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# GLOBEFISH

## HIGHLIGHTS

A quarterly update on world seafood markets



Full year 2013 statistics

## About GLOBEFISH

GLOBEFISH forms part of the Products, Trade and Marketing Branch of the FAO Fisheries and Aquaculture Department and is part of the FISH INFOnetwork (see below). It collects information from the main market areas in developed countries for the benefit of the world's producers and exporters. Part of its services is an electronic databank and the distribution of information through the GLOBEFISH European Fish Price Report, the GLOBEFISH Highlights, the GLOBEFISH Research Programme and the GLOBEFISH Commodity Updates.

The GLOBEFISH Highlights are based on information available in the databank, supplemented by market information from industry correspondents and from six regional services which form the FISH INFOnetwork: INFOFISH (Asia and the Pacific), INFOPECSA (Latin America and the Caribbean), INFOPECHE (Africa), INFOSAMAK (Arab countries), EUROFISH (Central and Eastern Europe) and INFOYU (China).

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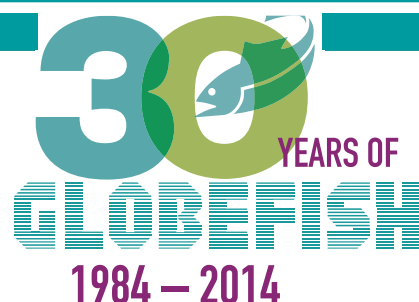
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## Global fish economy

Total world supply continues to increase, thanks to a robust aquaculture sector now in the process of overtaking the wild sector in its contribution to food fish consumption. p. 2

## After staying firm for more than a year, shrimp prices in international trade began to weaken in late March



Annual import growth in the major markets was negative in 2013, following the production shortfall of farmed shrimp and high market prices. p. 3

## Worldwide demand remained low during the first quarter of 2014 and prices were under pressure



Frozen skipjack price is nearly 50% lower this April compared with the same month last year. But demand from Asian canners remains weak due to high inventories, particularly in Thailand. Imports take place only to

meet short-term needs, while tuna packers are anxious to clear their expensive stocks. p. 11

## Expected surplus of cod predicts declining prices, haddock and saithe prices forecasted to move up



Supplies of groundfish in 2014 will be marginally higher than in 2013 though there will be major differences from species to species. p. 17

## Octopus and squid prices recovering, cuttlefish remains stagnant



While demand for cuttlefish is still dull, there are signs of recovery in the demand for octopus and squid. Recent trends demonstrate stable prices for octopus and prices for squid moving upwards again. p. 21

## Supported by growing demand in local and foreign markets, production increased in Asia and Latin America



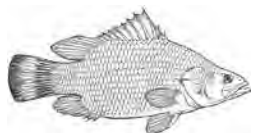
Increased production of farmed tilapia in the major producing countries supported the rising domestic demand and contributed to national food security programmes in 2013. p. 25

## Firm demand keeps markets steady



In 2013, based on estimates and official data from reporting countries, markets absorbed approximately 500 000 tonnes of pangasius fillets. p. 28

## With Lake Victoria's stock levels questionable, EU imports of Nile perch fillets fell 38% from 2007 to 2012



According to Eurostat data, in 2013, the EU imported 26 100 tonnes of Nile perch fillets, mainly from the United Republic of Tanzania, Kenya and Uganda. p. 30

## Greek producers more hopeful as prices firm



Early signs in 2014 suggest an improved price situation this year for seabass and seabream producers, driven primarily by strong demand growth in 2013 in alternative markets such as Russia, which are increasingly importing larger volumes at approximately stable prices. p. 32

## The future looks bright after salmon industry ends 2013 on a high



2013 was a landmark year for the salmon industry, particularly in Europe. Minimal production growth and strong demand saw prices, export revenues and profits reach record highs, while the Norwegian company Marine Harvest became the world's first aquaculture company to be listed on the New York Stock Exchange. p. 38

## New mackerel and herring quotas drive price movements for 2014: up for herring, down for mackerel



After long discussions, the North Sea mackerel and herring agreements have finally been signed, but not all nations are happy. With the mackerel quota for 2014 increased by 33%, the question now becomes, where will all the extra mackerel go? p. 44

## Strong demand and limited production for fishmeal and fish oil result in record high prices in 2013



Growing demand from the aquaculture and terrestrial animal feed sectors maintained pressure on fishmeal and fish oil prices, while increasing demand for direct human consumption further increased fish oil prices.

Declines in global production due to quota restrictions and adverse weather pushed both prices up further in 2013 to record high levels. p. 49

## For 2013, a slight drop in mussel imports whereas international trade in scallops consolidates



In 2013, the global European trade of mussels slightly declined, with imports decreasing by 3.8% compared with 2012. Chile was the top external EU supplier with a total of 39 300 tonnes shipped to Europe, of which the majority (14 800 tonnes) went to Spain. For scallops, the EU-27 recorded a 4.9% increase in imports (+2 500 tonnes) in 2013, with a high rise shown for Peruvian frozen scallops. p. 53

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### Markets in the Middle East

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### Fish and fishery products statistics

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# GLOBAL FISH ECONOMY

## Supply/Demand

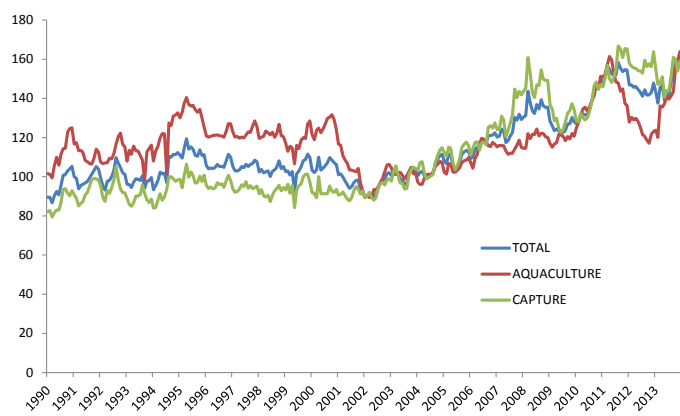
Total world supply continues to increase, thanks to a robust aquaculture sector now in the process of overtaking the wild sector in its contribution to food fish consumption. Whereas wild harvests are largely regulated by official catch quotas set to ensure the long-term sustainability of operations, the aquaculture sector is able to respond to growing demand in both domestic and international markets. In many countries, although far from all, aquaculture farms are regulated by licenses or with some maximum limit on outputs, but in the short-term, most farms have some slack capacity with room to expand within current limits. In the long-run however, competition for space with other users, especially in coastal areas, and for scarce water resources, will necessitate massive investments in research and new technology in order to increase yields and robustness of operations, in particular in aquatic animal health. Both of these investments will be necessary for allowing the sector to meet the new demand from a growing world population with a healthy appetite for fish and fishery products.

