# Greece

## Target market report for the export of GB seed potatoes

August 2006

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## 1. METHODOLOGY

1.1 The report was prepared using information sourced from Commercial Section's records and personal contacts in the market, local business directories, the Hellenic National Statistics Service, the Hellenic National Meteorological Service, the Greek Ministry of Agriculture and from British trade statistics from the Strategic Policy Analysis (SPA) unit of the Department of Trade & Industry. Given that the information requested on Greece, its climate, agriculture and the potato and seed potato markets was very specific, it is presented here primarily in bullet point form to facilitate the reader.

1.2 The information obtained was compiled in table form to enable additional levels of statistical analysis and comparison. Full statistics are thus provided to allow individual analysis by the Potato Council or their members. Key points of interest are brought to the reader's attention with explanation as appropriate.

1.3 During the course of research, 17 companies were contacted to validate their contact details and confirm their activity in the import and/or trade of seed potatoes. Section 10 gives the contact details for the 12 companies which confirmed their activity and which would be worth considering as potential partners. Additional comments have been added where further information was obtained.

1.4 Details about relevant Greek exhibitions and publications can be found in Section 11.

1.5 Weights and measures are metric and every effort was made to obtain consistency in the units used.

## 2. GREECE & THE AGRICULTURAL SECTOR

### 2.1 General:

- Total land area of Greece = 13.1mha (not including water surfaces)
- 42% mountainous, 28.5% semi-mountainous, 29% plains
- 27.35% in agricultural use, i.e., 3.58mha (including approx. 400thha rough grazing)
- Land in agricultural use dropped 5% over 1990s.
- Approximately 800,000 agricultural holdings, of which 450,000 deemed essentially unviable due to small size.
- Family-run business predominates in Greek agriculture. The average size of agricultural holding is 3.93 ha. The average for holdings where the principal activity is the cultivation of annual crops is still only 4.56 ha. A further factor hindering progress is the disproportionate age mix in the population engaged in agriculture. Nevertheless, incentives are in place to encourage "retirement" and a good proportion of the younger farmers are increasingly more up to date with new technologies and organisation methods.

### 2.2 Land uses:

Of the 3,180,500 ha in agricultural use (not including rough grazing), 61.8% is under annual crops (including fallow land), 28.39% under trees, 3.07% under vineyards, 6.74% other (including meadows and grasslands, nurseries, family gardens, other perennial crops).

Of the 1,965,472 ha under annual crops, the breakdown is as follows:

| | | |
|---|---|---|
| Cereals for grain | 57.39% | |
| Industrial crops | 24.24% | |
| Animal fodder (tubers, etc.) | 7.00% | |
| Fallow | 4.78% | |
| Fresh vegetables, melons, strawberries | 3.08% | |
| Sugarbeet | 1.67% | |
| Potatoes | | 1.02% (20,078 ha) |
| Pulses (dry) | 0.61% | |
| Other arable crops | 0.15% | |
| Flowers and other decoratives | 0.04% | |
| Seed-production plantations | 0.02% | |

### 2.3 Climate:

Typical Mediterranean climate with mild, wet winters (mid-October to end March) and relatively hot and dry summers (April to October). While spring is very short, the autumn period tends to be warm and long, stretching into December in the south. Generally long periods of sunshine throughout the year.

Given several large mountain ranges and the surrounding sea, however, climatic differences between the various parts of the country are large while still within the overall Mediterranean category.

Generally, January-February are the coldest months with temperatures around the coast between 5-10°C and inland 0-5°C but frequently well below 0° in northern regions away from the coast.

Summer temperatures vary in the hottest months of July and August generally between 30-35°C.

More specific information on temperature range and rainfall, etc., by administrative Region is given in the tables of the Hellenic National Meteorological Service in English: www.hnms.gr/hnms/english/climatology/climatology_html (choose Region from map on left or from list of Regions (Perifereies) below the map.)

## 3. THE POTATO MARKET

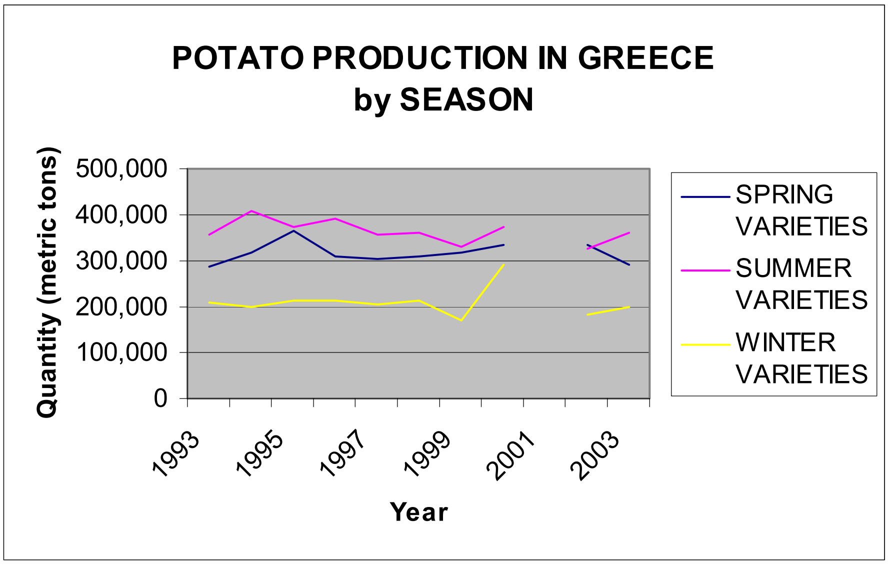
### 3.1 Consumption:

- Total annual potato consumption was approximately 928,000 tons (2002), a small drop from 950,000 tons in 2000. 46,000 tons (5%) of consumption is in processed forms.
- With a population of approximately 11 million, the annual consumption per head is in the region of 84.5 kgpc. Please note, however, relative distortion of this figure given large influx of summer tourists.
- Imports of potatoes come to around 210,000-250,000 tons (including seed potatoes). Approximately half are from other EU countries. More details on the imports specifically of seed potatoes are given below.
- Consumer preferences in Greece differ from north to south. Northern Greek consumers prefer yellow flesh and larger potatoes, while southern Greece (well over half the market) prefers cream flesh and smaller, rounder varieties. White-fleshed potatoes have been trialled but have not proved successful with the Greek consumer.
- Potatoes are sold in Greece mainly by where they have been grown. No reference is made to variety.

### 3.2 Production:

Total annual potato production in Greece (10-year average up to 2003) is approximately 890,000 metric tons (35% spring, 41% summer, 24% winter) representing 3% of total gross agricultural product.

