



## Potatoes New Zealand Newsletter

### March 2016

Hi Everyone

The Fijian export market access issue appears to have been satisfactorily resolved. Potatoes New Zealand in conjunction with MPI, supported by Market Access Solutions have worked hard to minimise the impact of the new export requirements. If you have any questions as to the new requirements contact your exporter.

Following submissions from the Export Market Development Group the Board will at the next meeting on April 19<sup>th</sup> consider the resolution that for the next season dispensations under the MPI PCN & Potato Wart Assurance Programme not be awarded. This to ensure that we have a manageable scheme.

A further reminder to ensure that you make a submission to support the release of Tamarixia. This will be an important tool to assist in the biological control of the tomato potato psyllid (*Bactericera cockerelli*). The submissions do not have to be long but need to explain how TPP impacts your businesses and how a biological control agent such as Tamarixia will benefit your business, staff and most importantly your local community. [Click here](#) to make a submission.

In this newsletter we highlight the research activities being undertaken on-farm and introduce the recent off-farm research initiatives. PNZ allocates approximately 32% of its income to R&D activities with over 95% spent on-farm, the remainder is allocated to off-farm.

There is quite a lot of information and we would appreciate your feedback. If you have any question please do not hesitate to contact myself or Andrea Crawford.

Chris Claridge

### Potatoes New Zealand Inc. News

#### Upcoming meetings:

- Seed Certification Meeting – Christchurch, 6<sup>th</sup> April
- Vegetable Forum – Wellington, 13<sup>th</sup> April
- Horticulture Industry Forum – Wellington, 14<sup>th</sup> April
- PNZ Inc. Board Meeting – Auckland, 19<sup>th</sup> April
- Landwise Conference – Havelock North, 25 & 26 May
- Potatoes NZ Charitable Trust Golf Tournament – Methven, 27<sup>th</sup> May
- PNZ Inc. AGM – Pukekohe, 20<sup>th</sup> July (note next PNZ Inc. conference is **July 2017**)
- Young Grower of the Year Final and Dinner – Pukekohe, 20<sup>th</sup> July
- HortNZ AGM – Nelson, 3 – 5 August
- PNZ Inc. Agronomist Forum – Pukekohe, 18<sup>th</sup> August



## LandWISE 2016: The Value of Smart Farming – 25 & 26 May, Havelock North

In 2015 the Landwise conference focused on technologies and what is becoming possible. In 2016 they will focus on the value proposition – how digital agriculture can help a farm business. Many farmers have gained value from GPS, cropping farmers especially from self-steering tractors. This is just the start. How do we integrate computing technology into farming in ways that improves sustainability and profitability and keeps farming viable and an attractive way of life?

Digital Agriculture is a new industry that involves combining large data sources with advanced crop and environment models to provide actionable on-farm decisions.

Real benefit comes when the data are sourced and connected along the entire value chain. How do on-farm decisions impact the value at the final point of sale? How do requirements along the path determine what actions should be taken on-farm, at previous and future steps along the chain?

At LandWISE 2016, farmers talk about what is giving them actual value, researchers paint the future and industry gives insights into the next thing coming.

For more information [click here](#).

## PNZ Charitable Trust 7<sup>th</sup> Annual Golf Tournament – 27<sup>th</sup> May, Methven

The 7th annual PNZ Charitable Trust Golf Tournament will be held at Methven Golf Club on Friday 27 May with tee off at 11.00 am. The format is a teams' Ambrose. All golfers and non-golfers are welcome.

All funds raised are used for potato education and research projects and on helping our partner in the community Stand Children's' Services (formerly Children's' Health Camps).

If you want to participate or support this worthwhile event please contact Ron Gall at [ron@rongall.co.nz](mailto:ron@rongall.co.nz) or on 0274 466 838. More details can be found on the PNZ Inc. website events page - <http://www.potatoesnz.co.nz/events/pnz-charitable-trust-golf-tournament/>

## REMINDER - IMPORTANT CHANGES - Organophosphate / Carbamate Reassessment

Due to the Environmental Protection Authority (EPA) reassessment of organophosphates/carbamates\*,

MPI has undertaken a reassessment to consider:

- revision of labels such as revised use patterns and removal of claims, and
- acceptability of food-producing claims from a dietary intake exposure perspective.

