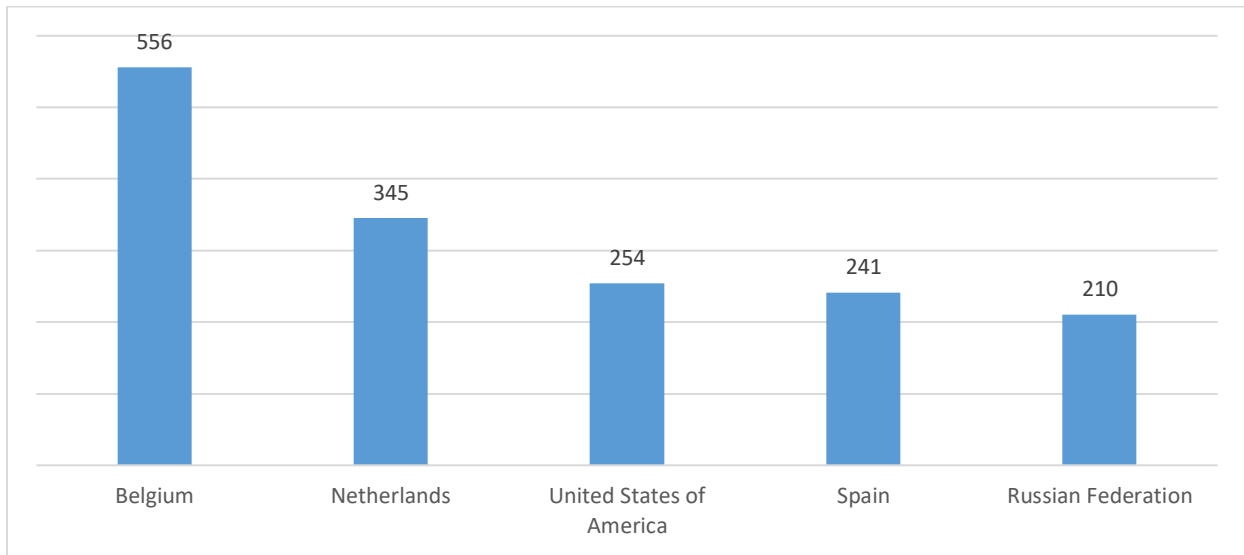
Source: Trade Map

4. Import Destinations of Potatoes and Value-added Items

Fresh / Chilled Potatoes and Seed Potatoes

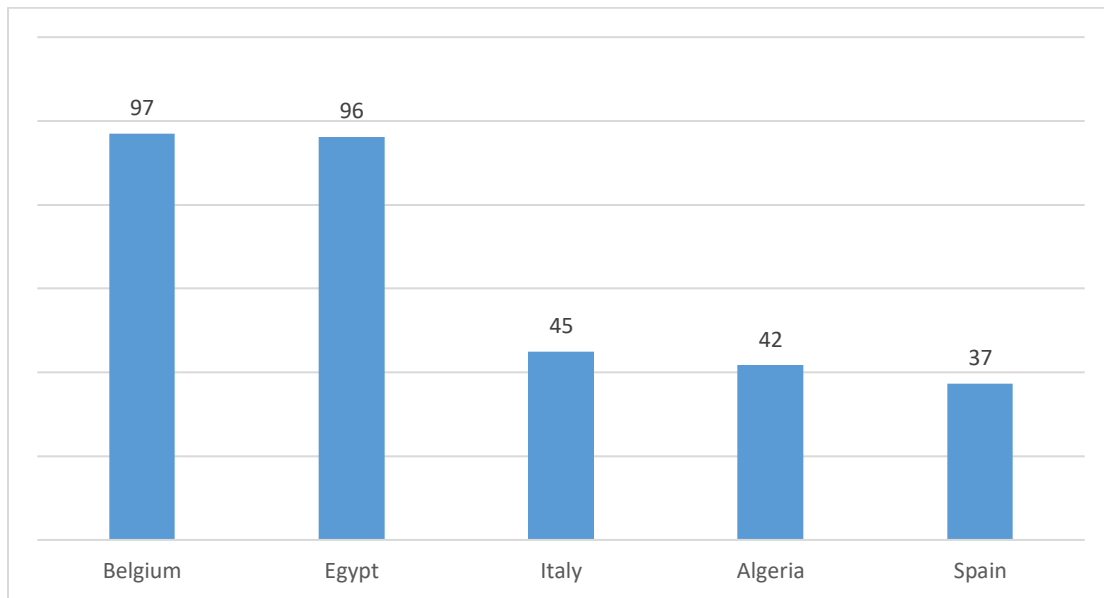
The largest importing country of fresh potatoes is Belgium, followed by the Netherlands and the USA. Additionally, Belgium is also the top importer of seed potatoes in the world. The following graph provide further details on the top importing countries for fresh and seed potatoes. It's worth noting that Pakistan stands at 15th place in terms of seed potato imports.