The table below shows potato production by season over six years up to 2003 (figures for 2001 missing). (For full details see Section 7 – Statistical Tables, Table 1: Potato Production in Greece by season 1993-2003)




*Source: Ministry of Rural Development and Food (Min RD&F)*

**Structure of Production**

- Almost 50,000 holdings plant potatoes (11.5% of agricultural holdings cultivating annual crops) of which 84% are less than 0.5ha in size, 95% are less than 2ha in size. The average size of holding is 0.4ha.
- Total area planted: approx. 20,000ha,
  of which 22% by holdings of <0.5ha, 46% by holdings of <2ha
- Seasonal differences between north and south are quite large with crop harvests as much as two months later in the north.
- 2005 saw potato-growers achieve higher prices over 2004 by some 29%. This was offset, however, to some degree by high increases in costs of production, including over 18% in diesel costs and over 6% in fertilisers.

The Ministry of Rural Development and Food Report on Agriculture (2004) notes that the main problems for producers are:

> high production costs
> lack of appropriate storage and sorting facilities
> non-existent market organisation, especially in the face of increasing oligarchy within food industry putting pressure on prices to farmers.

## 3.3 Principal potato-growing regions of Greece

Broadly speaking, the two main areas (cf. map overleaf) responsible for the major part of Greece's potato production are towards the south/southwest and to the north.

The Regions of Western Greece, Sterea Greece and the Peloponese account for 43% of the total area given over to potato production while to the north, Macedonia and Thrace account for 30% of the area under potato crops. These five regions also have a slightly higher than average size of holding, particularly Central Macedonia and Western Greece (1.18ha and 1.17ha respectively.)

Full statistics on the number of holdings and area cultivated for potatoes by region, with a breakdown by size of holding, is given in Section 7 – Statistical Tables, Table 2: Holdings and area cultivated for potato by region.


**Contract farming** in the potato sector has long been in place with significant quantities of seed potatoes imported for producers under Pepsico. Contact details for crisp and chip manufacturers are given in Section 10 - Contacts.

## 3.4 Potato varieties grown in Greece

The main cultivars imported for seed are Spunta, which still accounts for about 50-60% of the market though now declining in popularity. Agria is the most popular newer variety with in the region of 8-9% of market. The emerging market appears to be more open to new varieties, based on quality characteristics of productivity and resistance.
With strong demand for crisps plus growing demand for pre-fried potatoes, producers are also increasingly interested in compatible cultivars.

The list of varieties grown in Greece (compiled from information from several companies and/or their websites) is shown over the page:

| Varieties | Variety Rights | Maturity | Colour of skin | Flesh colour | Use |
|---|---|---|---|---|---|
| Accent | 1988 | First Early | Yellow | Light-yellow, buff | Table |
| Agria | 1985 | Second Early | Yellow | Yellow | Table. Processing. French fries |
| Ajax | 1973 | Second Early | Yellow | Light-yellow, buff | Table |
| Akira | 1998 | Second Early | White | White | |
| Apollo (F) | 1970 | Early | White | Yellow | Table |
| Ariane | 1984 | Second Early | Yellow | Yellow | Table |
| Arinda | 1993 | Second Early | Yellow | Light-yellow, buff | Table |
| Armada | | | | | |
| Arnova | | | | | |
| Atica | 1971 | First Early | Yellow | Light-yellow, buff | Table |
| Atlantic | 1976 | Second Early | Yellow | White | Table. Processing.Dried products. Crisps |
| Ballys | | Early | Yellow | Light-yellow-white | |
| Baraka | 1971 | Late | Light-yellow, buff | Light-yellow, buff | Table. Processing. French fries |
| Belleza | 2001 | Early | Yellow | Light-yellow-white | |
| Bimonda | 1990 | Second Early | Red | Light-yellow, buff | Table |
| Cara | 1976 | Late | White with pink eyes | Yellow | |
| Carlita | 1991 | First Early | Yellow | Light-yellow, buff | Table |
| Caspar | 1984 | Late | Light-yellow, buff | Yellow | |
| Christa | 1975 | First Early | Yellow | Yellow | Table. Processing. French fries |
| Cicero | 1996 | Second Early | Light-yellow, buff | Light-yellow, buff | Table |
| Claustar | 1967 | Second Early | Yellow | Light-yellow, buff | Table |
| Colmo | 1972 | Early | Light-yellow, buff | Light-yellow, buff | Table |
| Concurrent | 1984 | Early | Yellow | Light-yellow, buff | Table |
| Cosmos | 1994 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |
| Courage | 1998 | Second Early | Red | Light-yellow, buff | Table. Processing |

| | | | | | |
|---|---|---|---|---|---|
| Cupido | 1995 | Early | Light-yellow, buff | Yellow | Table |
| Derby | 2000 | Early | Yellow | Light-yellow-white | Table |
| Diamant (NL 1982) | 1982 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |
| Ditta | 1987 | Second Early | Deep-yellow | Light-yellow, buff | Table |
| Donna | 1966 | | | | |
| Dorado (NL) | 1974 | Early | Yellow | Yellow | Table |
| Draga (NL) | 1970 | Second Early | Light-yellow, buff | Light-yellow-white | Table |
| Dura | 1999 | Late | Red | Yellow | |
| Edzina | 1974 | Early | Light-yellow, buff | Light-yellow, buff | Table |
| Elvira | 1980 | Second Early | White | Yellow | Table |
| Eos | 2000 | Medium late, maincrop | Light-yellow, buff | Light-yellow-white | |
| Ermis | | | | | |
| Escort | 1982 | Second Early | Light-yellow, buff | Light-yellow-white | Table |
| Eureka | 1976 | Early | Yellow | Yellow | Table |
| Everest | | | | | |
| Fabula | 1996 | Medium late, maincrop | Light-yellow-white | Light-yellow, buff | Table |
| Fanette | 1984 | Early | Yellow | Yellow | Table |
| Felsina | 1990 | Second Early | Yellow | Light-yellow, buff | Table |
| Florida | | | | | |
| Frisia | 1985 | Early | Light-yellow, buff | Light-yellow-white | Table |
| Futura | 2000 | Second Early | Light-yellow, buff | Light-yellow-white | |
| Gigant | 1987 | Second Early | Light-yellow, buff | Light-yellow, buff | Table |
| Hermes | 1972 | Second Early | Yellow | Yellow | Table. Processing. Dried products. Starch. Crisps |
| Homero | 1995 | Early | Yellow | Light-yellow, buff | |
| Ilona | 1974 | Early | Yellow | Light-yellow, buff | Table |
| Inova | 2001 | Early | Yellow | Yellow | Table |
| Iroise | 1982 | Second Early | Yellow | Yellow | Table |
| Jaerla | | Early | Light-yellow, buff | Light-yellow-white | Table |
| Jetta | 1967 | Second Early | Yellow | Yellow | Table |

