Date: 8/16/2010
GAIN Report Number: CH10051

China - Peoples Republic of

Post: Beijing

Potato and Potato Products Annual 2010

Report Categories:

Potatoes and Potato Products

Approved By:
Michael Woolsey
Prepared By:
Chanda Beckman, Zhang Lei & Zhang Fang

Report Highlights:

China's fresh potato production in MY09/10 is estimated at 64 million metric tons (MMT), a 10 percent decrease from the 71 MMT in MY08/09 due to unfavorable weather conditions, which resulted in record high potato prices domestically. In 2010, the Government of China (GOC) added seed potato production to its seed subsidy program. China's potato starch production decreased 50 percent to 150,000 MT in MY09/10, due to the fresh production decline and resulting in high prices. The decline in domestic starch production also contributed to a significant increase in starch imports, which grew 180 percent. The increasing imports also resulted in the initiation of a mid-term review of anti-dumping measures on potato starch originating from the European Union. China's frozen French fry (FFF), potato chip, and dehydrated potato production are expanding rapidly, driven by strong market demandChina's FFF imports are forecast to stabilize at 55,000-60,000 MT in following years. The United States continues to dominate China's imported FFF market.

General Information:

China's fresh potato production in marketing year (MY September – August) 09/10 is estimated at 64 million metric tons (MMT), a 10 percent decrease from the 71 MMT in MY08/09 due to unfavorable weather conditions, which resulted in record high potato prices in wet markets, where most Chinese purchase their fruits and vegetables. FAS/Beijing forecasts China's fresh potato production in MY10/11 will rebound to 73 MMT, assuming normal weather conditions. Beginning in 2010, the Government of China (GOC) included seed potatoes in its seed subsidy program to expand virus-free seed potato coverage and increase yields.

China's potato starch production is estimated at 150,000 MT in MY09/10, a decrease of 50- percent from the previous year due to the significant fresh potato production decline and soaring fresh potato prices. China's frozen French fry (FFF) production is estimated at 98,000 MT in 2009, a 25 percent increase from 2008, driven by strong domestic market demand. China's potato chip and dehydrated potato production expanded rapidly in recent years with the expanding demand. China's consumption of FFF and other potato based products is expected to continue its moderate increase with the western style fast food outlets' continuously expanding in China.

China's potato starch imports increased over 180 percent in 2009 from 2008, and the increase has grown even more in the first five months of 2010. These soaring imports are the result of domestic production decline, and resulted in the initiation of a mid-term review of anti-dumping measures on potato starch originating from the European Union. China's FFF imports are forecast to stabilize at 55,000-60,000 MT in the next few years, as the United States continues to dominate China's imported FFF market.

Production:

The largest producer in the world, but yields remain low

China is the largest potato producer in the world, accounting for more than 20 percent of total production and 25 percent of total acreage. However, China's potato yield is relatively low. According to Ministry of Agriculture (MOA) data, China's potato yield in 2008 was 15MT/ha; while the U.S. potato yield is over 44MT/ha. Industry claims that the low quality of seed potatoes is the major cause of lower yields. Virus-free seed potatoes account for less than 20 percent of China's total potato acreage. As a result, the GOC has a goal to increase virus-free seed potato coverage to 50 percent by 2015.

Seed potatoes

2010 seed subsidy expanded to include seed potato production

To expand virus-free seed potato coverage, the GOC has included seed potato production into its subsidy program. According to the new policy, basic seed potato (G2 seed) production will be subsidized at a rate of $1,100/ha (RMB500/mu); virus-free seed potato (G3 seed) production will be subsidized at a rate of $220/ha (RMB100/mu). The basic seed potato yield is 30-33MT/ha, and virus-free seed potato yield is 37-42MT/ha. The price of virus-free seed potatoes is usually double that of common table-stock potatoes. Industry experts indicated that the current subsidy policy would not work as well as expected because: 1) the subsidy is relatively low (only about RMB0.04/kg for virus-free potato); and 2) the subsidy goes to seed producers, not farmers.