Figure 4: World Top 5 Importers of Fresh Potatoes (Trade Value in US \$ Million) - 2021



Source: Trade Map

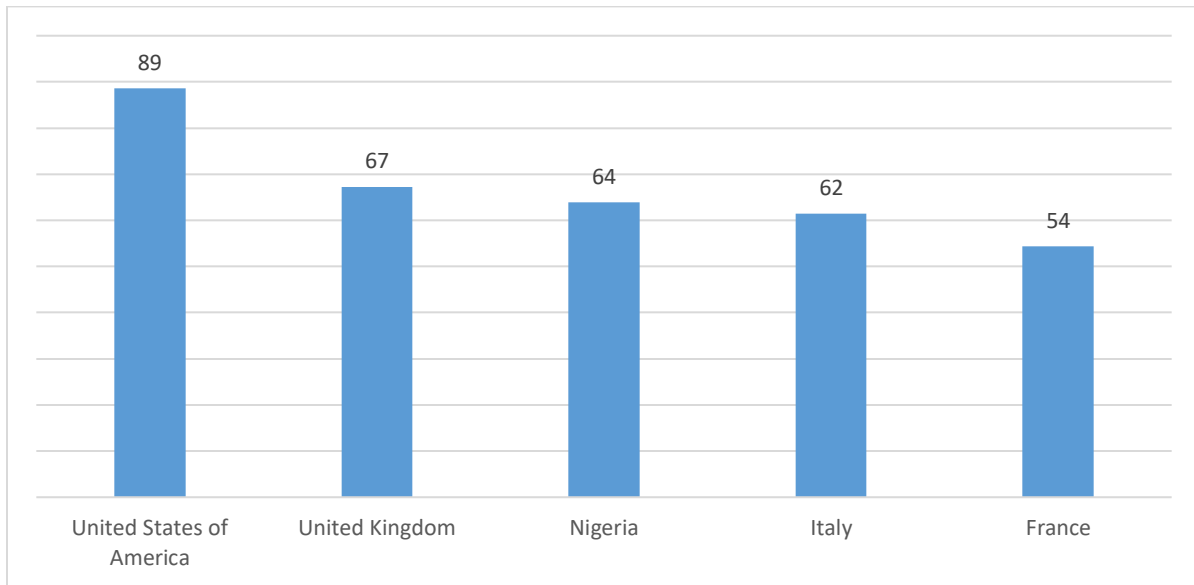
Figure 5: World Top 5 Importers of Seed Potatoes (Trade Value in US \$ Million) - 2021



Source: Trade Map

Potato Powder, Flakes, etc.