| | | | | | |
|---|---|---|---|---|---|
| Kennebec | 1948 | Second Early | Light-yellow, buff | White | Table. Processing. French fries. Crisps |
| Korrigane | 1982 | Medium late, maincrop | Yellow | Yellow | Table |
| Labadia | | | | | |
| Lady Claire | 1999 | Early | Yellow | Light-yellow, buff | Table |
| Lady Olympia | 1999 | Early | Yellow | Light-yellow, buff | Table |
| Laica | 1997 | Early | Yellow | Light-yellow-white | |
| Lamse | 1996 | Early | Yellow | Yellow | |
| Liseta | 1987 | Early | Light-yellow, buff | Light-yellow-white | Table |
| Lizen | 1981 | Second Early | Yellow | Yellow | Table |
| Lola | 1981 | Second Early | White | Yellow | Table |
| Lutetia | 1985 | Early | Yellow | Yellow | Table |
| Luxor | 2001 | Early | Yellow | Light-yellow-white | |
| Mansour | | Second Early | Light-yellow-white | Light-yellow, buff | Table |
| Maranca | | | | | |
| Marfona | 1977 | Second Early | Yellow | Light-yellow, buff | Table |
| Mariana | 1982 | Second Early | White | Light-yellow-white | Table |
| Marijke | 1967 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |
| Melody | | | | | |
| Mirakel | 1992 | Second Early | Yellow | Light-yellow, buff | Table |
| Monalisa | 1979 | Early | Light-yellow, buff | Light-yellow, buff | Table |
| Mondial | 1987 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |
| Morene | 1980 | Medium late, maincrop | Light-yellow, buff | Light-yellow-white | Table. Processing. French fries. Crisps |
| Nicola | 1973 | Second Early | Yellow | Yellow | Table |
| Novita | 1991 | Second Early | Yellow | Yellow | Table |
| Obelix | 1988 | Second Early | Yellow | Light-yellow, buff | Table |
| O'Maya | 1993 | Early | Yellow | White | |
| Origo | 1987 | Early | Yellow | Yellow | Table |
| O'Sirene | 1983 | Early | Yellow | Yellow | Table |
| Ostara | 1962 | Early | Ochre | Yellow | Table. Processing. French fries. Crisps |
| Ovatio | 1993 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |

| | | | | | |
|---|---|---|---|---|---|
| Palma (D) | 1972 | Second Early | Yellow | Yellow | Table |
| Paola | 1989 | Second Early | Yellow | Deep-yellow | Table |
| Picasso | 1992 | Medium late, maincrop | Yellow | Light-yellow, buff | Table |
| Planta | 1984 | Early | Yellow | Light-yellow, buff | Table |
| Platina | 1994 | Second Early | Light-yellow-white | Light-yellow, buff | Table |
| Premiere | 1976 | First Early | Yellow | Light-yellow, buff | Table |
| Prolog | 1993 | Second Early | Yellow | White | |
| Ramos | | | | | |
| Remarka | 1991 | Medium late, maincrop | Light-yellow, buff | Light-yellow, buff | Table |
| Resy | 1968 | Early | Yellow | Light-yellow, buff | Table |
| Roseta | | | | | |
| Sahel | 1977 | Second Early | White | Light-yellow-white | Table |
| Samanta (NL) | 1998 | Early | Yellow | | |
| Santana | 1992 | Second Early | Yellow | Light-yellow-white | Table. Processing. French fries |
| Sebago | 1938 | Very late | White | White | Table |
| Shepody | 1980 | Medium late, maincrop | Yellow | White | Table. Processing. French fries |
| Sirocco | 1997 | Early | Yellow | Light-yellow, buff | |
| Spirit | | | | | |
| Spunta | 1969 | Second Early | Light-yellow, buff | Light-yellow, buff | Table |
| Timate | 1984 | Second Early | Yellow | Light-yellow, buff | Table. Processing. French fries |
| Triplo | 2000 | Early | Yellow | Light-yellow-white | Processing. French fries. Crisps |
| Turbo | 1990 | Second Early | Yellow | Light-yellow, buff | Table |
| Ukama | 1976 | First Early | Yellow | Light-yellow, buff | Table |
| Ultra | 2000 | Early | Yellow | Light-yellow-white | |
| Van Gogh | 1987 | Medium late, maincrop | Yellow | Yellow | Table. Processing. French fries. Crisps |
| Vento | 1993 | Late | Yellow | Light-yellow, buff | Table |
| Veronie | | | | | |
| Xantia | 1997 | Second Early | Light-yellow, buff | Light-yellow, buff | Table |

# 4 THE SEED POTATO MARKET

## 4.1 Production

- Total annual sales of seed potatoes in Greece is given by the Ministry of Rural Development and Agriculture as approximately 26,000 tons
- Local propagation materials production currently covers some 25-28% of A class seed potato sales (second generation). Demand for primary propagation material (“elite class seed potatoes”) is covered, as far as can be ascertained, entirely by imports.

Three Greek companies are active in developing primary propagation materials, at least one of which produces seed potatoes:

- Bios Agrosystems SA (Efthymiadis Group) – seed potatoes
- Vitro Hellas SA (Efthymiadis Group)
- Spyros Spyrou (Spyros SA)

(Full details in Section 10 – Contacts.)

Purveyors of propagation materials also have to be registered with the Ministry. The register presently records some 85 “seed-producing” companies, 200 trading companies (import, export, wholesalers), 990 retail companies selling propagation materials and 1800 nurseries.

The principal companies trading to potato farmers were identified. Their contact details are given in Section 10 - Contacts. As noted at the end of that section, there are also a number of local agricultural co-operatives that import and distribute seed potatoes to their members. Time restrictions on this report precluded contacting them all. The website of the Panhellenic Federation of Agricultural Co-operatives provides the contact details of all co-operatives in English and has been given at the bottom of the Contacts list.

## 4.2 Imports

Table 3: Imports of Seed Potatoes (A: Absolute figures; B: Percentages) gives data on imports of seed potatoes by country of source, by value and quantity for 2003. (Please also see separately attached Xcel file for the full table giving these details for 2001-5.)

Percentage values have been calculated for comparison purposes. Please note, however, that there is a possible distortion of percentage figures for 2005 due to the unlikely figure (highlighted) for the value of Italian imports that year (the quantity appears to be more consistent with previous years than the value).