Fresh potatoes

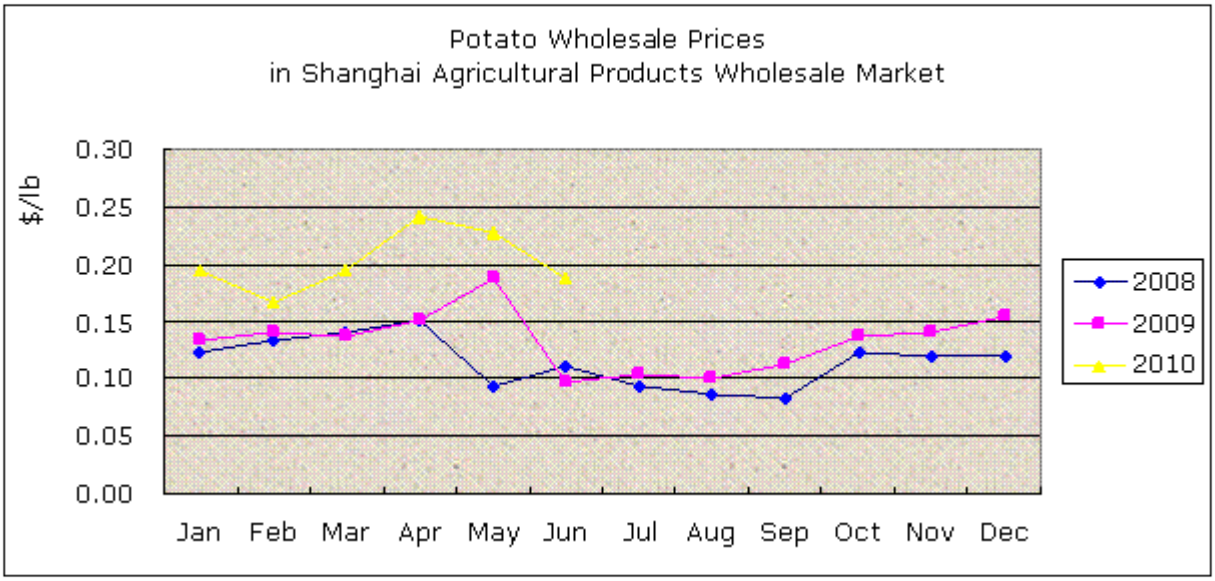
China's potato production declined in MY09/10 and is expected to recover in MY10/11

FAS/Beijing estimates China's fresh potato production in MY09/10 at 64 MMT, a 10 percent decrease from the 71 MMT in MY08/09 due to drought conditions in Inner Mongolia and Gansu provinces. These provinces are the top two potato producers in China, accounting for about 30 percent of total production.

FAS/Beijing forecasts China's fresh potato production in MY10/11 at 73 MMT, assuming normal weather conditions. Potato acreage will expand in MY10/11 because the return in 2009 was strong.

Potato prices at a record high

Potato prices were a record high in late 2009 and early 2010, reaching $0.4/lb (RMB 6/kg), the result of domestic production decline. China's spring potato planting in the Northeast and Northwest (beginning in April and harvested in September), accounts for about 60 percent of total production. The dry weather conditions in Inner Mongolia and Gansu in 2009 resulted in potato production decline. China's winter potato production occurs in the Southwest, and is planted between November-March and harvested in January-May. Winter potatoes account for about 30 percent of total production. The severe drought in this area, especially in Guizhou, Yunnan and Guangxi provinces has delayed and declined potato plantation.



(Source: www.foodqs.cn)

Processed potatoes

China's production of processing potatoes only accounts for about ten percent of total production, although the GOC goal is to increase this rate to 20 percent by 2015. Shepody and Atlantic are two of the popular processing varieties in China.

China's potato processing sectors are developing rapidly, but sizes are small

Processed potatoes account for less than 10 percent of total production, with starch, chips, FFF, and dehydrated potatoes as the most prominent products. FAS/Beijing contacts indicate China currently has 5,000 potato processing enterprises with 140 being large and integrated. China's native potato variety and modified starch processing capacity are estimated at over 900,000 MT annually, with thousands of starch plants of varying sizes. These enterprises are mainly located in Heilongjiang, Inner Mongolia, Ningxia, Gansu, Yunnan, and Guizhou provinces. The processing capacity for dehydrated potatoes is 170,000 MT, with over 20 processors located in Inner Mongolia, Gansu, and Shanxi provinces. There are four FFF processing lines in China with a total annual capacity of 120,000 MT, located in Beijing, Heilongjiang, Shanxi, and Gansu provinces. The processing capacity for potato chips stands at 320,000 MT, and plants are located in Fujian, Yunnan, Guangdong, Jiangsu, Shanghai, and Sichuan provinces.