At the time of the EPA reassessment, there were 74 agricultural chemicals, involving 17 different active ingredients, registered under the Agricultural Compounds and Veterinary Medicines (ACVM) Act 1997 affected by the reassessment. Based on the acceptable daily intakes (ADIs) for the reassessed active ingredients, there were dietary intake concerns for **acephate, diazinon, fenamiphos, maldison and methamidophos**.

ACVM risk areas are not affected by changes to EPA controls for carbaryl, chlorpyrifos, dimethoate, methomyl, oxamyl, phorate, pirimicarb, pirimiphos-methyl, prothiofos and terbufos. The label changes that EPA require do not impact on ACVM label content.

Dichlorvos was not included in the MPI reassessment as the EPA has only recently completed their reassessment.



Label changes arising from the MPI reassessment, including new use patterns and withholding periods (WHPs), **are effective immediately**.

However, **revised maximum residue limits (MRLs) will not be promulgated until the MRL round starting in July 2016**. This is to allow labels in the marketplace to be replaced over the coming season and reduce unintentional MRL non-compliance by users.

Revised use patterns are available on product labels approved after July 2015. See the [NZ Food Safety Authority website](#) for a list of registered trade name products, their labels and associated registration conditions.

\* For a summary of the EPA reassessment, see the [Worksafe website](#)

## **Biosecurity**

### **GIA Application**

PNZ Inc. have applied to the Minister of Primary Industries to sign the Government Industry Agreement (GIA) deed on behalf of the New Zealand potato industry. The Minister's office has replied "On behalf of Hon Nathan Guy, Minister for Primary Industries, thank you for your letter of 11 March 2016 regarding your application for Potatoes New Zealand Inc. to be a recognised industry organisation to enter into the Government Industry Agreement for Biosecurity Readiness and Response. Your application is being assessed and the Minister will reply in due course."

## **Food Safety**

### **REMINDER - Food Act 2014 – regulations and resources**

The new Food Regulations have been formally passed, and are now available on the New Zealand Legislation [website](#). The Minister for Food Safety, Jo Goodhew, announced the regulations on the 17<sup>th</sup> December 2015. For the full press release [click here](#).

MPI have created a package of resources to help businesses understand and comply with the new rules, which **came into effect on 1st March 2016**.

These are available on the MPI website: <https://www.mpi.govt.nz/food-safety/food-act-2014/> .

Please share these resources with your colleagues to help them prepare for the new Food Act!

To find out what you need to do, businesses should start by using the ['Where do I fit?' tool](#). This will direct you to the resources that apply to you.

New resources include:

- New food control plan templates. These templates will help food service businesses, such as restaurants, cafes, hotels, bars and rest homes, and food retail businesses, such as supermarkets, delis, butchers, bakers and fishmongers, meet their requirements under the new law.
- Guidance for businesses who need to operate under a 'national programme', such as horticultural producers, manufacturers of lower risk products, and those who sell pre-packaged food.
- Food safety guidance for businesses that are exempt from a plan or programme
- Step by step guides for how to follow the new rules



Please be aware that MPI is working hard to create resources that meet people's needs. The resources they have published so far are not an exhaustive set, and MPI will be updating and adding material in the New Year. MPI welcome feedback from you on anything they have published so far.

From 1st March 2016 all new businesses must comply with the new rules. Existing businesses have time to make changes. They can find out when they need to transition here on the [MPI website](#).

## Export Market Development

### **2016 Fry Exports Off to a Flying Start**

The strong end to 2015 for New Zealand fry exports was carried on into 2016 with the 3,586 tonnes shipped in January up 77.1% on the same month in 2015. That trade was driven by extra demand in Australia, Japan and Thailand. However, the increase in January imports did not eliminate a 10.7% decline in annual exports to 56,863 tonnes. The average price of New Zealand product was up 13.7% to NZ\$1,440/tonne in January 2016.