The value of exports from Britain according to British trade figures (see Table 4 below) was over 570,000€ in 2005 compared to Greek statistics of 305,000€ (the corresponding discrepancy for 2004 is: >1,155,000€ vs Greek figure of <500,000€). The opinion of experts in the sector in Greece is that the Greek statistical service has not included under the seed potato code the large individual imports made by Pepsico destined for potato production for the manufacture of crisps.

| TABLE 3: IMPORTS OF SEED POTATOES | | Table A: Value and Quantity by Country |
|---|---|---|
| (07.01.10.00) | | Table B: % of Total Value and Quantity by Country |

| TABLE A | Jan-Dec 2005 | | |
|---|---|---|---|
| **(Stat.code) COUNTRY** | **VALUE (Euro)** | **QUANTITY (Kg)** | **% change in quantity over previous year** |
| **TOTAL** | **10,207,351** | **20,891,693** | **-8.18%** |
| (003) Netherlands | 6,501,379 | 14,428,514 | -13.85% |
| (005) Italy | 1,376,553 | 450,144 | -15.24% |
| (001) France | 1,263,479 | 3,100,194 | 8.30% |
| (006) UK | 304,999 | 856,500 | -27.48% |
| (017) Belgium | 280,943 | 806,000 | -3.76% |
| (600) Cyprus | 201,643 | 352,917 | 2156.07% |
| (007) Ireland | 97,576 | 266,174 | 48.97% |
| (008) Denmark | 93,950 | 259,000 | 174.07% |
| (004) Germany | 64,046 | 271,750 | 70.24% |
| (038) Austria | 13,040 | 68,000 | -43.47% |
| (011) Spain | 9,743 | 32,500 | 47.73% |

| TABLE B | Jan-Dec 2005 | | |
|---|---|---|---|
| **(Stat.code) COUNTRY** | **VALUE %** | **QUANTITY %** | **RATIO of Value% to Quantity%** |
| **TOTAL PRODUCT** | **100.00%** | **100.00%** | |
| (003) Netherlands | 63.69% | 69.06% | 0.92 |
| (005) Italy | 13.49% | 2.15% | 6.26 |
| (001) France | 12.38% | 14.84% | 0.83 |
| (006) UK | 2.99% | 4.10% | 0.73 |
| (017) Belgium | 2.75% | 3.86% | 0.71 |
| (600) Cyprus | 1.98% | 1.69% | 1.17 |
| (007) Eire | 0.96% | 1.27% | 0.75 |
| (008) Denmark | 0.92% | 1.24% | 0.74 |
| (004) Germany | 0.63% | 1.30% | 0.48 |
| (038) Austria | 0.13% | 0.33% | 0.39 |
| (011) Spain | 0.10% | 0.16% | 0.61 |

*Source: Hellenic National Statistical Service*

| Table 4: UK Exports to Greece (from UKTradeInfo website) | | | | | |
|---|---|---|---|---|---|
| 2005 | | | 2004 | | |
| Value (£) | Approx. value in Euros | Quantity | Value (£) | Approx. value in Euros | Quantity |
| 407,839 | 591,367 | 1,548,274 | 824,651 | 1,195,744 | 2,255,048 |

*Strategic Policy Analysis (SPA), Department of Trade & Industry*

**Points of significance from Table 3 (full table in Xcel file):**

- 2005 UK exports to Greece dropped significantly in quantity from 2004 after a leap in 2002. If the explanation for the difference in UK and Greek trade figures is correct, this fall is particularly strong in the seed potatoes for crisp production.
- Imports of seed potatoes have risen to 21-22,000 tons from 15,500 tons in 2001 (high of 22,000 in 2004).
- Traditional supplier countries are the Netherlands (between 65-70% of imports), France (16% but dropping) followed by the UK (high of over 9% in 2002 but also dropping) and Belgium (3-4%).
- NL consistently collects higher revenues proportionately, i.e., it is obtaining higher prices (ex-factory). Two principal factors seem to explain this: 1) Dutch suppliers control the most commercially successful varieties (e.g. Agria); 2) they have a significant transport cost advantage over UK potatoes, e.g., potatoes shipped from the Netherlands invoiced 45% cheaper than Scottish equivalents.
- Potential strong competitors: Cyprus made a dynamic entry in 2004. (Though not affecting this point, please note that it seems likely that there is another discrepancy here in the 2004 figures provided by the Hellenic Statistical Service.)
- Other new supplier countries: Austria and Spain, since 2004.

## 5. LEGISLATION

The minimum quality specifications for propagation materials are as given in the respective EU guidelines, which have been integrated into the Greek legal system: 66/403/EEC incorporated in Ministerial Decision (YA) 321063/9.3.90 published in Government Paper (FEK) 220 B/90. Additional amendments made were published in the Government Papers (FEK) 524 B/97 and 1349 B/99.

Both production and trade of propagation materials can only be carried out by organisations approved by and registered with the Ministry of Rural Development and Food.

The propagation materials produced and/or handled by these companies is controlled during both production and trading phases by the authorised regional services of the Ministry of Rural Development and Food:

- Variety Research Institute of Cultivated Plants (www.varinst.gr)
Responsible for control of varieties accepted on the National Catalogue and for subsequent control of materials sold (variety identification)

- Seed Control Station

(based in Marousi, Athens)
Responsible for laboratory control of seeds for large-scale cultivation (germination rates, varietal purity, etc.)

- Vegetative Propagation Material Control Station

(based in Aspropyrgo, Attica)
Responsible for phytohygienic condition of vegetative propagation material (seed potatoes, vines, other tree types, etc.)

- Propagation Material Control and Certification and Fertiliser Control Centres

(in 35 Prefectures *[equivalent of UK counties]* around the country with 25 more planned).
Responsible for initial control of organisations producing and trading.

## 6. STATISTICAL TABLES

| **TABLE 1: POTATO PRODUCTION IN GREECE BY SEASON** | | | | |
|---|---|---|---|---|
| | **PRODUCTION (metric tons)** | | | |
| | **SPRING VARIETIES** | **SUMMER VARIETIES** | **WINTER VARIETIES** | **TOTAL** |
| 1993 | 288,290 | 355,298 | 208,407 | 851,995 |
| 1994 | 315,500 | 409,640 | 200,968 | 926,108 |
| 1995 | 363,060 | 374,166 | 212,075 | 949,301 |
| 1996 | 309,740 | 391,620 | 213,700 | 915,060 |
| 1997 | 306,370 | 356,945 | 203,170 | 866,485 |
| 1998 | 309,010 | 360,750 | 212,000 | 881,760 |
| 1999 | 316,339 | 328,710 | 171,500 | 816,549 |
| 2000 | 332,899 | 374,904 | 290,000 | 997,803 |
| 2001 | | | | 842,920 |
| 2002 | 334,003 | 324,980 | *183,937* | 842,920 |
| 2003 | 289,900 | 360,300 | 199,800 | 850,000 |
| 10 yr average | 316,511 | 363,731 | *209,556* | *888,891* |
| | | | | |
| *Source: Ministry of Rural Development & Food* | | | | |