Overall, fish production in 2013 reached 160 million tonnes with 90 million tonnes coming from capture fisheries and 70 million tonnes from aquaculture. It is still early to make firm predictions for 2014, although the high prices for many farmed species are likely to give an extra boost to farmed production during this year and in 2015. However, the likely arrival of the El Niño phenomenon in 2014 will reduce South American catches of small pelagic species and lead to higher feed prices.

## Prices

Driven by persistent underlying demand, prices for most products have been moving upwards. For a number of farmed species in particular for which supply has been tight, quotations have reached record levels. The FAO Fish Price index reached its highest level in December 2013, driven by shrimp and salmon shortages. Most other

## The FAO Fish Price Index (100=2002-2004)



fish commodities have also been rising in prices, including many small pelagic and whitefish species.

Whereas aquaculture producers have benefited from higher prices, processors and consumers have been less content. In many developed markets, retailers are able to move large quantities of product only through discounting, placing additional pressure on processors to cut costs and margins. On the positive side, lower fish meal prices have reduced costs for feed during 2013 and early 2014 and this could translate it into lower prices for some products in the short term. However, the main driver of price rises is supply shortages linked either to disease (shrimp) or government-set production limits (salmon), demonstrating that substitution of product in the short-run is less feasible than many have come to expect.

## Trade

2014 looks set to be a year of new growth in world trade following a positive 2013. Traditional markets such as the USA and the EU are showing firm signs of recovery, which will boost imports given their limited capability of increasing domestic supply. Japan has seen its currency fall, making imports more expensive. Emerging markets continue to show strong growth providing opportunities for both domestic, regional and international producers in particular of aquaculture products.

## World fish market at a glance

	2011	2012	2013	Change: 2013 over 2012
		estim.	estim.	
	million tonnes			%
<b>WORLD BALANCE</b>				
<b>Production</b>	<b>155.7</b>	<b>158.0</b>	<b>160.0</b>	<b>1.3</b>
Capture fisheries	93.7	91.3	90.1	-1.3
Aquaculture	62.0	66.6	69.9	4.9
<b>Trade value (exports USD billion)</b>	<b>129.8</b>	<b>129.1</b>	<b>136.4</b>	<b>5.6</b>
<b>Trade volume (live weight)</b>	<b>57.3</b>	<b>57.6</b>	<b>57.8</b>	<b>0.3</b>
<b>Total utilization</b>	<b>155.7</b>	<b>158.0</b>	<b>160.0</b>	<b>1.3</b>
Food	131.2	136.2	139.9	2.7
Feed	19.4	16.3	16.6	1.6
Other uses	5.1	5.4	3.5	-35.1

## SUPPLY AND DEMAND INDICATORS

### Per caput food consumption:

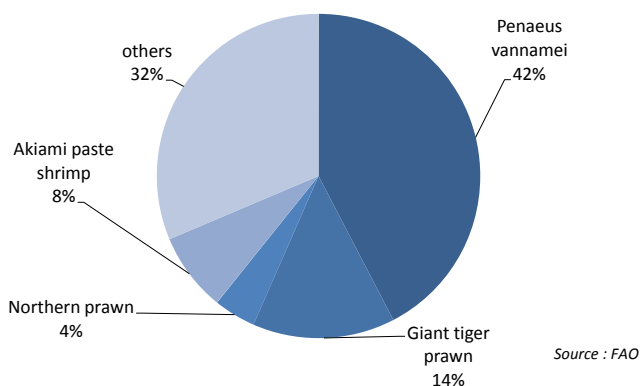
Food fish (kg/year)	18.7	19.2	19.6	2.0
From capture fisheries (kg/year)	9.9	9.8	9.8	-0.1
From aquaculture (kg/year)	8.9	9.4	9.8	4.1

Totals may not match due to rounding.

## After staying firm for more than a year, shrimp prices in international trade began to weaken in late March

Annual import growth in the major markets was negative in 2013, following the production shortfall of farmed shrimp and high market prices. Supplies during the first quarter of the year were seasonally low. Forecasts predict improved supplies with the new season's crop available starting in May/June. However, as the main market, the USA is holding more than adequate stocks amidst low consumer demand, driving prices down. Import demand in Japan and in the EU are also weak.

Shrimp production by species (2012)



### Supply

Last year, farmed shrimp production in Asia and Latin America suffered significantly from EMS disease. Following this, supplies during the first quarter of 2014 remained low before the new season is expected to start in April/May. However, unlike last year, demand from global markets is slow, making farmers less enthusiastic about pond seeding.

In Thailand, news from the industry highlighted that this year's farmed shrimp production may increase to 400 000 tonnes, considerably more than the earlier forecast of 300 000 tonnes. Despite these predictions, harvests during the first half of 2013 have so far been slow. Falling ex-farm prices during January and February and the longer cold season resulted in delayed pond seeding. Given these factors, the next peak production in Thailand may start in August. The price weakening in the USA is surely a negative development for shrimp farmers in Thailand as well as elsewhere.

The supply shortfall in 2013 continues to take a toll on export processors of raw frozen shrimp in Thailand. During the first quarter of 2014, three large companies, The PTN Group, Narong Seafoods and Charoen Pokphand (CP) Foods, closed down their processing plants citing raw material shortages as the cause. Following this, the vertically integrated CP Foods laid off 1 200 workers

in a move to focus on value added products. However, the company has set up a new processing facility in Viet Nam, which has been operational since February. Such a move by one of the large processors in Thailand clearly indicates the industry's aim to move away from exports of raw frozen shrimp.

In India, farmers in Andhra state have begun concentrating fully on vannamei production with this development gaining momentum in Tamil Nadu, Odisha West Bengal and Gujerat. Based on these developments, vannamei harvest in 2014 is forecasted to be higher than last year, with the season's harvest beginning in April or May. However, so far, farmers seem to be holding stocks in ponds due to lack of demand and price weakening in the US market. The revised maximum residue level of ethoxyquin for farmed shrimp (at 0.2 ppm) is expected to direct more supplies to the Japanese market.

Viet Nam indicated increased production in 2013 compared with 2012. Moreover, they reported 100 000 tonnes of imports, mainly vannamei shrimp, which is reflected in exports from Ecuador, India and others. So far in 2014, vannamei production has improved harvests but supplies still have not been enough to meet export demand and thus imports of raw material continue.

In China, the estimated production of farmed shrimp in 2013 was 1.1 million tonnes, nearly 22% less (-300 000 tonnes) than in 2012. Some reports indicate almost a 30% production shortfall for vannamei shrimp. However, this year many farmers have moved away from the main farming area of Zhejiang in Guangdong to the coastal areas of Guangxi, near the China/Viet Nam border, due to better farming results there last year. Some farmers who have stayed in Eastern Guangdong have increased their pond stocking density by 40% and have delayed stocking their ponds. Overall, shrimp supplies in the country are short and Chinese prices weakened slightly after the Lunar New Year.