Sales to Australia over the year were down 14.1% to 45 338 tonnes, but rose by 91.4% to 2 796 tonnes in January itself.

Source: World Potato Markets Issue 257, 8 March 2016

### **Dispensation Process Update - MPI PCN & Potato Wart Official Assurance Programme**

Since the December email newsletter PNZ Inc. has received a number of further applications for dispensations.

The PNZ Inc. Board discussed the continued applications at its board meeting in February.

The Export Market Development Group had recommended to the PNZ Inc. Board that they remove the dispensation process immediately. The dispensation process is not part of the official OAP but a specific request from industry to MPI and as such could simply no longer be required by industry.

However the PNZ Inc. Board felt they could not do this during the season but would look to remove the dispensation process for next season. The PNZ Inc. Board will reconsider this matter at the April board meeting for a final resolution.

PNZ Inc. will encourage growers next season to register as many paddocks as possible in the initial timeframes.

Remember there is no cost to registering more fields than you end up exporting from, the only cost is sample testing if you end up exporting from that field.

The current MPI Official Assurance Programme states that for markets other than Taiwan and Korea, applications must be submitted **no later than 21 days after crop has been planted** except where a pre-planting soil test is required, in which case applications must be submitted before the intended sampling date.

There should be no reason why any grower cannot apply within the currently prescribed time period.



## EMDG Work Programme

The EMDG continues to provide information to MPI and industry on a range of market access related issues. An update on where we are at with specific market access related issues is as follows;

- **Australia** – the PNZ Inc. Board resolved at its February 2015 board meeting to withdraw its current application to Australian government seeking market access for fresh potatoes for processing into Australia. This is an economic decision which will enable resources to be utilised in other market access areas.
- **Japan** – The EMDG has invited the Japanese Embassy Head of the Economic Section in New Zealand to meet with the PNZ Inc. CEO and a member of the EMDG to discuss the access request for potatoes for processing to Japan. This is the first stage in developing a relationship with Japan to help New Zealand potato exporters connect with commercial companies in Japan. PNZ Inc. is also exploring the opportunity to meet with the Japan External Trade Organization (JETRO (NZ)), a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world.
- **Viet Nam** – The PCN/potato wart OAP is being updated with Viet Nam's requirements and will be available by the first quarter of 2016. A grower and exporter will need to be registered for Viet Nam so the completed OAP will be provided to growers/exporters in time for pre-planting registration June/July 2016.

MPI will be sending a letter of introduction to the Viet Nam officials in 2016 to progress a visit in March 2017 to audit the potato export system. An audit by Viet Nam is required to close the loop on the market access approval. The audit will include the normal registration process under pre-planting registration conditions.

It is important to note that if any exporters are interested in this trade they should make contact with PNZ Inc. Exporters should be assessing the market with a view to connecting with importers in Viet Nam. PNZ Inc. also plans to work with the Viet Nam consulate and Chamber of Commerce to identify potential importers. The exporters will also need to apply for an import permit.

Soil sampling for PCN is required and **only one** of the following survey methods is required and depending on cost PNZ Inc. will pay for the audited production site(s) to be tested/sampled:

- A pre-plant soil test – 100 cores for up to 4ha.
- OR
- A pre-harvest soil test (approx. 100 days after planting) – soil will be taken from under plants.

For each 4 ha block, or part of, a sample will consist of 100 cores of not less than 5 ml of soil taken from the top 5 cm of soil. The core samples must be taken at each intersection point of a 10 x 10 grid distributed uniformly over each entire production site block (4 ha or part of). All cores will be bulked together into one sample of at least 500 g. The entire sample must be sent to an MPI accredited laboratory for analysis.

- **Korea** - Korea has expressed that it is open to reviewing access conditions for New Zealand fresh potatoes and is keen to progress better import conditions. Korea will be working on the assessment of the washing methods, proposed by New Zealand to revise the current protocol, in the first quarter of 2016. The EMDG also discussed a response to Korea on its concerns around Zebra Chip with the group maintaining a position that the disease would not be an issue for potatoes for consumption. MPI is considering this position.