**(Table 2 on next pages)**

See also separately attached Xcel file Table 3 – Imports of Seed Potatoes 2001-5.

| Table 2: Holdings and area cultivated for potato by region | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Number of Holdings | | Area covered | | % of total area cultivated for potatoes | Average size of holding |
| | | No. | % | (Ha) | % | | (Ha) |
| | | | | | | | |
| GREECE TOTAL | | 49710 | | 20078.83 | | 100.00% | 0.40 |
| | <.5ha | 41654 | 84% | 4398.01 | 22% | | |
| | < 2ha | 46970 | 94% | 9341.83 | 47% | | |
| | >10ha | 115 | 0% | 1208.53 | 6% | | |
| | | | | | | | |
| | | | | | | | |
| East Macedonia &Thrace | | 4338 | | 3704 | | 18.45% | 0.85 |
| | <.5ha | 3156 | 73% | 417.46 | 11% | | |
| | < 2ha | 3792 | 87% | 1073.45 | 29% | | |
| | >10ha | 40 | 1% | 528.83 | 14% | | |
| | | | | | | | |
| Central Macedonia | | 1178 | | 1385.06 | | 6.90% | 1.18 |
| | <.5ha | 533 | 45% | 89.01 | 6% | | |
| | < 2ha | 922 | 78% | 469.85 | 34% | | |
| | >10ha | 3 | 0% | 39.32 | 3% | | |
| | | | | | | | |
| Western Macedonia | | 1238 | | 935.14 | | 4.66% | 0.76 |
| | <.5ha | 777 | 63% | 111.88 | 12% | | |
| | < 2ha | 1098 | 89% | 426.91 | 46% | | |
| | >10ha | 4 | 0% | 42 | 4% | | |
| | | | | | | | |
| Thessaly | | 2923 | | 613.77 | | 3.06% | 0.21 |
| | <.5ha | 2633 | 90% | 291.43 | 47% | | |
| | < 2ha | 2881 | 99% | 498.91 | 81% | | |
| | >10ha | 0 | 0% | 0 | 0% | | |
| | | | | | | | |
| Epirus | | 5822 | | 751.43 | | 3.74% | 0.13 |
| | <.5ha | 5647 | 97% | 458.54 | 61% | | |
| | < 2ha | 5789 | 99% | 572.58 | 76% | | |
| | >10ha | 6 | 0% | 86.7 | 12% | | |
| | | | | | | | |
| Ionian Islands | | 7986 | | 669.02 | | 3.33% | 0.08 |
| | <.5ha | 7960 | 100% | 652.77 | 98% | | |
| | < 2ha | 7986 | 100% | 669.02 | 100% | | |
| | >10ha | 0 | 0% | 0 | 0% | | |

*Principal potato-producing areas highlighted.

cont./Table 2

cont.

| | | Number of Holdings | | Area covered | | % of total area cultivated for potatoes | Average size of holding |
|---|---|---|---|---|---|---|---|
| **Western, Sterea Greece & Peloponese** | | **11419** | | **8794.69** | | **43.80%** | **0.77** |
| | **<.5ha** | **7655** | **67%** | **853.29** | **10%** | | |
| | **< 2ha** | **9901** | **87%** | **2986.34** | **34%** | | |
| | **>10ha** | **60** | **1%** | **760.48** | **9%** | | |
| | | | | | | | |
| Western Greece | | 4147 | | 4861.07 | | 24.21% | 1.17 |
| | <.5ha | 2153 | 52% | 206.5 | 4% | | |
| | < 2ha | 3144 | 76% | 1196.03 | 25% | | |
| | >10ha | 33 | 1% | 380.4 | 8% | | |
| | | | | | | | |
| Sterea Ellada (Sterea Greece) | | 3442 | | 1853.68 | | 9.23% | 0.54 |
| | <.5ha | 2794 | 81% | 263.58 | 14% | | |
| | < 2ha | 3184 | 93% | 641.78 | 35% | | |
| | >10ha | 17 | 0% | 252.8 | 14% | | |
| | | | | | | | |
| Peloponnese | | 3830 | | 2079.94 | | 10.36% | 0.54 |
| | <.5ha | 2708 | 71% | 383.21 | 18% | | |
| | < 2ha | 3573 | 93% | 1148.53 | 55% | | |
| | >10ha | 10 | 0% | 127.28 | 6% | | |
| | | | | | | | |
| Attica | | 209 | | | 113.38 | 0.00% | |
| | <.5ha | | | | | | |
| | < 2ha | | | | | | |
| | >10ha | | | | | | |
| | | | | | | | |
| Northern Aegean | | 2011 | | 387.76 | | 1.93% | 0.19 |
| | <.5ha | 1850 | 92% | 183.59 | 47% | | |
| | < 2ha | 1981 | 99% | 297.66 | 77% | | |
| | >10ha | 0 | 0% | 0 | 0% | | |
| | | | | | | | |
| Southern Aegean | | 3725 | | 1201.83 | | 5.99% | 0.32 |
| | <.5ha | 3070 | 82% | 453.41 | 38% | | |
| | < 2ha | 3637 | 98% | 961.83 | 80% | | |
| | >10ha | 0 | 0% | 0 | 0% | | |
| | | | | | | | |
| Crete | | 8861 | | 1522.56 | | 7.58% | 0.17 |
| | <.5ha | 8220 | 93% | 864.61 | 57% | | |
| | < 2ha | 8789 | 99% | 1325.91 | 87% | | |
| | >10ha | 1 | 0% | 10 | 1% | | |
| *Source: Hellenic Natl Statistics Service (HNSS), 1999-2000 Agricultural Census* | | | | | | | |

## 7. MARKET CHARACTERISTICS

Greece adheres to all standards and specifications followed by the EU. There are no import restrictions or other tariff or non-tariff barriers. There is a bilateral agreement to avoid double taxation. VAT is paid in the same way as in the UK.

It is worth underlining that one of the particular characteristics of the Greek market is that payment periods can extend to 90-120 days. Agents sometimes require even more flexible arrangements, as the lead-time to receive payment from their end customers can be even longer.