### Latin America

In 2013, the EMS disease in Mexico caused high mortality to 520 shrimp farms in Sinaloa covering an



area of 35 000 hectares. The result was huge economic losses, estimated at USD 75 million, and a sharp drop in production volumes. Indeed, production estimates for 2013 are 35 000-55 000 tonnes compared with 100 000 tonnes in 2012. For 2014, farmers in Sinaloa, Sonora and Baja California, have not yet stocked their ponds and only 50-60% of farms are expected to pond seed as EMS issues persist. With these developments, production for 2014 is likely to stay at the 2013 level.

Meanwhile, the strong domestic demand for shrimp in Mexico and strong price (USD 5.90 per lb for 41/50 counts) has led to less shrimp available for exports. Supplies from Belize, and Guatemala are also being imported, largely due to the strong Lent demand in the current domestic market.

The shrimp aquaculture sector in Ecuador, Nicaragua, Honduras and Peru performed better in 2013, which was reflected in their exports. Ecuador exported USD 1.8 billion of shrimp in 2013, compared with USD 1.28 billion in 2012. Exports from Nicaragua also grew, from USD 47.7 million in 2012 to USD 64.6 in 2013. Honduras showed strong export growth as well, from 17 200 tonnes in 2011 to 26 000 tonnes in 2013. Peru continued this positive trend, with export volumes growing 11.4% in 2013 compared with 2012.

**Landings from capture fisheries**

US domestic shrimp landings were 2.3% lower in 2013 compared with 2012 at 52 269 tonnes. Following the global trend, ex-vessel prices for all shrimp remained high.

**Market trends**

Lack of demand from US buyers caused a 12% drop in shrimp prices at the end of the recent seafood expo in Boston

A large group of shrimp producers from Indonesia, India and Ecuador were at the seafood expo in Boston in March this year, with substantial products to offer. However, there was a major lack of demand from US buyers leading to serious concern among sellers, who expected good deals during the event. The Indian offer price for 16/20 counts headless vannamei dropped from USD 7.40 per lb to 6.50 per lb and even at this price, there was hardly any interest from US buyers. Demand for Asian peeled shrimp was also weak due to large imports from Ecuador. Currently the market is holding relatively good stocks bought on high prices. Forward buying from Ecuador has also been substantial during the recent months.

Demand from Japan and the EU also did not pick up during the first quarter of 2014. However, Viet Nam's demand continues for export processing. Imports from

China have slowed since the Lunar New Year celebration.

**Japan**

**Import price for shrimp in Japan increased by 30% in 2013 compared with 2012**

Completely dependent on imported supplies, Japan continues to struggle with the declining yen value and high import prices. Compared with the same time last year, the unit price of shrimp was 48% higher during the first quarter 2014, slashing household consumption by 38%. In 2013, imports of raw shrimp saw a 7% decline and in Tokyo's Tsukiji fish market, shrimp demand decreased by at least 20-30% compared with 2012. Poor supplies of

**Imports**

**Shrimp (by product): Japan**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Live	0.1	0.1	0.1	0.1	0.1	0.1
Fresh/chilled	0.0	0.0	0.0	0.0	0.1	0.1
Frozen, raw	196.6	197.6	205.3	205.2	200.5	187.3
Dried/salted/in brine	1.8	2.9	2.6	2.8	2.3	1.9
Cooked, frozen	19.7	20.9	21.6	23.6	24.5	24.2
Cooked & smoked	0.3	0.3	0.3	0.5	0.3	0.2
Prepared/preserved	44.0	41.1	46.6	49.2	50.3	45.7
Sushi (with rice)	0.1	2.2	2.0	3.3	2.4	2.2
<b>Tot (incl. frozen ebi)</b>	<b>262.6</b>	<b>265.2</b>	<b>280.7</b>	<b>285.3</b>	<b>280.4</b>	<b>262.1</b>

Source: Japan Customs/INFOFISH

**Imports**

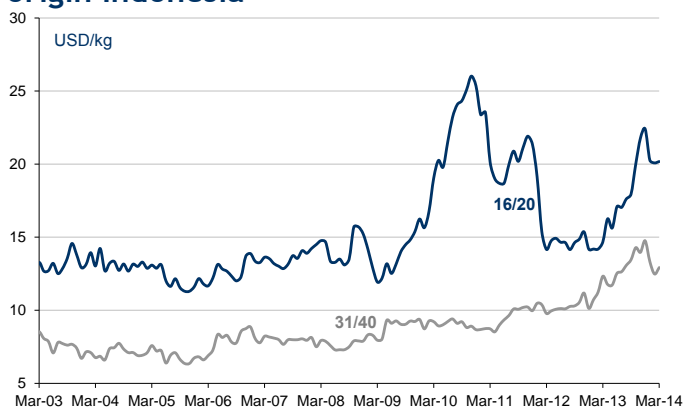
**Shrimp - Raw Frozen: Japan**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Viet Nam	42.2	39.9	40.5	34.1	33.8	34.3
Indonesia	37.4	34.8	32.0	30.8	31.5	32.3
India	24.0	24.3	28.3	30.9	27.7	31.5
Thailand	25.0	32.1	37.7	36.6	35.3	20.4
Argentina	2.6	3.6	4.9	9.1	13.9	14.6
China	16.8	14.9	13.8	17.2	15.3	14.5
Myanmar	6.8	6.7	5.9	6.0	6.2	6.2
Russia	7.8	7.1	7.9	7.8	6.7	6.2
Malaysia	4.5	5.1	7.3	9.1	7.3	4.8
Canada	7.7	7.2	7.1	6.0	5.9	4.7
Greenland	5.6	6.5	5.0	4.0	3.7	3.7
Others	16.3	15.4	14.9	13.8	13.2	13.9
<b>Total</b>	<b>196.6</b>	<b>197.6</b>	<b>205.3</b>	<b>205.2</b>	<b>200.5</b>	<b>187.3</b>

Source: Japan Customs



## White Shrimp in Japanese market, origin Indonesia



Source: Infofish ITN

shell-on shrimp from Thailand, which led to high prices, have also affected demand in supermarkets. Traders are comfortable dealing with imported processed shrimp, which enjoys better demand.

For the first time in many years, Japanese imports of almost all types of shrimp in 2013 were at record lows. Overall, the market imported about 20 000 tonnes less than 2012. Both raw and processed shrimp imports were 6.5% below the previous years. However, the cheaper sea-bob shrimp from Argentina was an outlier to this trend, registering a 300% rise in imports. Due to high prices, demand for tempura shrimp declined at *kaiten-sushi* restaurants.