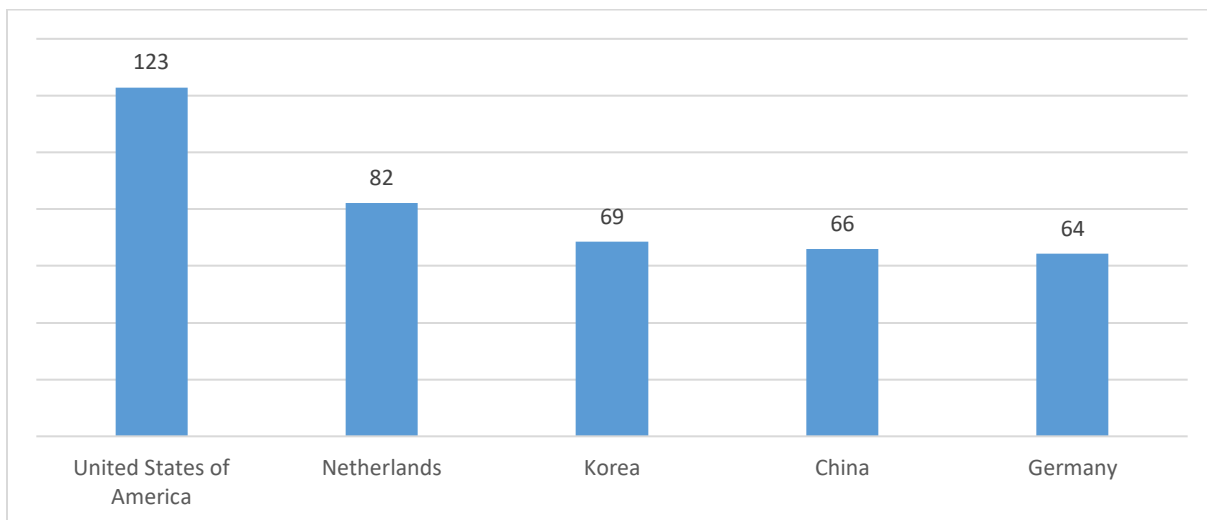
Figure 6: World Top 5 Importers of Potato Powder, Flakes, etc. (Trade Value in US \$ Million) - 2021



Source: Trade Map

Potato Starch

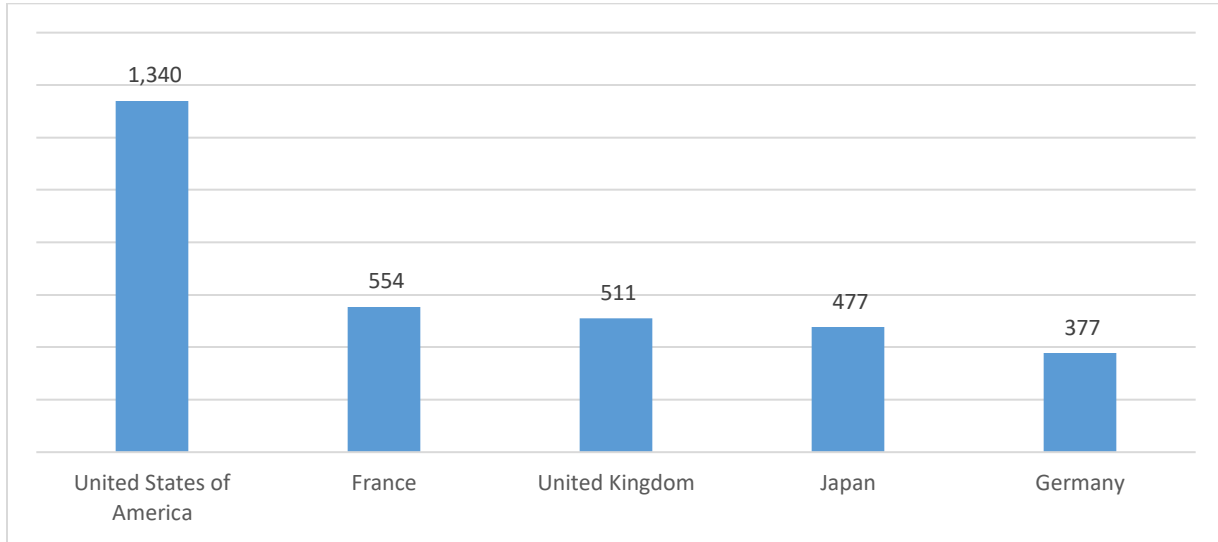
Figure 7: World Top 5 Importers of Potato Starch (Trade Value in US \$ Million) - 2021