Potato starch production decreased significantly in MY09/10

Industry sources claim China's potato starch production decreased 50 percent to 150,000 MT in MY09/10 from the previous year. The significant decrease was the result of fresh potato production decline and soaring fresh potato prices. Industry forecasts starch production in MY10/11 will recover to more normal levels of 300,000 MT, assuming normal weather conditions. Potato starch demand is strongly supported by the food processing sector and other industrial sectors such as textiles, paper milling, chemical, and pharmaceutical products.

Modified potato starch processing is considered a new sector and one with great market potential that is expanding rapidly. Processing capacity reached 340,000 MT by the end of 2009, but was mainly used as ingredients for food processing sector, such as food coating agents, and ingredient of sauce products. While in developed countries, modified potato starch

is widely used in sectors such as pharm, textile, paper-making, and petrochemical.

China's potato starch processing capacity has continued to expand since an antidumping duty was placed on all European potato starch imports in February 2007. Moreover, the capital and technology requirements for potato starch production are low, which also contributed to the rapid expansion of potato starch processing capacity. Industry claims there are thousands of potato starch plants that vary in size, but 90 percent are small size.

FFF production increased 25 percent in MY09/10, and is forecast to continue
Industry sources estimated China's FFF production at 98,000 MT in 2009, an increase of 25 percent from 2008. The decrease of fresh potato production did not impact FFF production, because 1) fresh potatoes for FFF processing are very low in volume compared with total production; 2) the major FFF processors have built their own plantation bases to ensure fresh potato supply; and 3) FFF processing potatoes are relatively higher priced than other applications, making farmers more willing to invest in inputs for FFF processing potatoes production including irrigation and seeds.

Industry sources indicated that China's FFF production increased from 63,000 MT in 2006 to 98,000 MT in 2009 and the increase will continue to be driven by strong market demand. Western style fast food outlets are continuously expanding in China. For example, since 2007 KFC has opened new outlets at a rate of over 300 a year; and McDonald's has opened 100-175 new shops each year. Western style fast food is becoming more and more accepted by China's younger generation, which has translated into strong market demand for FFF and other potato based products.

Potato chip production is developing rapidly
Driven by strong market demand, potato chip production also increased rapidly in recent years. According to industry sources, China's processing capacity for sliced potato chips and fabricated potato chips is 150,000 MT and 170,000 MT respectively. There are over 50 sliced potato chip processing lines, and 60 fabricated potato chip processing lines in China.

The domestic industry has concerns that fresh potato supply cannot meet demand for the rapidly expanding sliced potato chip processing sector. This is mainly because potatoes used for potato chip production have specific requirements that include variety, starch/sugar content, size, and shape. Despite being the largest potato producer in the world, however, China's potato production for processing use, especially sliced potato chip and FFF, is quite limited.

Dehydrated potato production is estimated at 100,000 MT in MY09/10

FAS/Beijing estimates China's dehydrated potato (including flake and granule) production at 100,000 MT in MY09/10, and forecasts an increase to 120,000 MT in MY10/11, driven by strong demand from fabricated potato chip processing. Industry sources estimate China's processing capacity of dehydrated potato at over 200,000 MT in 2010. The rapid expansion of this sector is mainly attributed to the growth in consumer demand for compressed chips. Dehydrated potato is also used in other snack foods and in Western style dishes like mashed potatoes.

Consumption:

Table consumption dominates fresh potato consumption
FAS/Beijing estimates about 60 percent of fresh potatoes go to table consumption, 20 percent for feed, 10 percent for processing, and 10 percent for seed potato. Potatoes are a common, inexpensive, and popular vegetable in China. In addition, potatoes are considered a grain by the GOC and are consumed as a grain in some marginal areas. The "Favorite" variety is the most popular table variety, especially in South China.