## 8. CONCLUSIONS & RECOMMENDATION ON HOW TO PROCEED

- Although the Netherlands undoubtedly lead the market, there are indications that there is an increased tendency to look at new cultivars which present good quality characteristics. Domestic suppliers to the market are also open to proposals from alternative sources of supply. The relative cost of transport is of course a disadvantage but, despite the drop in UK exports to Greece from the highs of 2002-4, the UK's so far consistent position as third in rank of countries supplying the Greek market is evidence that British potato producers can be competitive here.
- New countries that have joined the list of exporters to the Greek market may present a threat to that ranking.
- British companies wishing to approach the market in Greece can address the companies identified in the lists below directly. Once they have established their firm interest, it would be advisable to visit Greece to gain a better understanding at first hand of the market, meet the local companies and decide which would be the most suitable to act as their partner. Alternatively, UK companies can employ UK Trade and Investment services individually to (1) make initial contact with the companies and prepare a validated list of those interested in discussing cooperation around their specific products and (2) arrange a programme of calls on local companies when the UK company decides to visit the market.

## 9. CONTACTS IN THE SECTOR

### 9.1 VERIFIED LIST OF COMPANIES TRADING IN SEED POTATOES
*(Financial figures for 2003)*

**AGREXPO A.E.**
P.O. BOX 73
241 00 Kalamata
Greece

Tel.: +30 2721 082149 / 062126
Fax: +30 2721 024551
E-mail: agrexpo@goumas.gr
Website: www.goumas.gr

Contact: Ms Eftichia Gouma (Managing Director)

| | |
|---|---|
| Activities : | Imports and trade of potato seeds and fresh potatoes.<br>Sorting and packaging of fresh fruit and potatoes.<br>Exports: to Europe |
| Established: | 1999 |
| Employees: | 4-114 |
| Capital: | 60,000€ |
| Turnover: | 2.6m€ |
| Comments: | *Imports mainly from the Netherlands. Supplies western Peloponese region (Messinia, Kalamata)* |

**BIOS AGROSYSTEMS SA (EFTHYMIADIS GROUP)**
Industrial Area of Thessaloniki
P.O. Box 48
570 22 Sindos

Tel: +30 2310 568844, 568800
Fax: +30 2310 797389
E-mail: info@bios-agrosystems.gr
Website: www.bios-agrosystems.gr

Contact: Mr Thymis Efthymiadis

| | |
|---|---|
| Activity : | Representations, exclusive imports, production and trade of agricultural propagation materials. |
| Established: | 1996 |
| Employees: | 45 |
| Capital: | 1.5m€ |
| Turnover: | 7.3m€ |
| Comments: | *Belonging to one of the largest groups active in the agricultural sector. Has co-operation agreements with MONSANTO, STET HOLLAND, GOLDEN HARVEST, PSB ITALIA, EUROSEMILLAS, CHRISEED, ATLAS SEEDS, ABI ALFALFA but open to new.* |

**AGRIN SA**
Ethnikis Antistasseos (terma)
300 27 Agios Konstantinos
Aitoloakarnania

Tel: +30 26410 58512
Fax: +30 26410 58513
E-mail: sales@agrin.gr
Website: www.agrin.gr

Contact: Mr G. Mentzos (Managing Director)

Activity : Regional agent and wholesale trade of agricultural supplies and propagation materials; livestock breeding farm machinery. Production of tobacco propagation material.

Established: 2000
Employees: 6
Capital: 58,680€
Turnover: 2.8m€

Comments:

**A. GIALAMAS SA**
Industrial Area
PO Box 109
531 00 Florina

Tel: +30 23850 42041
Fax: +30 23850 42043
E-mail: giannis@achilleasgialamas.gr

Contact: Mr Giannis Gialamas

Activity : Imports and wholesale trade of potato seeds and fertilizers. Sorting & packaging of potatoes.

Established: 1998
Employees: 5-15
Capital: 763th€
Turnover: 2.1m€

Comments: *Imports approx. 1500 tons from Scotland, NL, France, etc. Trialing cultivars from Scotland.*

**EUROFARM SA**
1st km Old Alexandrias-Veria Rd
PO Box 45
593 00 Alexandreia
Imathia

Tel: +30 23330 25075, 23330 25680
Fax: +30 23330 27266
E-mail: efgr@otenet.gr
Website: www.eurofarm.gr

Contact: Mr Thanasis Tambaropoulos (Chairman)

| | |
|---|---|
| Activity : | Imports and wholesale trade of agricultural supplies including seed potatoes. Sorting and packaging of fresh fruit and vegetables. |
| Established: | 1993 |
| Employees: | 17-37 |
| Capital: | 945th€ |
| Turnover: | 5.2m€ |
| Comments: | *Imports: SERBIOS (ITALY), CONSORZIO AGRARIO DI PARMA (ITALY), AGROQUALITA (ITALY), PROMISOL S.A. (SPAIN), GROUPO EIBOL (SPAIN), MAISADOUR Semences (FRANCE), HERMOO (BELGIUM), VAN RIJN B.V. (HOLLAND)* |

**GEOGONIA S.A.**
Theotokopoulou 19
111 44 Athens

Tel: +30 21-02286216, 02286222
Fax: +30 21-02012324
E-mail: info@geogonia.gr
Website: www.geogonia.gr

Contact: Mr Georgos Lagiotis

| | |
|---|---|
| Activity : | Agricultural supplies including seed potatoes |
| Established: | 1996 |
| Employees: | |
| Capital: | |
| Turnover: | 4m€ |
| Comments: | Represents AGRICO B.A., ANGIBAUD, COSEME s.r.l., HISPANA DE SEMILLAS SA, MOMONT, PASINI FRANCO, VERNEUIL – MYCOGEN |

## PANTAZIS FRUIT SA

57th km Patron-Pyrgou Natl Rd
Koustogianneika
270 53 Lechaina
Ileia, Peloponnese

Tel.: +30 26230 23505
Fax: +30 26230 22088
E-mail: pantazi3@otenet.gr
Website: -

Contact: Mr Nikos Pantazis

| | |
|---|---|
| Activity : | Exports of fresh fruit and potatoes. Sorting and packaging of citrus fruit. Imports and wholesale trade of seed potatoes. |
| Established: | 1991 |
| Employees: | 15-55 |
| Capital: | 2.5m€ |
| Turnover: | 14.7m€ |
| Comments: | |

## PATATOSPORIKI TSIRAKIS – GEORGATSOS SA

2 Sokratous St
105 52 Athens

Tel: +30 210 3218610
Fax: +30 210 3247541
E-mail: -
Website: -

Contact: Mr N. Georgatsos

| | |
|---|---|
| Activity : | Production, import and trade of agricultural propagation materials, esp. seed potatoes. |
| Established: | 1936 |
| Employees: | 4-52 |
| Capital: | 612 th€ |
| Turnover: | 2.1m€ |
| Comments: | *Import from NL and France* |

**PIONEER HI-BRED HELLAS S.A.**
15, Fleming Str.
151 23 Maroussi
Athens

Tel: +30 210 6800741
Fax: +30 210 6801018
E-mail: athens.hellaseed@pioneer.com
Website: www.pioneer.com

