

# Dutch-Saudi Agriculture & Food Trade in 2017

The Dutch export of agricultural goods to the Gulf Region was worth €1.3 billion in 2017. More than 1/3, which equals to more than **€405 million**, went to the Kingdom of Saudi Arabia.<sup>1</sup> The export of agricultural goods, excluding machineries and services, made up 16,85% of the total trade from the Netherlands to Saudi Arabia that year.<sup>2</sup>

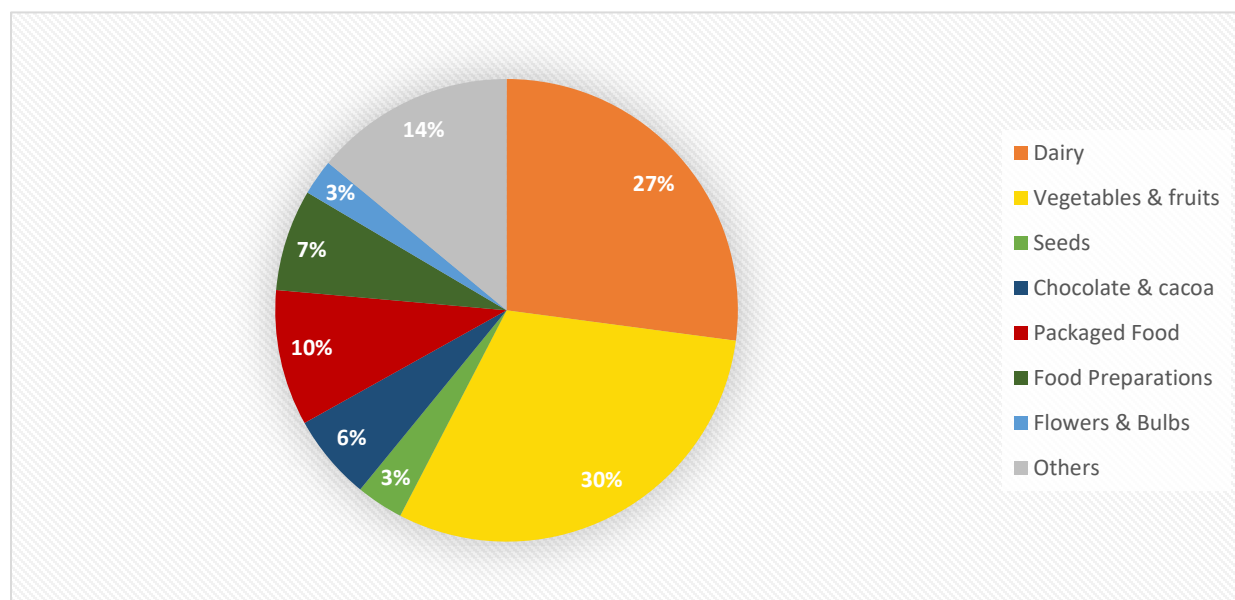
Saudi Arabia is the largest country of the Gulf Region, population wise as well as geographically. It is the second biggest importer of Dutch agricultural goods in the Gulf Region, after the UAE (table 1) that functions as the regions transport and re-exporting hub.

Bahrain	3,3%
Kuwait	30,5%
Oman	4,2%
Qatar	9,2%
KSA	30,5%
UAE	39,6%

**Table 1.** Export of Dutch agri-food products to the Gulf Region (2017)

## Dutch products exported to Saudi Arabia

Saudi Arabia remains an interesting market for the Netherlands since it's geographically close to the European Union, and it's young population is still rapidly growing. Saudi Arabia is around 55 times the size of the Netherlands and has several international airports and seaports. Although there are government plans to increase the countries self-sufficiency, Saudi Arabia is still importing 70-80% of its food. The government of Saudi Arabia is also



**Table 2** Main commodities of Dutch agricultural products exported to Saudi Arabia in 2017

<sup>1</sup> This article is based on quarterly import and export statistics provided by the department of Economic Research of Wageningen University & Research, extracted from Eurostat.

<sup>2</sup> Total trade from the Netherlands to Saudi Arabia in 2017 was worth €2.4 billion

aiming to transform the Kingdom to the main logistical hub in the region, connecting Asia, Europe, and Africa, a regional role that is until now still fulfilled by Dubai (UAE).

The largest commodity in Dutch export of agricultural goods to Saudi Arabia is vegetables and fruits (30.5%), a category consisting of a broad variety of subcategories such as fresh/chilled/frozen products, dried products, cooked & uncooked products, prepared or preserved vegetables and fruits (for example in vinegar) or even processed to pastes or jams. Although the commodity consists of fruits as well as vegetables, in reality around 94% of this product category consists of Dutch vegetables, and only a minor percentage of fruits.



**Figure 1** Dutch tomatoes in Carrefour supermarket Riyadh, Saudi Arabia (2018)

The Dutch potato, frozen and chilled, was by far the most exported vegetable from the Netherlands to Saudi Arabia in 2017, just like previous years. The Dutch have been closely involved at the rise and ongoing success of the potato in Saudi Arabia since its increasing popularity at the end of the 1970's. Domestic cultivation of potatoes did not happen in Saudi Arabia until the launch of the Saudi Potato Development Programme (SPDP) which was a technical cooperation program between the former Saudi Ministry of Agriculture and the Netherlands.<sup>3</sup> Nowadays the production of potatoes with the aim of exporting to neighboring GCC countries has been banned by the Saudi government, not only because of its excessive usage of water during the cultivation process but also to enhance Saudi-Arabia's self-sufficiency in certain agricultural products.