FFF consumption is expected to increase with the popularity of western style fast food
Industry forecasts China's FFF consumption will increase to 200,000 MT in the next two - five years, in tandem with the popularity of western style fast food. Western fast food outlets such as KFC and McDonalds are the largest FFF consumers in China, accounting for 75 percent of total consumption. Western fast food is becoming more and more popular in China, especially among the younger generations. A 2009 survey conducted by a local consulting company in seven larger cities and seven small towns found that 3/4 of the surveyed consumers had tried western style fast food; over half of the consumers said that they liked this style of food; and most teenagers in larger cities stated they eat western style meals two to three times per week. The popularity of western style food has created strong market demand for FFF and other potato based products.

Although western food companies continue to be the largest FFF consumer in China, the competition between imported and domestic products in the market is becoming more and more fierce, as a result of the domestic production increases. FAS/Beijing's market intelligence indicates that the market share of imported FFF in the leading western style fast food restaurants (KFC and McDonalds) is declining due to the price advantage of domestic production. However, niche market for imported FFF in "social restaurants" such as bars and KTVs (karaoke establishments) are expanding thanks to the good quality of imported FFF. Industry contacts indicated that FFF consumption in "social restaurants" is not as large as in fast food restaurant, therefore, "social restaurants" are not as price-sensitive as fast food restaurants, and they prefer better quality rather than lower price.

Potato chip consumption as snack food is increasing annually
Potato chip consumption is also increasing rapidly as the snack food market strengthens.
With Chinese consumers earning greater disposable incomes, working longer hours, and having less free time, portable snack foods such as potato chips are gaining popularity especially among those below the age of 35. The crispy texture and diverse flavorings make potato chips a good fit for this snack food niche.

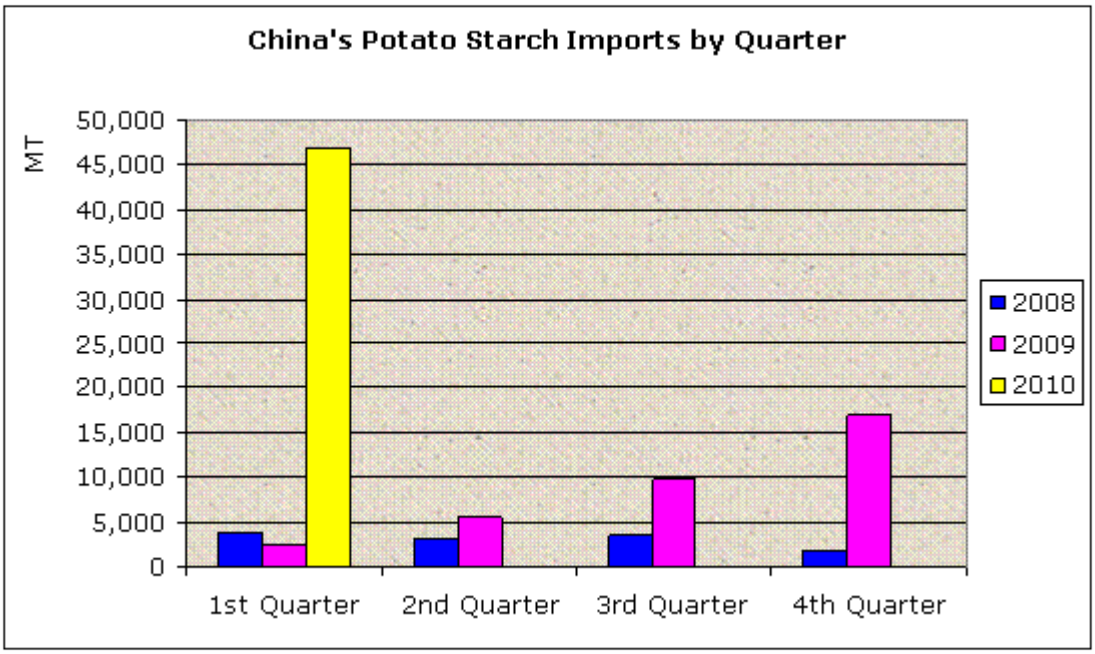
A recent industry survey revealed that the top three factors for consumer purchase decisions of processed potato products are: taste, price, and brand. Other factors include novel package, nutrition, advertisement, food safety, and friends' recommendation. Chinese consumers spend an average of $1.60 - $4.40 / month (RMB 11-30/month) on potato chips; and a retail price of $.44 - $88 / package (RMB 3-6/package) is considered the most reasonable. Plain and tomato flavors are the most popular among all consumer groups.