During January/February, Viet Nam increased its exports of vannamei based *nobashi* shrimp (PTO) to Japan, with a large share of these volumes processed using Indian farmed vannamei. Interestingly, the price sensitive Japanese market seemed to be accepting double frozen products from Viet Nam. However, since February, Vietnamese shrimp imports to Japan are subject to full inspection for antibiotic (Oxytetracycline) residue. This mandate came in the context of recent leniencies, as Japan dropped Trifluralin inspection on Vietnamese shrimp in May 2013 and later raised the permissible level of Ethoxyquin from 0.01ppm to 0.2ppm. Japanese imports of raw frozen shrimp from Thailand in January/February were almost 42% below last year's - a trend likely to persist for the rest of the year.

## USA

### India surpassed Thailand as the main shrimp supplier in the US market in 2013

Lack of demand from US importers at the seafood expo in Boston affected the global shrimp market, while more supplies are now available from Indonesia, Ecuador and India, with the latter offering large sizes that are

considered relatively expensive in the current market. With these trends, it is apparent that Thai shrimp no longer dictate market trends. The US market is holding more than adequate expensive inventories. Persistent high prices of shrimp affected the restaurant and catering trade seriously during the last year.

## Imports Shrimp: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
India	15.6	20.0	30.3	48.2	66.0	94.4
Thailand	183.5	192.8	203.4	185.8	136.1	84.2
Indonesia	84.1	69.3	61.1	70.3	74.1	81.1
Ecuador	56.3	61.6	65.0	73.8	81.5	74.5
Viet Nam	48.5	42.3	48.5	45.4	41.2	59.9
China	48.7	44.2	48.2	43.0	35.7	32.5
Mexico	34.5	41.1	23.5	30.9	26.3	18.5
Malaysia	30.1	18.4	24.3	29.3	23.5	10.3
Peru	7.5	8.5	7.0	8.3	8.4	9.0
Guyana	9.1	8.9	7.8	6.5	9.0	8.7
Honduras	5.7	8.7	10.3	10.4	9.1	8.5
Others	43.9	36.7	32.0	25.1	24.1	26.9
<b>Total</b>	<b>567.454</b>	<b>552.6</b>	<b>561.5</b>	<b>577.1</b>	<b>534.9</b>	<b>508.5</b>

Source: NMFS

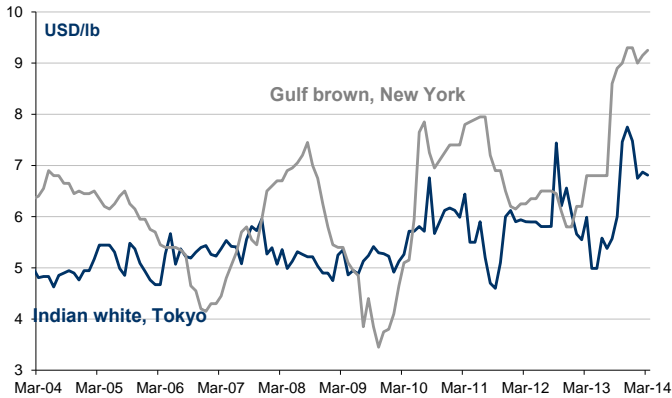
## Imports Shrimp: USA

Product	2011		2012		2013	
	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD
Peeled frozen	207.1	1 939.4	205.4	1 794.9	199.7	2 106.1
Other frozen	95.5	943.1	71.0	669.4	70.3	824.5
Breaded	43.9	293.6	37.9	250.1	36.9	272.5
Other preparations	4.0	22.8	2.6	14.0	2.5	14.0
Headless shell-on frozen						
All sizes	223.0	1 927.9	215.6	1 714.8	196.3	2 054.7
< 15	17.8	263.8	19.0	266.4	16.6	267.6
15/20	20.9	237.2	24.4	223.0	21.1	267.1
21/25	30.1	295.5	29.5	244.4	29.5	335.2
26/30	30.3	264.3	33.0	260.2	29.7	314.4
31/40	45.5	349.9	41.4	296.5	38.4	377.4
41/50	28.3	194.5	25.9	171.4	25.5	225.1
51/60	26.8	180.2	21.7	134.4	18.8	149.9
61/70	13.7	85.8	12.1	72.0	10.0	74.7
> 70	9.6	56.7	8.6	46.5	6.8	43.2
Other products	3.6	37.4	2.4	21.3	2.8	36.5
<b>Total</b>	<b>577.1</b>	<b>5 164.3</b>	<b>534.9</b>	<b>4 464.5</b>	<b>508.5</b>	<b>5 308.4</b>

Source: NMFS



Shrimp prices (16-20 count) in main wholesale markets, USA and Japan



Source: Infofish ITN

The well known large restaurant operator, Darden/Red Lobster, reported falling profit margins in 2013 due to a USD 30 million rise in the cost of shrimp in 2013. The blame was placed on production challenges in Asia.

The first quarter 2014 shrimp market suffered from the extreme cold weather in the USA, which curbed shrimp demand both in the retail and restaurant trade. Additionally, supplies in the USA began at about 5% below last years' level, which means that wholesale prices remain quite high and steady.

The USA imported about 26 400 tonnes less shrimp in 2013 compared with 2012, a 5% decrease. Registering a 43% increase in 2013, Indian supplies dominate imports, while EMS issues pushed Thailand to second place. Imports also increased from Indonesia and Viet Nam but declined from the two big suppliers in Latin America - Ecuador and Mexico. The former diverted more exports to East Asian markets (Viet Nam and China) while the Mexican supply shortfall was caused by the EMS disease.

Imports into the USA during January/February increased by 8.6% against the same period last year with higher percentage imports from Indonesia, Viet Nam and Ecuador. Supplies mainly consisted of the cheaper medium and smaller sized shrimp from Ecuador and semi-processed and processed products from Indonesia and Viet Nam.

Europe

Short supplies and high prices dampen demand for shrimp

Despite the softening of prices globally, the European shrimp market remains quiet with buyers still cautious to

Imports/Exports

Shrimp: EU-27 (by country of origin)