### Other market access related issues;

- **Fiji access** – the EMDG and MPI worked hard to minimise the disruption to trade in fresh potatoes to Fiji when Fiji imposed a new import requirement for the application and verification of sprout inhibitor for this market.



Stuart Wright, Chair of Potatoes NZ Inc. on behalf of growers, thanks all those involved in this process for their efforts in resolving this issue for the industry, including members of the EMDG, Market Access Solutionz and MPI.

- **New Caledonia** – MPI has received a response on the issue of Ralstonia Solanacearum Race 3, Biovar 2 and Candidatus Liberibacter from New Caledonia. New Caledonia requires further assurance on the transient status of the Ralstonia disease in New Zealand. Given the amount of time that has elapsed since the last detection in 1977 there should be no issues. New Caledonia stated that a report from France indicated that there is another vector for Liberibacter so they require information on testing and tolerances in seed potatoes. Currently NZSPCA has no tolerances or testing in place for Candidatus Liberibacter but IVA's are now recording any signs of the disease during field inspections.
- **Clarification of import requirements** – Any updates will be posted in the Importing Countries Phytosanitary Requirements summary on the PNZ Inc. website.
- **Codex** – The next Codex standards meeting is in 2017 and there is still some work to be done to further develop the ware potato standard.
- **PCN Finds** – The PCN maps will be updated in the first quarter of 2016.

## **Research & Development Update**

### **FAR Managed R & D Programme Update**

In 2015/16 four areas of potato specific research are being undertaken and a number of potato specific projects some of which are noted below.

#### **Soil Borne Diseases**

This year a trial is underway at a single site in South Canterbury. The site was selected as it had recently been in potatoes and was sown early thus increasing the risk of disease. The trial has 8 treatments which were selected on the outcome of last year's trials. Assessments include emergence, disease incidence to plants; and tubers, and yield.

This trial has had its final disease assessment done on it and also yield/harvest measurements have been taken. FAR are still waiting on the disease summary from Plant and Food Research. A quick yield analysis shows no significant differences between any of the treatments however very good yield with the trial mean yield being 83t/ha. All data will be analysed and a Potato Update will be sent out to growers in the upcoming months. Once disease results have been analysed FAR will be able identify key treatments for next season.

#### **Foliar Disease and Pest Management**

In 2015/16 the focus is on further verification of the psyllid management options and how these vary by both region and pest pressure. The outcome will be to provide a range of effective commercial psyllid management options suitable for growers in the three key regions (Matamata, Manawatu and Canterbury). Treatments range from calendar based sprays to IPM based spray programmes. Trials have run smoothly with harvest due to begin in the upcoming weeks. Both Manawatu and Canterbury received good feedback at extension events showcasing the trials. Results will be processed over winter and sent out to growers like last season as a potato update. A meeting with Plant and Food Research will devise a research plan for the 2016/17 season.



## **Irrigation Management**

Investigating the water use efficiency of potatoes was looked at again only in Canterbury. This year a shallow stony soil was selected to allow us to understand the water use on a different soil type. Treatments replacing various soil moisture deficit volumes were aimed to identify when there is a yield loss from water stress and also identify where savings can be made through over watering and drainage events. Different stress timings will also be looked at. Often a decision needs to be made between watering one high value crop and another so better understanding when these timings will severely reduce potato yield are important.

Unfortunately due to establishment problems the trial has had to be abandoned. Rain at the wrong times resulted in treatments being compromised and the results would be unreliable.

## **Soil Quality, Crop Rotations and Biofumigant**

This MPI SFF funded project commenced this season. Eighteen paddocks with differing crop history have been selected across three regions. Soil quality prior to planting has been assessed and disease incidence is being assessed throughout the growing season. At one site the influence of the previous crop being a biofumigant crop as compared to a fallow is being assessed.