Demand for starch and dehydrated potatoes continue to rise
The major consumers of potato starch are the food processing sector and other industrial sectors such as textiles, paper milling, chemical, and pharmaceutical products. Dehydrated potato consumption continues to increase and these products are widely used in food processing, baking, mashed potatoes, and snacks.

Trade:

Potato starch imports soared following domestic production decline

China's potato starch (H.S. code: 11081300) imports soared to 35,004 MT in 2009 up from 12,407 MT in 2008. Imports in the first five months of 2010 totaled 78,364 MT, more than double total 2009 imports. Local industry insiders believe potato starch imports will continue to increase in advance of the domestic harvest, which begins September 2010. The major trigger for such a rapid increase in imports is a significant decline in domestic production due to dry, drought condition weather in the two largest producing provinces.



(Source: China Customs)

China initiated Mid-term review for anti-dumping measures on potato starch

China's local industry is very concerned about the sharp increase of potato starch imports in the past 12 months. The Chinese government has imposed an anti-dumping duty ranging from 17 to 35 percent on starch products from most European companies since February 2007. The ruling will be effective for five years. In March 2010, the Potato Starch Specialty Council of China's Starch Industry Association applied to the Ministry of Commerce (MOFCOM) for a mid-term review on potato starch anti-dumping. The Council claimed that the dumping margin of potato starch exported to China by the manufacturers and exporters from European Union has been enlarged since the second half of 2008, exceeding the anti-dumping tariff rate defined by the final ruling. In their appeal, China's Potato Starch Specialty Council requested MOFCOM recalculate the dumping margin by these EU manufactures and exporters, with the anti-dumping tariff rate modified accordingly. MOFCOM agreed to implement the mid-term review for the period from April 1, 2009 to March 31, 2010, but to date, no results have been made public.

China's FFF imports in MY 09/10 are forecast up to 55,000 MT

China's FFF imports (H.S. Code: 20041000) in MY 09/10 are forecast to increase 28 percent to 55,000 MT from the previous year, along with increasing demand. FFF imports in MY08/09 declined 25 percent to 42,861 MT, the result of increased domestic production. Therefore, the MY 09/10 import forecast is a return to traditional import levels.

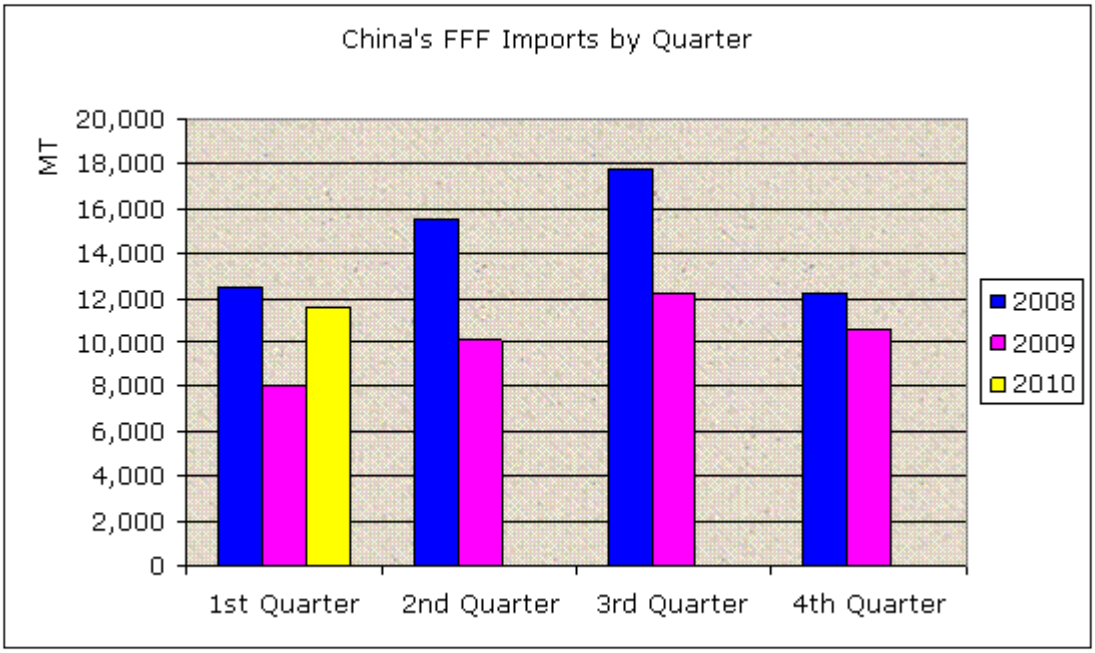
Domestic demand is expanding, but mostly taken by domestic production

