

A time of confidence and opportunity for Cyprus potatoes

By Professor John Moverley

Cyprus is an island with a rich and long history and a proud heritage, the birthplace of the Greek goddess of love Aphrodite. It is the third-largest island in the Mediterranean and is well known as a year round tourist destination with its ever present sunshine, beautiful beaches and attractions. However this island has so much more to offer and this article looks at one of its established important exports, potatoes. This is a product widely acknowledged for its unique taste and appeal grown in the famous red soils of the island. Indeed Cyprus has been exporting this well known product in great quantities for many years, initially exclusively to the UK, but in the last 30 years to a much wider market throughout Europe.

Growing the crop

Whilst potatoes can be grown in Cyprus for most of the year, the crop is largely divided into winter and spring. The former is planted predominantly in August and September and is available for export from late November. The spring crop planting takes place in the period from November to January with exports available from February. The spring crop is the highest yielding. Government records for 2010 indicate total exports of almost 62,000 tonnes of which 45,000 were spring crop. However, that year was a very difficult one with lack of rain and other seasonal factors. The 2011 estimates are significantly higher exceeding 100,000 tonnes.

The red soils of Cyprus arise from their particular and unique mineral content and they are famed for their texture and fertility. Whilst the principal areas in which they are found are in the east of Cyprus, they are also located in other areas of the island. They are an ideal

medium for potatoes, producing largely blemish free tubers with that typically reddish appearance in their fresh state, combined with their great taste. As will be described later, varieties grown are wide depending on market need. The method of growing still involves a significant amount of hand work and this provides advantage, particularly at harvesting time, in the way the tubers are handled and transported for sale.



Yields vary clearly influenced by climate but, in a good season and on well managed holdings, are in the order of 40 to 50 tonnes per hectare for the spring crop. Disease problems are few, another distinct advantage for the Cyprus potato. Methods of irrigation have changed considerably over the years moving from the older method of running water down the rows to targeted micro sprinkler irrigation, much more efficient and effective. The availability of water has been, and remains, a crucial factor but, more recently, again there is increased confidence with continued investment in dams and desalination plants. A further

new desalinisation plant is due to open in 2012, not only guaranteeing drinking supplies but also providing the essential liquid of life for irrigating crops such as potatoes. As Demetris Petrides, an established potato trader and Managing Director of D. P. Agro Ltd (demetrispetrides@cytanet.com.cy), declared “the investment made is significant and should mean that water shortages can become a thing of the past”.

Producers' organisations

Whilst holding size is increasing, the Cyprus potato industry currently comprises numerous small and family orientated producers. Such producers are now mostly members of organised producer groups or co-operatives which provide the required benefits of scale. In turn, such groups supply packer organisations to market their crop both internally and for export. Nicos Genneos from the Cyprus Potato Marketing Board (www.cymb.org.cy) explained that “until



2004, when Cyprus entered the EU, all such marketing took place through the Board but the landscape has changed much since then. The export business now includes a range of packing and marketing organisations and growers seek to join with businesses that they see as providing greatest opportunity for the future”. The priority given to quality and standards is high and the exporting businesses visited stressed that their growers were qualified and registered with EUREGAP and met all relevant European standards and comply with ISO 9001 and HACCP.

By their organisation into groups, producers not only benefit from scale but can increase their specialism as a result to meet the needs of the different opportu-

nities. New varieties are being used to meet specific market needs and, whilst the dominant supermarket demand in many parts of Europe, has become pre washed and packed potatoes, there are signs of interest in re-offering loose potatoes for sale to consumers. Indeed that market has remained strong in many European countries. In such circumstances, the appeal of the Cyprus potato is emphasised and, once tasted, confidence of increased demand rises.

Export markets and investment

The export markets are diverse. Undoubtedly the biggest markets for Cyprus potatoes will remain in terms of Greece and the UK and, certainly for the spring crop, Germany, Belgium and Holland. However, established and significant markets exist in many more countries and they can and will grow. Official government statistics for 2010, reported on sales to almost 20 European countries. New markets are also still being developed and present great opportunities. For example, the demand for Cyprus potatoes is currently very much growing in both Russia and Ukraine. For 35 years, Paschalis Venizelos has been the packing house manager for SEDIGEP, a co-operative growers union operating since 1964 (www.sedigep.com.cy). He believes that “there is real opportunity for the export market of Cyprus potatoes and recent developments in organisations and policy can provide an excellent platform to achieve this”.