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Ecuador	83.1	74.6	80.6	97.2	92.1	82.8
India	61.3	65.2	59.8	59.4	60.4	66.2
Greenland	80.3	74.3	72.6	68.3	61.2	60.1
Argentina	38.6	47.1	55.5	62.1	55.0	59.8
Denmark	50.1	46.3	49.4	44.8	43.4	47.6
Bangladesh	32.5	39.0	41.2	43.4	42.1	42.1
Viet Nam	31.8	38.1	43.2	45.5	35.7	37.7
China	39.2	40.0	40.6	38.6	35.8	37.0
Netherlands	36.7	37.0	41.1	44.1	40.9	34.6
Thailand	39.9	52.8	68.2	63.1	53.7	31.4
Canada	33.5	31.4	30.5	27.8	30.1	31.2
Spain	19.9	21.8	25.9	24.8	28.3	23.0
Belgium	24.5	24.2	23.4	27.7	21.6	22.6
Others	243.3	231.2	215.4	202.7	181.7	176.0
<b>Grand Total</b>	<b>814.8</b>	<b>822.9</b>	<b>847.6</b>	<b>849.4</b>	<b>781.8</b>	<b>752.2</b>
<b>Total Intra Imports</b>	<b>187.0</b>	<b>187.6</b>	<b>202.5</b>	<b>202.0</b>	<b>188.6</b>	<b>182.5</b>
<b>Total Extra Imports</b>	<b>627.8</b>	<b>635.3</b>	<b>645.1</b>	<b>647.4</b>	<b>593.2</b>	<b>569.7</b>
<b>EXPORTS</b>						
<b>Grand Total</b>	<b>365.8</b>	<b>362.3</b>	<b>373.8</b>	<b>370.2</b>	<b>335.3</b>	<b>322.9</b>
<b>Total Intra Exports</b>	<b>262.0</b>	<b>261.5</b>	<b>274.9</b>	<b>284.4</b>	<b>258.1</b>	<b>249.3</b>
<b>Total Extra Exports</b>	<b>103.8</b>	<b>100.8</b>	<b>98.9</b>	<b>85.8</b>	<b>77.2</b>	<b>73.6</b>

Source: EUROSTAT

sign new contracts. Product movement continues to be slow as consumer demand, particularly in the retail trade, has been sluggish. Retail sales were affected by the high shrimp prices and wholesalers were hit particularly hard.

Shrimp imports into the EU in 2013 declined by 3.8%; supplies from non-EU (external trade) sources were 4% lower compared with 2012. Shipments from Ecuador and Thailand suffered sharp drops by 10.1% and 41.5% respectively which could not be compensated by increasing supplies from India (+9.6%) and Argentina (+8.7%).

Supported by a rising production of farmed vannamei, Indian exports increased significantly to major community markets, including 21% to the UK and Belgium and 6% to France. India emerged as the second largest supplier to the EU market behind Ecuador, taking over Greenland's position.

Ecuador remained the lead supplier of shrimp in the EU but supplies sharply dropped to its main markets in Spain and Italy by 14%. Among the EU major markets, only France imported more shrimp from Ecuador (+9%) as





## Imports/Exports Shrimp: Belgium

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
India	13.7	10.0	9.4	12.9	13.2	16.0
Netherlands	12.1	12.4	14.6	17.7	16.1	11.6
Bangladesh	16.2	12.0	12.7	12.8	9.9	9.1
Viet Nam	4.1	5.3	4.7	4.4	3.3	4.5
Ecuador	8.6	6.5	4.9	9.4	5.6	2.1
Others	23.0	19.5	20.2	16.6	12.0	10.5
<b>Total</b>	<b>77.7</b>	<b>65.6</b>	<b>66.4</b>	<b>73.9</b>	<b>60.2</b>	<b>53.9</b>
<b>EXPORTS</b>						
France	23.5	19.6	19.2	23.6	16.1	12.3
Netherlands	9.0	7.8	9.3	11.2	9.6	10.1
Spain	7.0	6.0	5.9	5.3	5.9	5.7
Germany	4.9	5.8	5.9	5.4	5.0	5.4
Italy	1.7	1.9	1.3	1.6	1.5	2.3
Others	14.8	10.4	9.2	8.1	7.3	7.7
<b>Total</b>	<b>60.9</b>	<b>51.5</b>	<b>50.8</b>	<b>55.2</b>	<b>45.3</b>	<b>43.5</b>

Source: EUROSTAT

## Imports Shrimp: Spain

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Argentina	28.5	36.2	42.7	49.2	42.3	43.6
Ecuador	27.9	20.4	23.5	31.5	28.7	24.7
China	27.1	25.4	22.7	22.5	18.3	19.7
Nicaragua	5.8	6.5	5.9	7.0	8.5	8.4
Senegal	2.5	1.4	2.1	3.7	4.7	4.6
Morocco	6.4	5.2	4.2	4.8	3.9	3.8
Belgium	4.7	4.5	4.2	3.9	3.3	3.7
Tunisia	1.1	1.2	2.3	2.4	2.5	3.6
Honduras	4.1	4.5	3.4	3.3	3.4	3.2
Netherlands	4.0	4.1	4.5	3.8	3.0	3.2
India	2.3	2.8	3.3	2.4	3.4	3.2
Venezuela	4.0	4.5	2.7	3.9	2.6	2.9
France	3.1	2.0	3.0	2.1	2.4	2.8
Peru	2.0	1.9	2.2	2.6	2.6	2.6
Others	43.6	42.5	43.9	36.4	22.8	18.5
<b>Total</b>	<b>167.0</b>	<b>163.2</b>	<b>170.7</b>	<b>179.5</b>	<b>152.4</b>	<b>148.7</b>
<b>EXPORTS</b>						
Italy	8.3	10.7	12.4	16.5	14.3	14.5
Portugal	7.7	8.4	9.6	9.3	7.9	8.8
France	3.4	6.9	5.8	7.6	8.0	5.6
Greece	0.8	1.1	1.1	1.5	1.5	1.2
Others	2.9	3.1	2.0	3.7	3.4	3.7
<b>Total</b>	<b>23.1</b>	<b>30.2</b>	<b>30.8</b>	<b>38.6</b>	<b>35.1</b>	<b>33.8</b>

Source: Agencia Tributaria

## Imports Shrimp: Italy

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	20.4	21.8	21.4	22.2	21.2	18.3
Argentina	8.1	8.2	11.6	11.3	11.2	13.0
Spain	4.1	6.0	6.7	7.5	7.2	7.7
India	6.1	5.9	5.9	6.3	5.5	5.4
Denmark	6.8	4.8	5.0	4.5	3.2	4.1
Netherlands	3.1	3.9	4.9	5.1	4.1	2.5
Viet Nam	2.6	2.9	2.6	3.3	2.0	2.4
Belgium	1.4	1.7	1.3	1.3	1.2	2.2
Others	16.1	15.0	14.5	12.7	9.4	8.5
<b>Total</b>	<b>68.7</b>	<b>70.2</b>	<b>73.9</b>	<b>74.2</b>	<b>65.0</b>	<b>64.1</b>

Source: ISTAT

## Imports Shrimp: France

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	20.1	17.8	24.4	26.7	28.6	31.2
India	10.4	13.3	12.5	12.8	13.4	14.2
Netherlands	6.3	6.5	6.1	6.5	7.3	7.3
Madagascar	9.4	8.6	7.6	7.7	7.4	6.4
Bangladesh	3.5	3.5	4.6	5.8	4.9	6.4
Vietnam	4.9	4.9	6.8	6.2	4.6	5.9
Venezuela	3.7	3.9	4.5	4.4	6.3	5.9
Spain	1.7	3.7	5.7	4.3	5.7	3.8
Thailand	5.7	6.4	10.8	8.9	7.3	3.1
Belgium	5.3	4.3	4.2	5.2	3.6	2.6
Others	36.0	36.2	28.3	22.1	20.2	18.9
<b>Total</b>	<b>107.0</b>	<b>109.1</b>	<b>115.5</b>	<b>110.6</b>	<b>109.2</b>	<b>105.5</b>

Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE

the latter diverted more of its exports to Asia particularly to Viet Nam and China. On the other hand, as consumers opted for cheaper alternatives, Argentinean shrimp made good progress in the Spanish and Italian markets.