With the rapid expansion of western style fast food outlets, China's FFF market will continue its moderate expansion over the next few years. However, market expansion does not necessarily mean an increase of imports because domestic production is also increasing. Industry contacts claim that domestic FFF demand has maintained an annual increase 15-20 percent for several years; however, the import share of total consumption has declined as imports hasve stabilized at 42,000-58,000 MT since 2005. Domestic FFF production has taken most of the expanded market share due to its competitive price. Domestically produced FFF is about 20 percent cheaper than imported product, as imports are subject to a 13 percent

tariff and a 17 percent VAT tax.

The United States dominates China's imported FFF market

The United States continues to dominate China's imported FFF market, accounting for over 80 percent of China's total imported frozen potatoes in MY 07/08. Canada, the Netherlands, and Belgium make up the remaining 20 percent market share.



(Source: China Customs)

No market access for fresh potato imports

Attaining market access for all fresh potatoes (table stock and chipping potatoes) is a top priority for the U.S. potato industry. The United States officially requested market access for table stock and chipping potatoes from Idaho, Washington, and Oregon in 2006. While China's General Administration of Quality Supervision, Inspection, and Quarantine (AQSIQ) has initiated a pest risk assessment and technical discussions are ongoing, very little progress has been made. FAS/Beijing believes China is hesitant to open the market to imports in an effort to protect its domestic industry. In addition, no other country enjoys access to China's market, so granting the United States market access could be viewed as paving the way for more overseas suppliers to compete in China.

China exports small volumes of potato and potato products

China's exports of fresh potatoes leveled off at around 350,000 MT in the past three years. However, the exports in the first five months of 2010 declined 49 percent compared with the same period last year, the result of domestic production decline and soaring prices. Malaysia, Vietnam, and Russia are the three largest export markets for China, and account for 60 percent of China's total fresh potato exports.

China's FFF exports in MY 09/10 are forecast at 15,000 MT, a slight increase over the 13,406 MT exported in MY 08/09. China's FFF export destinations are diversified, although 75 percent of exported FFF went to Japan in MY 08/09, down

from 94 percent in MY 07/08. The emerging markets for China's FFF exports are Australia, Pakistan, Malaysia, and New Zealand. Industry contacts indicate that the majority of China's exported FFF continues to be re-exports that are sourced from mainly from the United States.

Table 2 China's Tariff Rates

China Tariff Rates			**Trade Agreement Partner Nations**				
HS Code	**Potato Imports**	**MFN***	**ASEAN**	**Pakistan**	**Chile**	**New Zealand**	**VAT***
0701.1000	**Fresh**, (including seed) (KG)	13%	0%	8.7%	0%	5.2%	13 %
0701.9000	**Fresh** (not elsewhere specified (NESOI), except seed) (KG)	13%	0%	7.7%	0%	5.2%	13%
0710.1000	**Frozen** un/cooked by steaming or boiled in water (KG)	13%	0%	8.7%	0%	5.2%	13%
2004.1000	**Frozen** (prepared or preserved (not by vinegar or acetic acid)) **includes FFF*	13%	0%	8.7%	6.5%	5.2%	17%
1105.1000	**Flour**, meal and powder	15%	0%	13%	0%	6%	17%
1105.2000	**Flakes**, granules and pellets	15%	0%	13%	7.5%	6%	17%
1108.1300	**Starch**	15%	0%	13%	0%	6%	17%
2005.2000	**Chips** prepared or preserved other than by vinegar or acetic acid, not frozen).	15%	0%	13%	7.5%	6%	17%
*MFN, Most Favored Nation; VAT, Value-Added Tax Source: China's Tariff Schedule 2010							

Policy:

In May 2010, the Chinese government announced its intent to ramp up research, production, and training related to potato production. Hopes are high that increased potato production will help alleviate poverty, improve food security, and increase income for farmers.