There has been much recent investment in new grading and packing lines in many of the organisations involved in such activity, re-enforcing the real priority given to quality and meeting customer expectations. Two such projects are set in the heart of the main growing area for Cyprus and certainly impress by their attention to detail, quality and standards. They represent the confidence for the future and the changing market conditions requiring a range of packaging and selection criteria to meet customer expectations. Demetris Petrides is a joint investor in one such project and points to “the newer markets emerging and still to be reached and the need to work more closely for example, with UK producers, to provide season round choice and supply in that important market”.

Rodis Hadjiandreou from Roha Premium Potato Ltd (www.roha.com.cy) believes, like others met, that great importance should be put on new markets but also in re-establishing the Cyprus brand. He stated

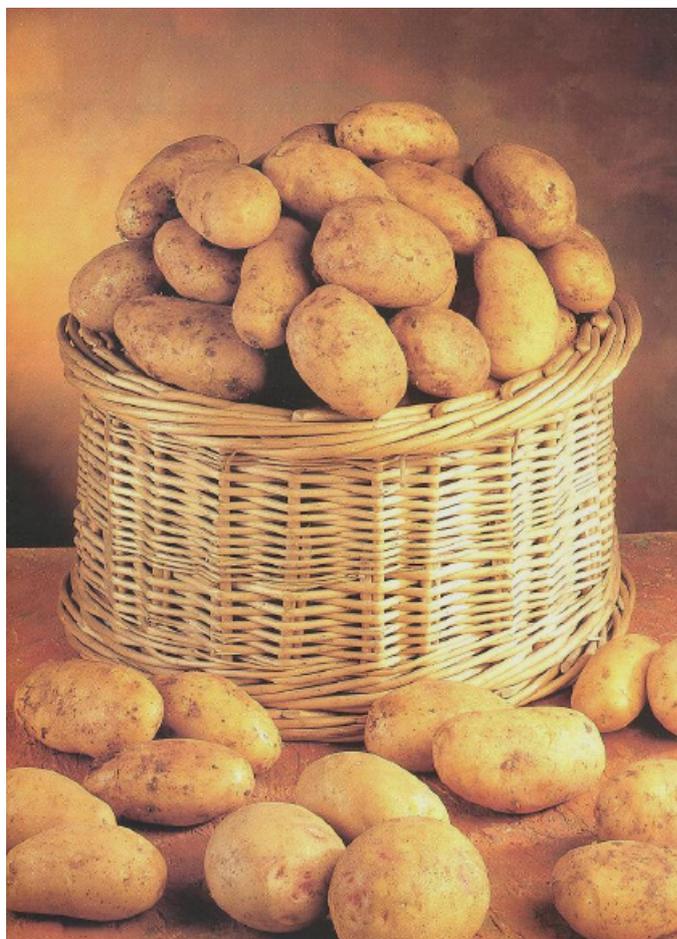
that “taking advantage of increased consumer interest in provenance (knowing specifically where their food comes from) in many parts of Europe is a clear opportunity to market the distinctiveness and appeal of Cyprus potatoes”. Socratis Pilavakis, from A. S. Pilavakis Ltd (www.sunpotatoes.com), another packing and trading business recently investing in facilities agree with that but equally emphasised that “focus on developing markets would take place at the same time as developing the more established customer base and responding to meet their changing needs”.

Choice of varieties

All those met by the author on his visit were actively engaged in developing the market. They referenced the introduction of newer varieties bred to meet specific customer needs, offered perhaps exclusively and specially branded, such as in the TESCO Natural range but also in other similar lines. Currently there is specific interest in a potato bred to retain its unique taste but contain much less calories. It will be interesting to see how this develops.

As John Symeonides, Managing Director of Y & P Fresca Imports-Exports Ltd (www.fresca.bz) explains, “members of the various grower organisations linked to packing facilities, at the start of season, agree varieties to be grown directly related to market needs and programmes of cultivation and production, with the seed sourced and supplied to growers by the packers. Seed potatoes for Cyprus are primarily imported from Holland although other countries are still involved such as Scotland”.