Disease assessments have been taken on time through the season and yield assessments have commenced at some sites. Some interesting observations have been noticed throughout the sites and will be analysed more closely once harvest is complete.

Also the biofumigant trial is underway with 4 treatments (mustard, radish, oats and fallow) being evaluated at a site in South Canterbury. Soil samples have been taken pre planting and will happen again pre potato planting. A PHD student is also included on this work. He is looking at the effects of biofumigant crops on *Rhizoctonia solani* and the effects on other beneficial soil microbes.

## **Transforming Variability into Profitability**

Work on this project is on track. Yield maps and profit maps have been created for a number of paddocks. A potato harvester has been fitted with yield monitoring equipment and has been field tested.

## **Fluxmeter project**

Fluxmeters are installed at sites in all regions (South Auckland / Waikato, Manawatu, Hawkes Bay and Canterbury). Drainage is being collected and the N levels in any drainage recorded. This MPI SFF FAR, PNZ funded project will be ongoing over at least three years.

## **Don't Muddy the Waters**

This MPI SFF, FAR, PNZ, HortNZ funded project is operating in South Auckland and the Manawatu. Project is aimed to find solutions to manage sediment loss. This is a three year project and it is on track with regard to milestones.

## **Overseer Evaluation**

This project aims to define how accurate and effective Overseer is in modelling N loss from cropping farms. The initial stages of the project have been completed which include comparing the model response from APSIM to real data and comparing these outcomes to Overseer modelled data. The project has been delayed until May as a new version of Overseer is being released and it is planned to undertake this work on the latest version.

## **Cadmium Project**

Funding has been secured from a number of industry groups and MPI for the next stages of the project. Work has commenced on sourcing a number of varieties of potatoes to test for cadmium and also to source a number of soils to define how soil type influences cadmium uptake.

## **Tamaraxia**

An application to release Tamaraxia has been lodged with EPA.



## Extension

Potato field days have been held in South Auckland, Manawatu and Canterbury. Potatoes were also discussed at two other field days run by FAR. South Canterbury in late November 2015 and Chertsey in early December 2015. The field days have had good attendances.

The annual PNZ Inc. Agronomist Forum will be held at the Franklin Centre, Pukekohe on Thursday 18<sup>th</sup> August.

## PFR Core and MBIE funding

Work done by PFR on planting on beds vs mounds with different irrigation inputs looks very interesting. Other work on psyllid is progressing with field work in Pukekohe and research on detection of infected (hot) psyllids.

## Overseas Useful Resources

Check out the Agriculture and Horticulture Development Board (AHDB, previously UK Potato Council) videos at <http://potatoes.ahdb.org.uk/video>

## Seed Certification Authority

### Seed Certification Authority Meeting – 6<sup>th</sup> April

The next meeting of the Seed Potato Certification Authority will be held on 6th April. If you would like to have any matters discussed please contact the Secretary (Stephen Ogden), or one of the Authority members.

#### SCA Members:

- Andy Innes (Chair) - Seed grower, Canterbury
- Richard Redfern - Seed grower, Canterbury
- Kerry Hughes – Merchant (ALMAC), Canterbury
- Tony Hendrikse – Merchant (Eurogrow), Hamilton
- Scott Clelland - End user (McCain), Canterbury
- Monty Spencer - End user (Wilcox), Pukekohe

## Innovation

### Innovation Group Update

Potatoes New Zealand Inc. has initiated a series of innovative off-farm projects. This is as part of its strategy of protecting & enhancing the domestic process market and managing waste streams. Currently PNZ invests approximately 32% of its income on research & development. Through its R & D partnership with the Foundation for Arable Research PNZ is engaged in 12 on-farm R&D projects.

PNZ has initiated six off-farm projects with a seventh in the design stage (see Table below). We have engaged with five research partners including Plant & Food Research, Massey University, Canterbury University, Otago University and the Reddit Institute. One of the projects seeks to identify commercialisation models of innovation to ensure that R&D projects initiated can be implemented to achieve commercial outcomes. We have used a mix of student and research projects to maximise value and research outcomes.