To compensate for lower supply from Thailand, the UK imported more shrimp from India as well as from Canada. Denmark and the UK were the two main European markets for Canadian coldwater shrimp, where exports increased by 2.6% and 11% respectively in 2013.

Under the EU-Canada trade agreement, the Canadian shrimp industry expects to increase its exports into the



**Imports**  
**Shrimp: UK**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	9.8	13.2	17.0	19.6	20.7	15.2
Canada	8.1	8.3	9.1	9.4	10.2	11.3
India	8.3	8.6	8.1	8.4	8.6	10.4
Denmark	9.6	9.8	9.4	8.2	7.3	7.9
Bangladesh	4.9	6.8	6.1	7.6	6.3	7.3
Viet Nam	3.8	5.5	5.8	7.7	5.8	7.3
Iceland	8.2	7.9	7.6	6.1	6.1	4.4
China	1.6	1.7	3.2	3.5	4.3	4.1
Indonesia	8.7	7.6	8.0	5.9	3.1	3.9
Others	17.2	15.4	11.7	13.9	13.4	13.2
<b>Total</b>	<b>80.2</b>	<b>84.9</b>	<b>86.0</b>	<b>90.4</b>	<b>85.8</b>	<b>85.0</b>

Source: Her Majesty's Revenue & Customs

**Imports**  
**Shrimp: Denmark**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Greenland	77.1	71.5	70.5	66.3	59.3	58.4
Canada	18.5	16.6	13.1	11.3	15.4	15.8
Viet Nam	1.5	1.8	1.7	1.7	1.9	1.9
USA	0.7	0.2	0.5	1.6	1.8	1.5
Iceland	3.2	1.3	2.3	1.9	1.1	1.4
China	0.9	0.9	0.8	1.2	1.4	1.3
UK	1.7	2.1	1.1	1.1	0.8	1.2
Others	12.8	11.5	10.7	7.4	8.1	9.6
<b>Total</b>	<b>116.4</b>	<b>105.8</b>	<b>100.8</b>	<b>92.5</b>	<b>89.6</b>	<b>91.1</b>
<b>EXPORTS</b>						
Sweden	18.3	19.3	19.0	20.5	21.5	23.0
China	10.5	13.4	12.2	7.0	8.9	10.7
UK	12.8	13.1	12.9	10.6	10.0	9.9
Italy	8.7	5.8	6.1	5.6	5.6	7.6
Germany	8.5	7.3	6.8	7.5	6.8	6.5
Norway	5.8	6.4	7.1	6.7	5.8	6.3
Russia	30.3	19.8	14.0	8.9	6.5	5.9
Morocco	1.7	3.4	4.0	2.3	3.3	4.8
Greenland	3.2	4.1	4.1	3.7	2.9	3.2
Netherlands	7.4	4.9	6.0	4.1	4.3	2.9
France	3.8	3.6	3.4	2.9	2.3	2.3
Others	21.7	15.8	17.0	18.0	16.2	15.0
<b>Total</b>	<b>132.6</b>	<b>116.9</b>	<b>112.7</b>	<b>97.9</b>	<b>94.1</b>	<b>98.0</b>

Source: EUROSTAT

**Imports/Exports**  
**Shrimp: Netherlands**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Germany	6.6	8.0	9.7	10.8	11.2	8.9
Bangladesh	1.8	7.0	6.8	6.8	7.7	7.8
Morocco	6.2	7.4	8.5	9.0	7.9	7.1
Belgium	3.5	5.1	5.7	9.4	6.9	6.7
India	9.0	12.0	10.1	7.1	6.6	6.1
Viet Nam	2.9	3.6	4.5	4.9	4.7	3.7
Indonesia	5.8	6.1	5.4	4.2	2.4	3.2
Denmark	4.8	3.6	4.9	3.8	4.0	3.0
China	2.5	3.5	1.9	1.6	2.0	2.7
Others	14.6	18.2	14.5	17.2	17.0	11.6
<b>Total</b>	<b>57.6</b>	<b>74.3</b>	<b>71.9</b>	<b>74.8</b>	<b>70.5</b>	<b>60.8</b>
<b>EXPORTS</b>						
Morocco	19.6	24.2	25.9	28.0	23.8	22.7
Germany	9.8	12.0	14.5	14.7	13.7	12.8
Belgium	14.7	17.5	17.3	18.0	15.2	10.7
France	10.4	14.6	14.7	13.9	12.3	9.3
Spain	3.8	4.7	2.3	2.2	2.2	2.4
Italy	2.2	2.6	3.4	3.7	3.2	1.9
Others	7.3	8.5	4.3	3.5	3.5	3.1
<b>Total</b>	<b>67.7</b>	<b>84.1</b>	<b>82.4</b>	<b>83.9</b>	<b>73.9</b>	<b>62.9</b>

Source: EUROSTAT

EU in the future. However, the recent decision by the Department of Fisheries and Oceans of Canada to cut the TAC for northern shrimp to 115 891 tonnes for 2014, down 13% from the 2013 quota, will be a challenge to this goal and has received strong criticism from industry players.

**Imports**  
**Shrimp: Germany**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Viet Nam	8.6	9.6	11.5	12.2	9.6	8.6
Bangladesh	3.6	6.4	6.7	7.0	8.7	8.0
Thailand	9.4	11.5	12.4	10.6	10.8	7.7
Netherlands	5.8	5.4	6.0	6.9	6.7	6.4
India	6.1	5.5	5.2	4.7	4.5	4.7
Belgium	4.7	4.1	4.5	4.5	3.3	3.7
United Kingdom	1.8	2.0	2.8	2.5	2.2	2.8
Denmark	2.7	2.3	3.0	2.0	1.7	1.9
Others	11.8	12.0	11.0	11.3	11.6	9.6
<b>Total</b>	<b>54.7</b>	<b>58.9</b>	<b>63.1</b>	<b>61.7</b>	<b>59.2</b>	<b>53.3</b>

Source: Germany Customs



Asia

Viet Nam, Republic of Korea and China were the main markets for imported shrimp

In 2013, China imported shrimp aggressively, not only from Asian sources but also from Latin America, Europe and Canada. Overall imports of frozen shrimp in 2013 were 30.3% higher than 2012; supplies increased by 84% from India, 48% from Canada, 32% from Greenland and 16% from Ecuador.