Source: Trade Map

Preserved Potatoes Frozen

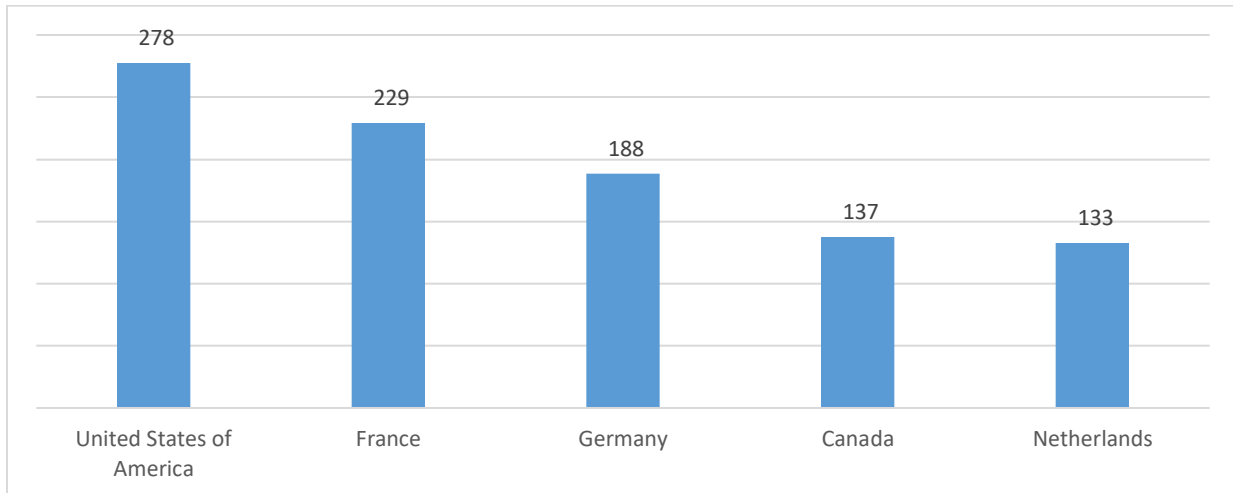
Figure 8: World Top 5 Importers of Preserved Potatoes Frozen (Trade Value in US \$ Million) - 2021



Source: Trade Map

Preserved Potatoes Unfrozen

Figure 9: World Top 5 Importers of Preserved Potatoes Unfrozen (Trade Value in US \$ Million) - 2021