Whilst varieties grown are broad and continue to develop, the principal categories of what might be termed the table crop are Spunta, Marabel, Diamant and Marfona. Salad varieties, particularly important for the German and Belgium market but also exported widely, include Charlotte, Nicola, Filea and Annabelle. However this tells a very incomplete story. Those looking for more floury varieties head for varieties such as Cara and Slaney; for bakers again Cara and Marfona; and for babies, Nicola and Charlotte. What this does tell us is that the range is extensive and certainly the distinct advantage of the soils of Cyprus are that they are suitable for successful production of a very wide range, a definite advantage when meeting increasingly sophisticated customer needs.



Looking ahead

In looking to the future, it is interesting to reflect on the thoughts of a range of people met during the visit to the island. Andreas Savvides is Chairman of Savvides Omnipatat Ltd (savomni@cytanet.com.cy) and was the first chief executive of the Cyprus Potato Marketing Board when it was established in 1966. He has considerable experience with the crop and especially its marketing and cultivation. Andreas also has confidence for the future. He certainly believes that the total exports will be developed. “With investments in water supply reducing the risks to growers in that aspect, the trend to greater specialisation in production will continue”. He is encouraged by the activities of other Cyprus exporters and welcomes the increased focus on meeting the needs of specific markets and buyers.

John Symeonides believes that “the focus will continue to be more on supermarkets and less on wholesale” and all very much welcome the recent re-wakening of interest in loose potatoes by the latter which allow the Cyprus potato to be displayed to maximum advantage especially in terms of its colour. “Consumers are looking for increased choice and this must

be linked to highlighting the special qualities of the Cyprus potato". As Andreas Savvides states, "the Cyprus potato is universally accepted as best for taste and we need to exploit that fact in all aspects of our export activity".

Supporting this, Rodis Hadjiandreou fully believes in the attendance of exhibitions such as Fruit Logistica and states that "travelling to convey the message about Cyprus potatoes is very important presenting a united front by those involved in the export trade". He strongly asserts that the quality is sustainable and is important in developing increased markets. Also Nicos Genneos from the Cyprus Potato Marketing Board is keen to point out, "what is important is how the Cyprus producers and exporters have already responded to change, diversifying markets and opening up new markets and opportunities". Socratis Pilavakis echoes the call to sell the Cyprus brand and "the unique characteristics of the Cyprus potatoes which make it suitable for a very wide range of needs and markets".

Responding to change

So what can be concluded from this investigation into this important market? Undoubtedly there has been much change over recent years. Access to new markets has increased as has competition from other countries and there has been significant change in market structure throughout Europe. Internally, there have been resource issues to contend with, certainly in terms of ensuring adequate water supply to grow potatoes in this sun drenched island. There have also been issues of scale. Cyprus is, in global terms, a small island and the size of farms is low relative to many parts of Europe.

Markets have opened up across Europe. Significant investment is taking place in packing house facilities and equipment. New discussions have been entered into with buyers, emphasis has been placed on meeting individual needs and expectations and programming and planning of production has increased through choice of variety to method of production. There is strong priority given to quality and standards and ensuring Cyprus potatoes, certainly for export, meet all the required certifications.



A sense of optimism

This sense of enthusiasm is infectious and gives real confidence for the future. There is a sense of spirit within those involved based upon strong family groups which provides the platform for them not conceding their hard fought export market but seeking to grow and adapt it. As Andreas Savvides states, "this will arise through new varieties, new ways of adding value, new markets and continuing to achieve further increasing consumer awareness of the taste of Cyprus potatoes and their quality". Some believe that the marketing must change more from directly referring to red soil potatoes to the wider category of Cyprus potatoes. This highlights provenance and allows consumers to directly identify with the origin of the product and by definition gain the benefit of taste and quality. Given Cyprus's strong and well deserved reputation for tourism, it should be possible to link this to increasing consumer demand especially if tourists have enjoyed their potatoes whilst on holiday! The priority is on developing this unique product, a niche product, a superb tasting product grown in the famous red soils of Cyprus. Interesting times indeed and exciting.

Further information about potatoes and other fresh produce from Cyprus can be found on the website www.freshfruitvegetables.com.