In 2013, Viet Nam imported nearly 100 000 tonnes of shrimp for reprocessing. Imports from Ecuador doubled from 17 579 tonnes in 2012 to 37 753 tonnes. Similarly, Indian exports to Viet Nam increased by 106% to nearly 30 000 tonnes last year. For both India and Ecuador, Viet Nam was the most important shrimp market in Asia last year.

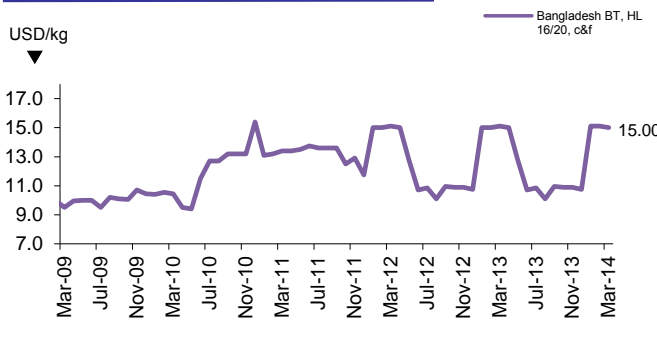
Imports

Frozen Shrimp: China

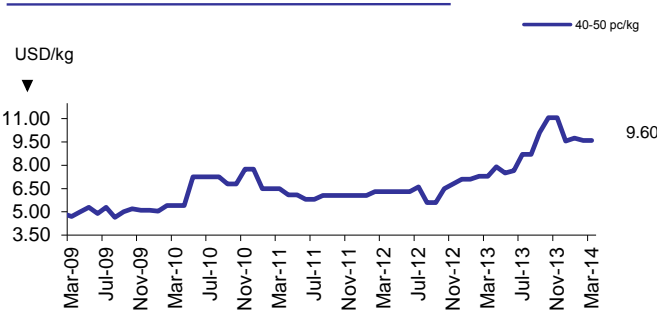
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Canada	10.4	9.7	15.5	13.6	13.7	20.3
Thailand	3.2	4.0	9.8	6.9	10.7	8.7
Greenland	7.2	8.3	9.9	6.3	5.7	7.5
Ecuador	0.0	0.3	1.2	5.6	6.4	7.4
Argentina	0.0	0.6	0.3	1.6	2.4	5.8
India	1.5	1.6	2.0	2.1	3.1	5.7
China	0.1	0.0	0.0	0.1	0.0	3.7
Denmark	2.3	2.7	3.7	2.0	2.1	3.2
Myanmar	2.8	2.4	2.4	1.5	0.8	1.9
Others	9.9	13.4	12.8	13.5	9.9	7.1
<b>Total</b>	<b>37.3</b>	<b>42.9</b>	<b>57.6</b>	<b>53.1</b>	<b>54.7</b>	<b>71.3</b>
<b>EXPORTS</b>						
Japan	37.3	34.7	35.3	58.6	40.9	37.3
USA	40.9	47.4	45.3	44.0	37.6	34.9
Malaysia	30.2	18.4	25.7	35.7	34.8	29.0
Hong Kong	11.4	15.0	20.4	18.6	20.5	23.8
Korea Rep.	26.2	27.0	25.3	35.4	31.0	21.5
Spain	25.4	23.6	23.2	20.1	16.5	18.0
Russia	6.0	10.1	15.7	12.1	11.9	14.9
Australia	7.9	7.9	9.0	10.9	11.0	13.3
Taiwan	5.4	8.7	11.9	13.5	13.1	13.3
Mexico	9.9	8.1	12.3	10.4	8.2	12.3
Canada	10.2	11.7	15.2	11.0	12.2	10.0
Others	30.2	33.6	35.6	35.0	35.9	41.6
<b>Total</b>	<b>241.0</b>	<b>246.4</b>	<b>274.9</b>	<b>305.2</b>	<b>273.7</b>	<b>269.9</b>

Source: China Customs

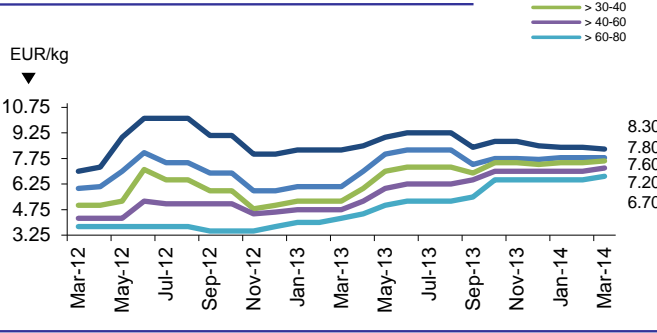
Black Tiger - In Europe, origin: Bangladesh



Whiteleg shrimp - Penaeus vannamei Head-on, shell-on, for EMP, origin: Ecuador (fob)



Argentina Red Shrimp - Pleoticus muelleri Head-on, shell-on, In Spain, origin: Argentina



Graphs source: European Price Report

The rapid growth in production of vannamei shrimp boosted exports in India. Indeed, during the 2013-2014 fiscal year, vannamei shrimp exports increased to 134 372 tonnes (USD 1.47 billion) compared with 69 565 tonnes (USD 540.8 million) during the previous fiscal year.

Meanwhile, Russia has opened up its market again for shrimp from Bangladesh after Russian inspection authority Rosselkhoznadzor lifted the ban on three shrimp exporters in February and March this year. Before the ban, the country used to export around 7% of the total shrimp to the Russian market, worth Tk 3.0 to 3.5 billion (USD 39-45 million) annually.

After the Chinese New Year Festival in January/February, consumer demand for shrimp in East Asia remains calm. However, as of April, retail price of fresh head-on remains 30-38% higher compared with the same month last year.



Outlook

Supply forecast for farmed shrimp indicates delayed harvests in Viet Nam and Thailand. However, production is expected to be better than last year. Supplies in India, Indonesia and Ecuador are predicted to be good for 2014.