Project/Activity Description	Research Provider
Making Petfood Ingredients from Potato Bioresource Streams	Plant & Food Research
Characterisation and Utilisation of Waste from Potato Processing Industry	Reddit Institute



Project/Activity Description	Research Provider
Evaluation of the Dried and Size Reduction Processes for the Production of Pet Food Potato Flour and Comparison of this Product with Pea and Wheat Flours.	Massey University
Commercialisation Models for Innovation Projects	Black River Ventures
PHD Grant: Selective Uptake and Expression of Macro & Micro Nutrients in Potatoes	University of Canterbury
Potato Processing Technologies & Application to NZ including Pulse Electric Field (In Design Stage)	University of Otago (In Design Stage)
Establish the parameters for the hydrolysis and fermentation of potato waste to produce ethanol.	Massey University

## Leadership

### **HortNZ Leadership Programme – Applications Now Open!**

This programme is designed for potential or current leaders in the horticulture industry who want to develop their leadership skills. Jointly run by HortNZ and Lincoln University, demand for one of the 18 available places is high. If you are a grower, an employee of a grower or an organisation closely associated with growing, then you are eligible to apply.

The course is in three phases and is designed to feed into existing programmes like the Kellogg Rural Leadership Programme.

- Phase 1 is a three day residential programme at Lincoln University from 25-28 August.
- Phase 2 is an independent project.
- Phase 3 is a three day residential programme in Wellington from 11-13 October.

Its emphasis on developing “ready to use” leadership and business skills has made it highly sought after by growers and employers alike.

You can download an application form from the HortNZ website [www.hortnz.co.nz](http://www.hortnz.co.nz)

**Applications and two referee forms are to be submitted by 31 May 2016** to Kirsty de Jong at [kirsty.dejong@hortnz.co.nz](mailto:kirsty.dejong@hortnz.co.nz) For queries, contact Kirsty de Jong on 04 494 9971.

Potato industry prospective applicants are welcome to seek assistance and advice on the application process or the course in general, from previous participants on the PNZ Inc. Leadership Development Group:

- Nick Tayler – Tayler & Sons, Canterbury
- Tim Pike – Mid Canterbury Growers, Canterbury
- Claire Mills – ADAMA, Manawatu

## Education & Marketing Update

### **Foodshows 2016**

The 2016 Foodshows are about to begin with Potatoes NZ Inc. again taking the opportunity to work with the Heart Foundation on their stand at the four shows – Christchurch, Hamilton, Wellington and Auckland.



The shows will be:

- **Christchurch** – Horncastle Arena, 8<sup>th</sup> – 10<sup>th</sup> April
- **Hamilton** – Mystery Creek, 30 Apr – 1 May
- **Wellington** – Westpac Stadium, 20 – 22 May 2016
- **Auckland** – ASB Showgrounds, 28 – 31 July

### **Chip Group New Chair**

Chris Claridge has recently been appointed as Chair of the Chip Group following the retirement of the previous Chair after completion of the maximum 2 years in the role.

The Chip Group is an important component of the 2013 Potato Industry Strategy goal to increase potato consumption of NZ grown fresh and processed potatoes by empowering consumers, key influencers, growers and industry partners.

### **Potatoes More Than a Bit on the Side**

The Agriculture and Horticulture Development Board (AHDB, previously UK Potato Council) launched in October 2015 its campaign to show that potatoes are “More Than a Bit on the Side”. With a total investment of 1.2m Euros per year, 600,000 Euros from the European Union, the campaign is gaining momentum.

Research had suggested that consumers in the UK are switching off to more professional, dictatorial advice; instead preferring to turn to their peers for information, advice and inspiration.

So AHDB have increased the number of high profile digital and video food bloggers that they work with and now have 15 individuals sharing their recipes and key facts with an impressive reach of 1.4million people.

