

Dutch-Saudi Agriculture & Food Trade in 2018

The Dutch export of agricultural goods to the Gulf Region was worth €1,41 billion in 2018, which shows an increase of 8,5% compared to the year before.¹ More than 30,6% of those agricultural goods (**€431,4 million**), was exported to the Kingdom of Saudi Arabia.² The export of agricultural goods made up 13% of the total trade from the Netherlands to Saudi Arabia.³

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). The total export value of Dutch goods to the entire Gulf Region exceeded €9 billion in 2018 (table 2).

	Export value Dutch agri-food products	Percentage of total
UAE	€533,8 million	37,8%
KSA	€431,4 million	30,6%
Kuwait	€186 million	13,2%
Qatar	€145,8 million	10,3%
Oman	€68,9 million	4,9%
Bahrain	€45,2 million	3,2%
Total: €1,41 billion		

Table 1. Export value of Dutch agri-food products to Gulf countries in 2018

	Export value Dutch products	Percentage of total
UAE	€3,63 billion	40,1%
KSA	€3,33 billion	36,8%
Kuwait	€0,61 billion	6,7%
Qatar	€0,8 billion	8,8%
Oman	€0,48 billion	5,3%
Bahrain	€0,2 billion	2,2%
Total: €9,05 billion		

Table 2. Total export value of Dutch products (all commodities) to Gulf countries in 2018

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 logistical hubs. Although there are government plans to increase the countries self-sufficiency, Saudi Arabia is still importing 70-80% of its food. The UAE functions as the regions transport and re-exporting hub, although the Saudi government is aiming to transform the country in one of the main logistical hubs of the region, connecting Asia, Europe, and Africa.

¹ 'Dutch-Saudi Agriculture & Food Trade in 2017', source:

<https://www.agroberichtenbuitenland.nl/landeninformatie/golfstaten/achtergrond/ksa-nl-trade>

² This article is based on quarterly import and export statistics provided by the department of Economic Research of Wageningen University & Research, extracted from Eurostat.

³ Excluding machineries and services

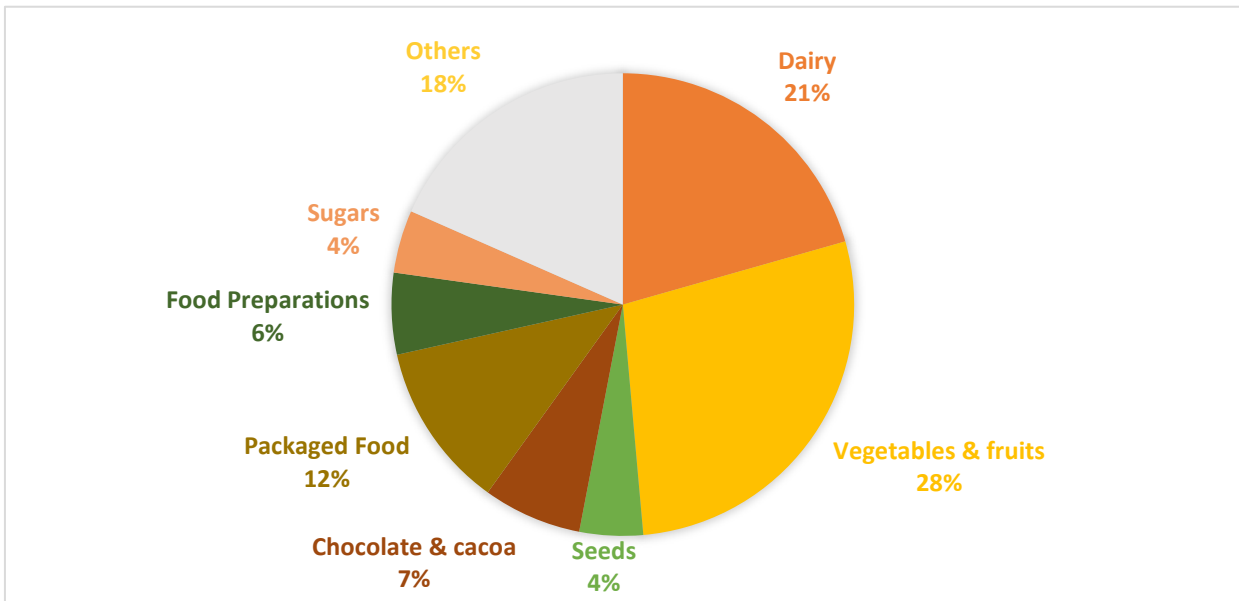


Table 3 Main commodities of Dutch agricultural products exported to Saudi Arabia in 2018

The largest commodity in Dutch export of agricultural goods to Saudi Arabia is vegetables and fruits (28%), with an export value of nearly €121 million. This category consists 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. Like previous years the most exported vegetable from the Netherlands is the potato, frozen as well as chilled. The peak season for its export is the fourth quarter of the year following the harvesting season of the potato in the Netherlands, which is in September and October. Domestic cultivation of potatoes increased since 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 approximately 50 years ago.⁴

The second biggest category is dairy, making up 21% of the export of Dutch agricultural goods to Saudi Arabia. The majority of this the exported dairy products are milk and cream, either concentrated or containing added sugar or sweetening matter. Other products are cheese, yoghurt, infant formula, etc. The total value of Dutch dairy export to Saudi Arabia was €89 million.

Packaged food (12%) 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

⁴ 'Nederlandse aardappelen groeien in Saoedisch zand', source: https://www.agroberichtenbuitenland.nl/landeninformatie/golfstaten/achtergrond/aardappel_sp

cereals or cereal products (such as cornflakes), and bakers' wares. Export of packaged food to Saudi Arabia accounted for nearly €50 million in 2018.

Export of chocolate and cacao products (paste, powder, butter, fat and oil) to Saudi Arabia was worth nearly €30 million in 2018, which equaled nearly 7% of the Dutch agri-food products to Saudi Arabia.

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 concentrates used to make coffee and tea. Other examples are yeasts, sauces and preparations therefor, soups and broths, and ice cream. The total value of this product group was worth nearly €25 million.

The Dutch are one of the largest exporters of seeds in the world. In 2018 the Netherlands exported nearly €20 million worth of seeds, mainly for sowing, to Saudi Arabia (3% of agri-food export to KSA). This was an increase of 41% compared to 2017.

Sugar is a remarkable commodity in the ranking of most exported products from the Netherlands to Saudi Arabia, showing an increase of 713% compared to the year before. It's total export value to Saudi Arabia in 2018 was nearly €19 million. The majority of this commodity consists of cane or beet sugar and chemically pure sucrose, in solid form.

Export of Saudi products to the Netherlands

The trade of agricultural products from Saudi Arabia to the Netherlands in 2018 was worth €41 million, which is more than 10% less than the year before. Saudi agricultural export to the Netherlands accounted for 1,2% of the total export from Saudi Arabia to the Netherlands in 2018. The total trade from Saudi Arabia to the Netherlands in 2018 was worth €3,36 billion, which is 2,5 times as much as in 2017.⁵

Animal and vegetable fats and oils make up over 91% of Saudi's agricultural export commodities to the Netherlands. Other minor product groups were crustaceans, products such as dates, figs, mangos, etc., bakers ware and live animals such as horses.

⁵ Source: Statistics from Wageningen Economic Research