China's Academy of Agricultural Sciences and International Potato Center's Beijing office also indicate increased planting and yield of potatoes will help achieve the country's ambitious target of increasing its grain output by around 10 percent to more than 550 million tons in the next decade. (Please see GAIN CH 10008 for more on China's grain and feed situation)

Marketing:

Fresh potato market trends/prospects

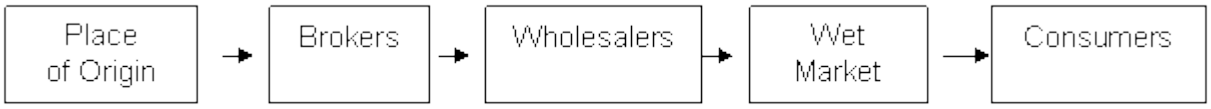
China's domestic production of fresh potatoes remains an important element in demand for potatoes. The GOC views the starchy tuber as a grain crop, and as such, farmers view the crop as contributing to their standard of living. Farmers are able to earn more through expanding and diversifying into potato-based industries, such as potato crisps/chips production, and meet market demand at the same time. Potatoes are now considered a high-value crop and a popular vegetable in China and demand for potatoes has been growing while other bulk commodities, such as rice and wheat, have seen demand declining. Potatoes are rich in vitamins and also contain protein, so are generally regarded as a healthy food and are increasingly sought out by Chinese consumers.

Fresh potato supply chain

The provinces supplying potatoes to Beijing include Hebei (borders Beijing municipality), Inner Mongolia, and Shanxi provinces. Potatoes enter the domestic market through traditional or modern supply chains. The traditional supply chain

can be categorized into five sections: production, collection at place of origin, transportation, target city wholesale market, and retail (see Figure 2).

Figure 2: Traditional Supply Chain



In the main production area, a broker plays the role of agent between the farmers and potato purchasers. Most brokers are farmers from the production area. Brokers earn commissions for facilitating a sale, packing the product, and loading the product onto the buyer's truck. The modern supply chain is simply to purchase product directly from the place of origin and sell to hypermarkets or other end retailers.

Processed potato marketing intelligence

Although Chinese consumers have yet to reach the level of sophistication of other regional markets in North Asia, a new wave of young consumers with a preference for convenient and Western style diets taking shape. Western lifestyles frequently portrayed in Western (mostly U.S.) media including music, fashion, television, and movies are extremely popular with China's youth and also highly influential in developing a market for processed potato products. Rising disposable income, longer working hours and shrinking free time are all factors influencing consumer choices. In addition, dietary habits vary regionally, and effective marketing must take these differences into account.

HRI sector

International Quick Service Restaurant (QSR) chains have been the main drivers for frozen potato sales in China, together with hotels, restaurants, and bars. For longer-term development, the addition of China-based QSRs should provide more opportunities for incorporating frozen, dehydrated, and chipping potatoes into their menus. With the increasing expansion of QSRs in China, market opportunities arise for 2nd, 3rd, and even 4th tier cities. KFC, one of the largest QSR brands, has been aggressive in opening new stores in recent years. At the same time, other international QSRs such as Pizza Hut and McDonalds were also increasing store coverage in China – all of which directly support the consumption of imported FFF.

Menu development is critical to help showcase the use of U.S. potatoes in Chinese cuisine. Potatoes could easily play a more important role in Chinese cooking and more research needs to be conducted to explore how FFF products can be linked to Chinese dishes. There is also a need to enrich product forms from cross-cut, mashed potato and bowl to other forms.

Retail sector

Varieties of U.S. FFF and dehydrated potato products are still limited at retail. Some supermarkets have shown great interest in adding more varieties if a stable supply is ensured. The link between retailers and importers/wholesalers seems to be strengthening. Successful merchandising is critical to attract consumers and developing consistency in taste and quality should be a priority for FFF and chip retailers. For example, in potato chip products, new flavors such as barbeque, red meat, salty foods, seafood (shrimp flavor in particular), and spaghetti are increasingly being offered to consumers.

Current imported FFF products are mainly targeted at foreign consumers at retail, so there are not strong marketing messages communicated in Chinese through packaging and labeling. In contrast, some Chinese local FFF products are labeled as "American fries" that have misled consumers. In order to better attract local consumers, it is worthwhile for imported FFF product manufacturers to improve Chinese packaging and labeling.