Feel free to see what they are up to at <http://www.lovepotatoes.co.uk/> or <http://potatoes.ahdb.org.uk/>

## **Global Market Update**

World potato production surged in 2011 after the disasters of 2010 and sustained the new level up to 2014, according to the latest figures to be published by the UN Food and Agriculture Organisation.

The increase results almost entirely from an improvement in the average yield per hectare, which exceeded 19 tonnes/hectare for the first time in 2011 and in 2014 rose above 20 tonnes/hectare. The world area peaked at just above 20 million hectares in 2000 but has now stabilised at 19.2 million hectares.

At the rate of yield improvement shown over the decade to 2014, the world average should reach 21 tonnes/hectare by 2018, by which time world production should just exceed 400 million tonnes.

The only regions which are capable of producing average yields above 40 tonnes/hectare are the central EU-5 countries (despite doubtful 2014 figures for the UK), North America and Oceania.

Asian countries account for 52% of the area and 49% of the harvest while the respective proportions for Europe are 29% and 32%.

Source: World Potato Markets Issue 257, 8 March 2016



## **European Update**

Belgian processors used 3,970,595 tonnes of potatoes for processing last year and a small additional quantity of 6 934 tonnes of potatoes were used for flake manufacture, according to the latest statistics published on Friday by trade association Belgapom.

Usage has more than tripled since 1998 and output of frozen and chilled fries has almost quadrupled over the period, to 1.699 million tonnes. Manufacture of products other than fries has levelled out since 2011. The Belgapom figures show a surge in industry investment to €167.207 million last year and a continuing steady increase in plant capacity.

Source: World Potato Markets Issue 257, 8 March 2016

## **Australian Update**

Fry imports into Australia were 1.4% lower in January 2016 than they were in January 2015, at 8,620 tonnes, but this was despite the fact that the cost of these imports had risen by 24.2% to a record Au\$1 245/tonne. The January import value of Au\$10.730 million was the second largest on record. Imports over the 12 months to January 31 were 7.1% down at 120,435 tonnes but there was a further increase in the cost of these supplies to Au\$134.944 million (€91.326 million).

The recovery in New Zealand fry imports continued into 2016, with the country making gains at the expense of Dutch companies. In January 3,025 tonnes of NZ fries were imported, up 95.2% on the January 2015 total. Over the year imports were still down 14.0% to 45,730 tonnes. The January gains were made despite the average New Zealand fry price increasing by 16% to NZ\$1 174/tonne between January 2015 and January 2016.

Dutch fry imports fell by 27.1% in the year to the end of January 2016 to 45,730 tonnes, with a 58.7% fall in imports from the country in January to 2074 tonnes. That meant that the Netherlands went from being the largest supplier of fries in January 2015 to the third largest in January 2016, behind New Zealand and the USA.

The biggest winners in the Australian market over the last year have been the US, Belgium and Germany. US imports in January were 2,420 tonnes, up 73.4% on the January 2015 total. Over the year US imports were up 49.4% to 30,437 tonnes. Belgium trade increased by a similar proportion.

Source: World Potato Markets Issue 257, 8 March 2016

## **US Update**

US fry exports made a good start in January with a recovery in sales to Japan. This is however not fully supported by Japan's import statistics for January, which show steady US sales and further small gains by EU suppliers. US exports this year should however pass the one million tonne target if the January progress can be maintained. US demand helped Canada's fry exports in January and a new monthly value record was set, while New Zealand, the US and Belgium made strong gains on the Australian market.

In percentage terms two markets have increased strongly in the last year – China and Australia. Over the year exports to China were up 24.0% to 98 708 tonnes with January exports up 31.1% to 5 867 tonnes. The average price of fries to China in January was at US\$1 156/tonne, an increase of 2.1% on the January 2015 price.



Fry exports to Australia were up 63.8% to 35 070 tonnes over the year and in January were more than double the January 2015 total at 2 834 tonnes. Other markets that have grown over the last year include Malaysia and Saudi Arabia. Markets that have shrunk over the last year include South Korea, Philippines, Taiwan, Hong Kong and Singapore.

Source: World Potato Markets Issue 257, 8 March 2016

Regards

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