The second biggest category is dairy, making up 27.1% of the export of Dutch agricultural goods to Saudi Arabia. This category varies from (concentrated & non-concentrated) milk and creams, to cheese, yoghurt, infant formula, and other dairy products. More than half of the dairy products being exported are milk and cream, concentrated or containing added sugar or other sweetening matter.

Packaged food (7% of Dutch exported agricultural products) is a broad category of which its main commodity is malt extract, which can either be in liquid (syrup) or powder form, and is in general used to add flavor or textures to foods and beverages. Other products in that category exported from the Netherlands are pastas, substitutes prepared from starch, prepared foods containing cereals or cereal products (such as cornflakes), and bakers' wares such as bread, pastry, cakes and biscuits.

Food preparations make up 6% of Dutch agricultural products that are being exported to Saudi Arabia. The largest group of products representing this category are extracts or

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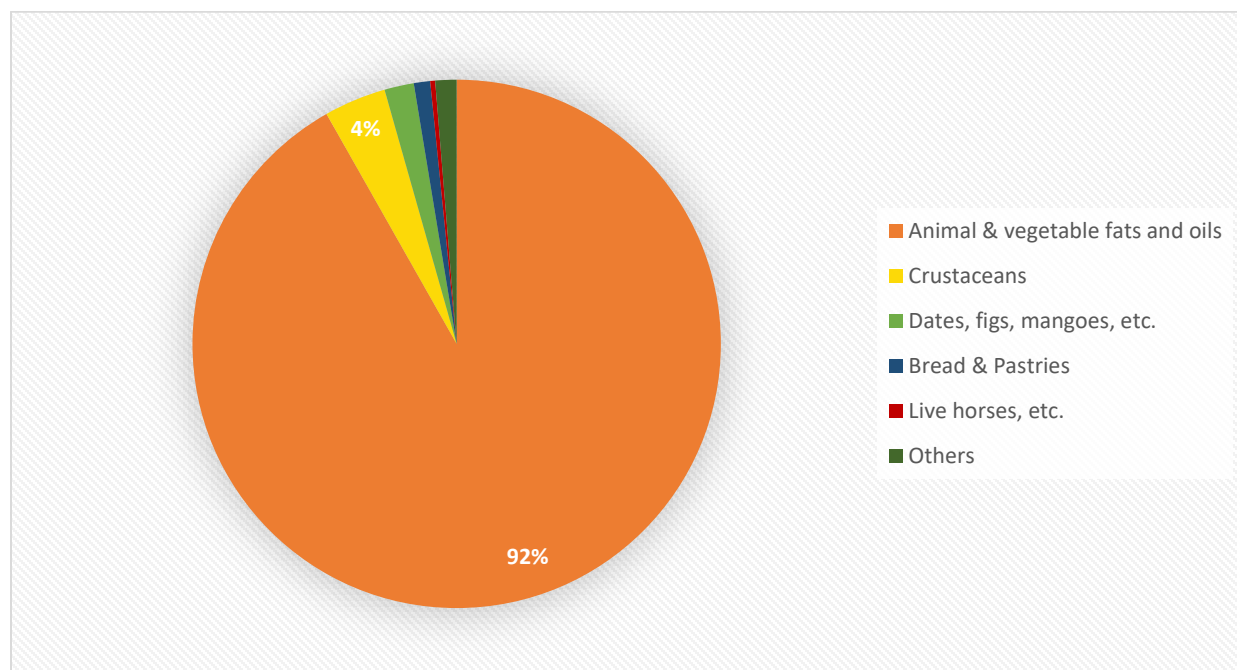
<sup>3</sup> 'Dutch Potatoes in Saudi Sands', by the agriculture office to the GCC of the Embassy of the Kingdom of the Netherlands. Available at:

concentrates used to make coffee and tea. Other examples are yeasts, sauces and preparations therefor, soups and broths, and ice cream.

Two other product groups that are exported to Saudi Arabia extensively are seeds (3%) and flowers & bulbs (3%). The product group seeds mainly consists of seeds, fruits and spores used for sowing (not including leguminous vegetables). The product group flowers and bulbs is very broad, varying from all kinds of bulbs, to live plants, to cut flowers and other parts of flowers and plants suitable for bouquets.

### Saudi products exported to the Netherlands

The trade of agricultural products from Saudi Arabia to the Netherlands in 2017 was worth €46 thousand, which is equal to 3,5% of the total trade from Saudi Arabia to the Netherlands. <sup>4</sup> Animal and vegetable fats and oils make up nearly 92% of this number. Other minor product groups were crustaceans (3.8%)<sup>5</sup>, the products from the category of dates, figs, mangos, etc. (1.8%), bakers ware such as bread and pastries (1%) and live animals such as horses (0.3%).



**Table 3** Main commodities of Saudi agricultural products exported to the Netherlands in 2017

Sophie Hollanders - Agriculture Office to the GCC Region – Embassy of the Kingdom of the Netherlands  
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<sup>4</sup> Total trade from Saudi Arabia to the Netherlands in 2017 was worth €1.3 billion

<sup>5</sup> Shelled, unshelled, live, fresh, chilled, frozen, dried, salted or in brine