Dehydrated potato products can be positioned as a nutritious and convenient snack food among young consumers. Product education is needed for retail management and shop assistants before they educate consumers in-store. Product sampling at retail outlets continues to be a direct and effective way to reach out to consumers and to educate them about varieties and applications.

Home consumption

While FFF products are available at certain retail outlets, at-home consumption of FFF is still negligible. At-home dehydrated potato consumption could increase significantly but from a very small base.

Industry marketing campaigns should target middle-class consumers who are exposed to Western media and younger generations who prefer convenient foods and would like to incorporate western style food into their diet. A barrier to at-home consumption of FFF and dehydrated potato in China is the lack of ovens in Chinese houses. Therefore, products that do not require oven cooking are more suitable for Chinese consumers. Menu development that is customized for Chinese consumers is also important to publicize FFF products in home-made dishes.

PR and media activities

Nutrition campaigns and seminars and HRI sector activities, including chef training and menu promotions, are all effective tools for reaching out to local consumers. Additionally, participating in trade shows like Food and Hotel China (FHC) and SIAL (held in Shanghai annually) is a good way to reach importers, traders, distributors, and to establish company, and to product brand image. Chefs and food service operators are delivering to consumers the messages of health, safety, nutrition and the versatile applications of U.S. imported potato products.

Distribution

Among the many emerging city markets (ECM), the followings are identified as having extremely favorable conditions for imported potato products: Wuhan, Chengdu, Chongqing, Nanjing, Hangzhou, Zhengzhou, Harbin, and Shenyang. The North China market has been traditionally dominated by Beijing and Tianjin, but new market opportunities are arising in Inner Mongolia, Shandong, and Shanxi provinces. Other ECMs in north China also have market potential because many local consumers in those regions favor fried foods. For U.S. exporters to thrive in the China market, reliable distribution channels are necessary to maintain the integrity of high value products during transport. Frozen potatoes and potato chips require special care to ensure quality. Depending on their location, destinations in Central and West China are usually far from ports and can take longer to reach, thus driving up product costs.

Cold chain

Cold chain logistics and proper product handling are critical areas for imported frozen potato products. Road conditions, temperature, and distance are all factors that can affect product quality, outlook, and final costs. Inviting importers and distributors to participate in a seminar is helpful to improving service efficiency and product reliability.

Production, Supply and Demand Data Statistics :

Table 3. Fresh Potato PS&D Table

Country	China, Peoples Republic of					
Fresh Potatoes					(HA)(1000 MT)	
	2008	Revised	2009	Estimate	2010	Estimate
	Post Estimate	Post Estimate New	Post Estimate	Post Estimate New	Post Estimate	Post Estimate New
Market Year Begin	09-2008	09-2008	09-2009	09-2009	09-2010	09-2010
Area Planted	4500000	4663400	0	4700000	0	4850000
Area Harvested	4500000	4663400	0	4700000	0	4850000
Beginning Stocks	0	0	0	0	0	0
Production, Commercial	65000	70780	0	64000	0	73000
Imports	0	0	0	0	0	0
Total Supply	65000	70780	0	64000	0	73000
Exports, Fresh	300	360	0	300	0	400
Processing	6470	7000	0	6400	0	7300
Domestic Fresh Market	32350	42000	0	38000	0	44000
Feed Waste	25880	21420	0	19300	0	21300
Total Dom. Consumption	64700	70420	0	63700	0	72600
Ending Stocks	0	0	0	0	0	0
Total Distribution	65000	70780	0	64000	0	73000

Table 4. Frozen Potato Products PS&D Table

Country	China, Peoples Republic of					
Potato Products, Frozen					MT	
	2008	Revised	2009	Estimate	2010	Estimate
	Post Estimate	Post Estimate New	Post Estimate	Post Estimate New	Post Estimate	Post Estimate New
Market Year Begin	09-2008	09-2008	09-2009	09-2009	09-2010	09-2010
Beginning Stocks	0	0	0	0	0	0
Production	70,000	78,000	0	98,000	0	105,000
Imports	62,000	42,861	0	55,000	0	56,000
Total Supply	132,000	120,861	0	153,000	0	161,000
Exports	10,000	13,406	0	16,000	0	18,000
Domestic Consumption	122,000	107,455	0	137,000	0	143,000
Ending Stocks	0	0	0	0	0	0
Total Distribution	132,000	120,861	0	153000	0	161,000