Contact: Mr D. Ioannidis (Sales Manager)

| | |
|---|---|
| Activity : | Representations, exclusive imports processing and wholesale trade of agricultural propagation material. |
| Established: | 1985 |
| Employees: | 42 |
| Capital: | 1.8m€ |
| Turnover: | 21m€ |
| Comments: | *Import Melody and Roseta from Meijer but also Ermis potatoes from France. Open to discussing proposals.* |

**SPIROU SA HOUSE OF AGRICULTURE**
5 Markoni St
122 42 Aigaleo
Athens

Tel: +30 210 3497500
Fax: +30 210 3428501
E-mail: agrospirou@spirou.gr
Website: www.spirou.gr

Contact: Georgos Mitsopoulos, Sales and Marketing Manager

| | |
|---|---|
| Activity : | Research, production, representations, exclusive imports and wholesale trade of propagation plant material, fertilisers, agrochemicals and agricultural tools. |
| Established: | (1947) 1977 – SA in 1986 |
| Employees: | 156 |
| Capital: | 8.4 m€ |
| Turnover: | 17.6 m€ |
| Comments: | *This is one of the largest agricultural supply companies in Greece.*<br>*Do not presently deal with seed potatoes but are open to discuss proposals.* |

**TECHNOFARMA S.A.**
Prompona 24
11 43 Athens

Tel: +30 210 2516185
Fax: +30 210 2516932
E-mail: technofa@hol.gr
Website: -

Contact: Mr P. Maniatis (CEO)

| | |
|---|---|
| Activity : | Imports and trade of seed potatoes and animal feeds. |
| Established: | |
| Employees: | |
| Capital: | |
| Turnover: | |
| Comments: | *Exclusive representative of AGRICO Holland* |

**YPSILON S.A.**
32, D. Glinou St
Voulgari - Harilaou
542 49 Thessaloniki
Tel.: +30 2310 311377, 334377
Fax: +30 2310 334378
E-mail: ypsilon-agro@ypsilon-agro.com
Website: www.ypsilon-agro.com

Contact: Mr Christos Papadopoulos (CEO)

| | |
|---|---|
| Activity : | Agricultural supplies: plant protection products, fertilizers, seeds including potatoes. |
| Established: | 1987 |
| Employees: | |
| Capital: | |
| Turnover: | 9m€ |
| Comments: | *Sells products from Advanta/Limagrain, Agri-Obtentions, Basf, Baywa, Binst, Chimac Agriphar, DeSangosse, Dow, Fiton, FMC, IFCO, Isagro, Jouffray-Drillaud, Monsanto, Nufarm, Spiess-Urania.* *Also exports to neighbouring countries through subsidiary Agro SA..* |

A number of **Unions of Agricultural Co-operatives** also import seed potatoes to provide to their members. Unfortunately the time margin for this report did not allow further research with individual UACs. Full contact details for each UAC is available in English by Region and Perifereia [county equivalent] on the Panhellenic Agricultural Federation site at www.paseges.gr/en/members.asp .

## 9.2 MAJOR PRODUCERS OF CRISPS & CHIPS

NB1: The crisp producers have production contracts with farmers but, as far as we can ascertain, only Tasty Foods (Pepsico) supplies farmers with seed potatoes.

NB2: Chipita SA and General Frozen Foods are part of a current merger leading to the creation of Vivartia, which will be the 35th largest food sector company in Europe.

**CRISP PRODUCERS:**

**Chipita SA**
(Turnover: >100m€)
*Contracts to buy some 6000 tons of potatoes but farmers free to buy own seed.*
12th km Athens-Lamia National Rd
144 52 Metamorfossi
Athens

Contact: Mr T. Theodoropoulos, Procurements Manager
Tel: +30 210 2885000
Fax: +30 210 2885032
Website: www.chipita.gr

**Tasty Foods SA**
(Turnover: 90m€. Owned by Pepsico Intl)
*Enters contract farming agreements providing seed potatoes to farmers*
22nd km Athens-Lamia National Rd
145 65 Agios Stefanos
Athens

Contact: Mr Vassilis Efstathiou, Head of Agrodepartment
Tel.: +30 210 6298634
Fax: +30 210 6298888

**Tsakiris SA**
(Owned by Coca Cola Hellenic Bottling Company)
Company contracts production and indicates preferred supplier, Agrico, without direct involvement in purchases.
Moulkia
353 00 Atalanti,
Fthiotida

Tel.: +30 22330 32510
Fax: +30 22330 32471
E-mail: tsakiri2@otenet.gr

**FROZEN POTATO PRODUCT MANUFACTURERS:**

There are a relatively large number of companies preparing pre-fried chips, etc. The most significant are given below. (* = relatively small)

**General Frozen Foods SA**
(Turnover 64m€)
Odos A5
PO Box 108
Sindos Industrial Area
570 22 Thessaloniki
Website: www.geniki-trofimon.gr

**McCain HELLAS ΕΠΕ**
153 Tatoiou St
144 52 Metamorfosi
Athens

Website: www.mccain.gr

**Marni S.A.***
Industrial Area of Heraklion
7 M. Str
Crete

Tel.: +30 2810 380000
Fax: +30 2810 381056
Website: www.marni.gr

**Sparos SA***
1st km Livadeias-Lamias Rd
321 00 Livadeia

Tel.: +30 22610 26751
Fax: +30 22610 81142
E-mail: info@sparos.gr
Website: www.sparos.gr

**Thymiopoulos Thomas***
33rd km Markopoulou-Kalyvion Rd
190 03 Markopoulos

Tel.: +30 22990 63272
Fax: +30 22990 63322
Website: www.thymiopoulos.gr

## 10. TRADE FAIRS & PUBLICATIONS

**AGROTICA**: The main agricultural exhibition in Greece is AGROTICA, held every two years in Thessaloniki, during the first week of February (next event 2008). It attracts the interest of farmers from all of Greece and from neighbouring countries. It covers all areas related to the sector: machinery, equipment, spare parts, agricultural supplies, agrochemicals and feeds. The exhibition gives a very clear picture of the state and the sophistication of the Greek agricultural sector. (Livestock is covered specifically in the separate Zootechnia exhibition, held alternate years.)