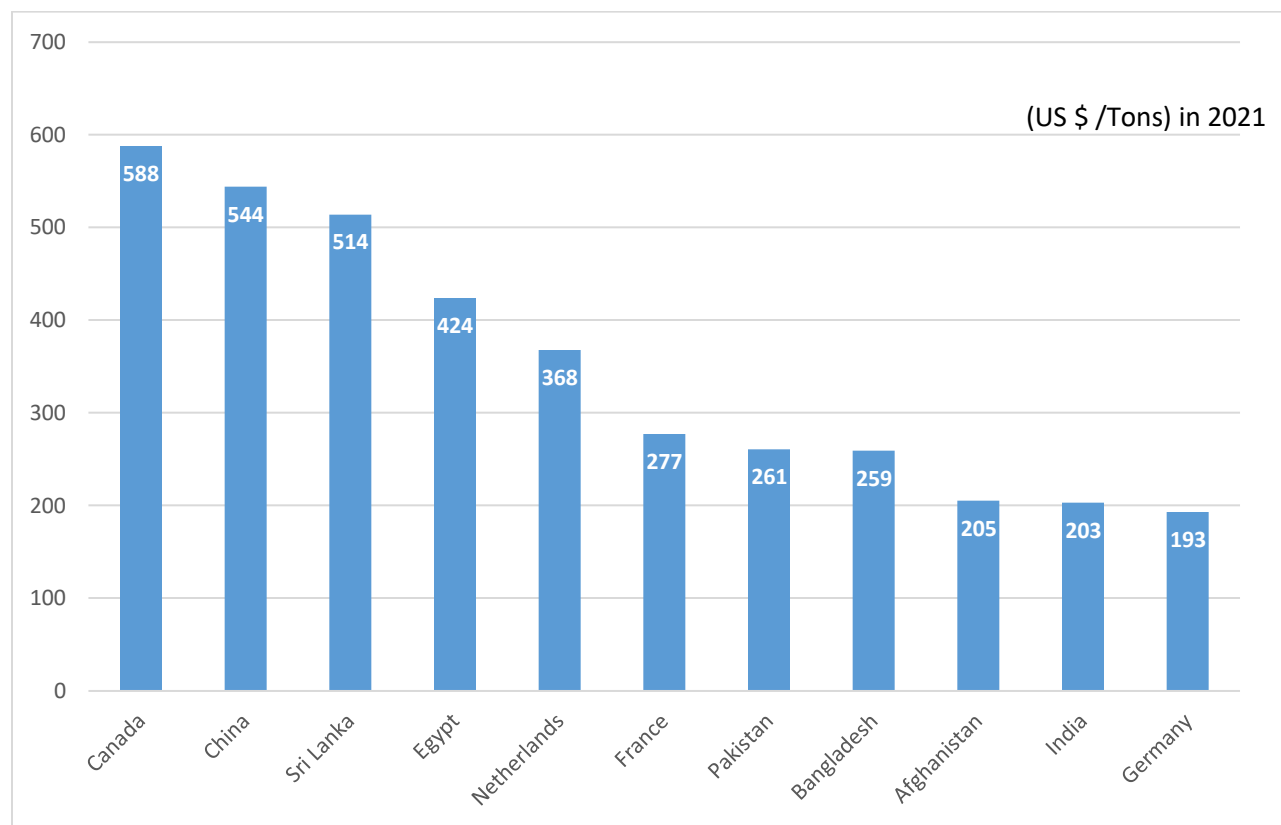


Source: Trade Map

Price Competitiveness

Details of the top countries in terms of high prices charged for potato seeds export in 2021 are given in the following chart. It can be seen that the price off potatoes exported by Pakistan is slightly higher than that of the regional competitors including Bangladesh, Afghanistan and India.

Figure 10: Price Comparison for HS Code 0710 “Potatoes (Fresh or Chilled)”



Source: Trade Map

5. Pakistan's Export Trade and Tariff

Customs Tariffs/Duties

Knowing customs duties (or tariffs) are important to take decision of choosing a product or service for import or export economically feasible or not. In the same manner to claim refund or rebate again knowing custom duty is essential. Whole circle of import and export depends upon knowing and using the custom tariffs/duties or exemptions. Determining which customs duty is applicable to a product is a complex exercise and expert advice may be sought. Customs Act, 1969, Customs Rules 2001 are the relevant law and Pakistan Customs under FBR is the only authority to deal with custom tariffs and rules. Government often changes duty structure and rules due to which these are not stagnant. Following is the link to check the customs tariffs/duties applicable in which Pakistan Customs is the final authority to the extent of Pakistan.

<https://www.fbr.gov.pk/categ/customs-tariff/51149/70853/131188>

6. Prominent International Trade Fairs

Name of Trade Show	Location	Web Link
Gulfood	Dubai	https://www.gulfood.com/
AgroWorld Uzbekistan	Uzbekistan	https://www.agroworld.uz/en/
CPMA Convention and Trade Show	Canada	https://convention.cpma.ca/
Europatat Congress	Poland	https://europatatcongress.eu/
IFPA Foodservice Conference	USA	https://www.freshproduce.com/events/the-foodservice-conference/exhibit-sponsor/become-an-exhibitor/
Potato Days Turkey	Turkey	https://en.potatodaysturkey.com/visitor
PotatoEurope	Belgium	https://www.potatoeurope.be/en/exhibitors/registration/subscribe-potato-europe-2023
British Potato	United Kingdom	https://www.bp2023.co.uk/registration/index.html
Potato Expo 2024	USA	https://multisoftevents.com/PotatoExpo23/
Interpom 2024	Belgium	https://www.interpom.be/nl/