AGROTICA
HELEXPO SA
154 Egnatia St
546 36 Thessaloniki
Τηλ.: 2310 291 101
Fax: 2310 291 551
E-mail: agrotica@helexpo.gr
Website: www.helexpo.gr

**PUBLICATIONS:**

Agricultural Cooperative Movement (Agrotikos Synergatismos) (Monthly)
Monthly publication of PASEGES - Panhellenic Confederation of Unions of Agricultural Co-operatives
16 Kifisias Ave, 115 26 Athens
Tel.: +30 210 7487957
Fax: +30 210 7472520
Pasegsti@otenet.gr

Agriculture – Animal Husbandry (Georgia Ktinotrofia) (Monthly)
Agrotypos SA.
5 Eyvias St, 151 25 Marousi
Tel. +30 210 6142550 & 210 8064002
Fax +30 210 6125141
info@agrotypos.gr
www.agrotypos.gr

Froutonea (Monthly)
G. Orfanos & Co
Editor: Mr Panagiotis Orfanos
6 Kefallinias St, 183 45 Moschato
Tel.: +30 210 4812212
Fax: +30 210 4827089
info@froutonea.gr
www.froutonea.gr

## 11. OTHER USEFUL CONTACTS & WEBSITES

### GOVERNMENT, ADMINISTRATIVE & RESEARCH ORGANISATIONS:

Ministry of Rural Development and Food
2 Aharnon St, Athens
Tel.: +30 210 2124455-6
Fax: +30 210 5235814
e-mail: info@minagric.gr
www.minagric.gr

AGROCERT – Organisation for the Certification and Supervision of Agricultural Products (under Ministry of Rural Development and Food)
1 Androu & Patission str.
Athens 11257
Tel: +30 210 8231277
Fax: +30 210 8231438
e-mail: agrocert@otenet.gr
www.agrocert.gr

Bio Hellas – Institute of Control of Organic Products SA
11b Codrington St, 10434 Athens
Tel: +30 2108211940, 2108211707
Fax : +30 2108211015
www.bio-hellas.gr (currently Greek only)

National Agricultural Research Foundation
19 Egialias & Chalepa Sts
15125 Maroussi, Athens
Tel: +30 210 8175410
Fax: +30 210 6846700
www.nagref.gr

Variety Research Institute of Cultivated Plants (ΙΕΠΚΦ)
(under Ministry of Rural Development and Food)
574 00 Sindos -Thessaloniki
Tel.: +30 2310 796975, 2310 796264, 2310 799684
Fax: +30 2310 796343
www.varinst.gr

Institute of Agro-biotechnology
Centre for Research and Technology Hellas (CERTH)
(under Ministry of Development)
6th KM. Charilaou - Thermi Road
P.O. BOX 361 GR - 570 01
Thermi, Thessaloniki
GREECE
T. (+30) 2310.498.100
F. (+30) 2310.498.180
e-mail: certh@certh.gr
www.certh.gr

Benaki Phytopathological Institute
8 Delta St,
GR-145 61 Kifissia,
Athens, Greece
Tel: +30 210 2128002, +30 210 2128006, +30 210 2128004
Fax: +30 210 8077506
www.bpi.gr

**PROFESSIONAL ASSOCIATIONS:**

**PASEGES – Panhellenic Confederation of Unions of Agricultural Co-operatives**
16, Kifisias Ave.
115 26 Athens Hellas (GR)
Tel.: +30 210 7499400 (30 lines)
Fax: +30 210 7779313
e-mail: pasegsyd@otenet.gr
web: www.paseges.gr

**BRITISH HELLENIC CHAMBER OF COMMERCE**
25 Vas.Sofias Ave
Athens 10674

Tel: +30 210 7210361
Fax: +30 210 7218751
e-mail: info@bhcc.gr
web: www.bhcc.gr

## 12. GREECE: GENERAL BACKGROUND INFORMATION

(Produced by Economic and EU Affairs Section, British Embassy Athens)

Greece (area 132,000 square kilometres) borders Albania, FYROM and Bulgaria in the North, Turkey in the East, the Mediterranean Sea in the south and the Ionian Sea in the west. English is widely spoken. 80% of the country is mountainous and only 27% of the total area is cultivated. The islands account for 19% of the total area of the country while the coastline length exceeds 15,000km. Greece's population is 10.9 million. Nearly 4 million people live in the Greater Athens area which includes Piraeus and about 1.5 million in Thessaloniki in Northern Greece.

Greece is a presidential parliamentary democracy. The present Prime Minister Costas Karamanlis is the leader of ND, the Conservative Party that was elected in March 2004. Greece has been a member of the European Union since 1981.

More than 50% of the Greek industry is located in the Greater Athens area. Greece's total labour force amounts to approximately 4 million people of which 15% are employed in agriculture, 23% in industry and 62% in the services sector. The latter now generates close to 70% of GDP. Greece's main economic sectors are agriculture, construction, tourism and shipping. The EU remains the country's largest trading partner, accounting for close to 52.1% of Greek imports and over 44% of Greek exports (2002) though Greece is increasingly finding profitable markets in Eastern Europe and countries of the Black Sea. Tourism remains a big source of revenue, with over 14 million tourists (2.4 million from Britain) visiting Greece in 2005.

Since entering the Eurozone in 2001, the economy has grown strongly (4.4% average GDP growth in 2000-2003, and 4.7% in 2004, the highest in the EU), fuelled by Olympics-related infrastructure spending, Community Support Framework funding, increased business investment (exploiting low Euro interest rates), accommodative fiscal and monetary policies and rapid consumer credit expansion. Surprisingly, GDP growth has been sustained after the Olympics (3.7% in 2005), albeit on the back of a protracted consumption boom. Unit labour costs rose by 2.2% in 2005, the inflation rate averaged 3.5%, and the unemployment rate stood at 9.8%, the highest in EU-15.

The Government's priorities for the fiscal year include:

- Privatisations: Total revenues from privatisations in 2005 amounted to 1.2% of GDP, well in excess of the target (0.9% of GDP) that had initially been set. For 2006, the Government is aiming to raise almost 1% of GDP from its privatisation programme, which will focus on the banking sector.
- Reforming state-run companies: controversial legislation to reform debt-ridden state-run companies was passed in December 2005 and is expected to bring significant changes to the operation, efficiency and finances of the broader public sector.

- Public sector reform: the Government has long recognised and reiterated the need for reforming a high cost, inefficient public sector, but the planned introduction of civil servant performance appraisal systems - among other things - are certain to cause strong reactions.
- Education system reform: with an education system that does not respond to labour market needs, and Government spending on education representing just 3.5% of GDP (the lowest of all European countries), the government recognises the need for reform measures in this area and is preparing to pass related legislation in this respect.

Longer-term priorities include pension system reform and the successful implementation of new public-private partnership legislation to continue improvements to the country's infrastructure and services.

The British Potato Council commissioned this report from UKTI. The information in this report was supplied by Sarah Edwards-Economidi, Commercial Officer, British Embassy.

UK TRADE & INVESTMENT