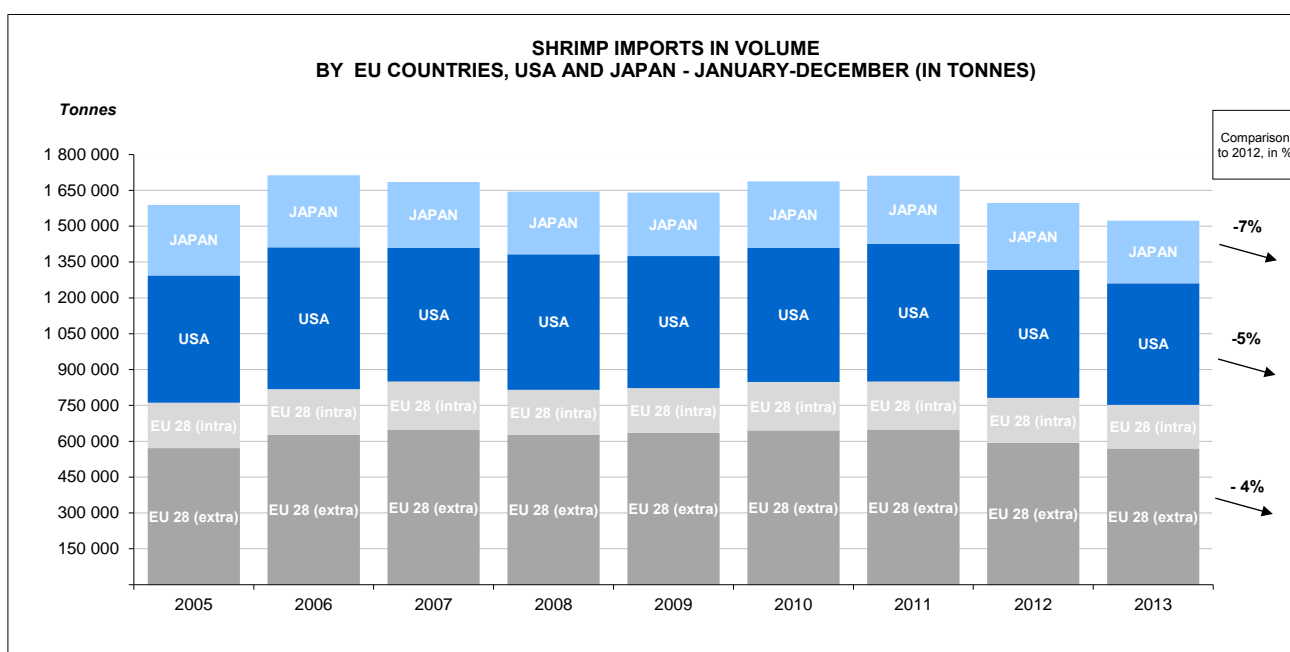
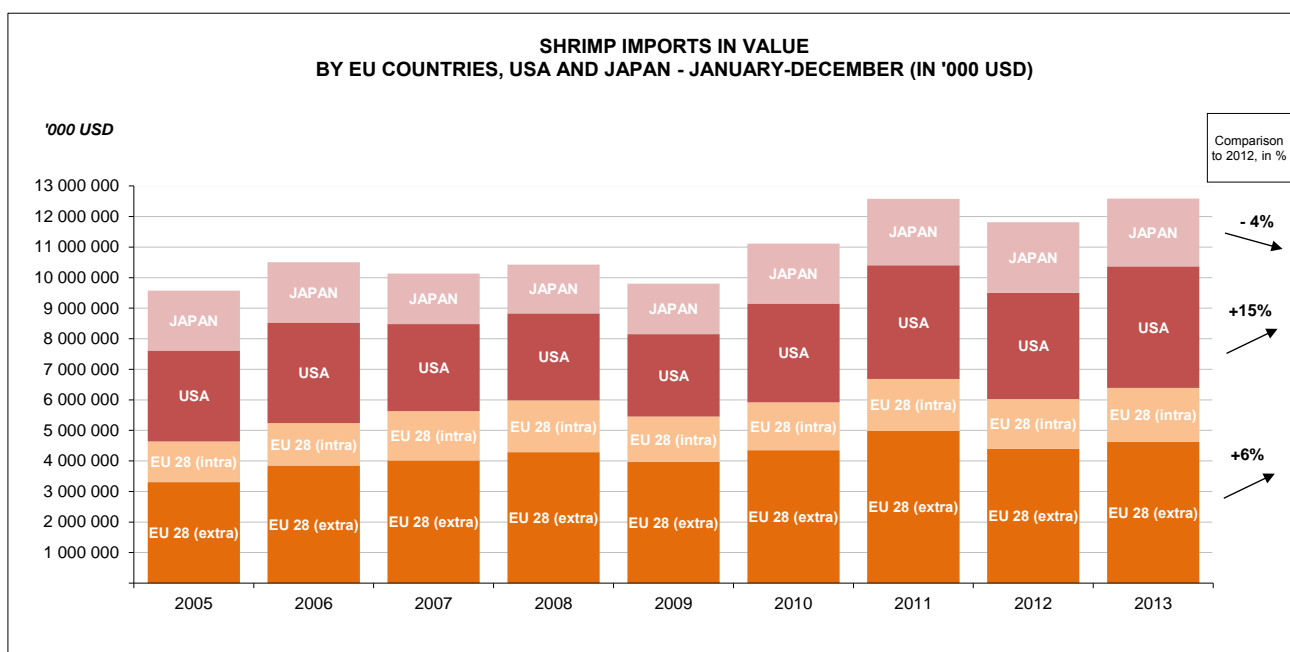
In the US shrimp market, there is pressure, with high priced inventories and heavy imports during the first two months of the year. Importers' offer prices have weakened significantly, which is not good news for shrimp farmers, particularly in Southeast Asia. The falling market prices may discourage their present enthusiasm as many lost profits last year to EMS disease.

In Japan, the seasonal demand for shrimp is expected to increase during the April/May Spring Festival season.

Since the ethoxyquin issue has been resolved for Indian farmed shrimp imports, price drops in the US market is good news for Japanese importers. For processed products, Japan relies heavily on Thailand, Viet Nam, Indonesia and China.

More shrimp will be imported into Mexico from Latin America. Additionally, increased imports can be expected from India to Viet Nam and Thailand where it will be reprocessed and exported to China for local consumption.

European traders predicted a difficult market for the first half of 2014 as retailers reduced promotions due to high prices. However, the positive supply forecast and possible softening of shrimp prices may improve demand during the second half of the year.



## Worldwide demand for canned and non-canned tuna remained low during the first quarter of 2014 and prices were under pressure

Frozen skipjack price is nearly 50% lower this April compared with the same month last year. But demand from Asian canners remains weak due to high inventories, particularly in Thailand. Imports take place only to meet short-term needs, while tuna packers are anxious to clear their expensive stocks. In the *sashimi* tuna market, demand is weak and seasonal in the largest market, Japan. The USA is now the second largest importer of non-canned tuna after Japan.

### Overview: Supply and prices in early 2014

As of March 2014, catches in the Western and Central Pacific were moderate as the weather conditions were not conducive for fishing. In the Indian Ocean, there has been a drop in catches, with vessels mostly targeting skipjack on FADs. In the African side of the Atlantic Ocean, catches did not improve.

The delivery price for frozen skipjack to Bangkok in early April 2014 remained weak at USD 1200-1250 per tonne, with these prices almost 50% lower compared with the same time last year, leading to high inventory for Thai tuna packers. Ex-vessel prices for skipjack in Manta dropped to USD 1 400 per tonne. Likewise, the skipjack price has fallen slightly to EUR 775 per tonne FOB Mahe. In Abidjan, ex-vessel price of skipjack also declined to EUR 1 000 per tonne during the reporting period.

Due to low supply, the yellowfin price has increased to EUR 1 800 per tonne FOB Mahe in April 2014. European canners imported cooked, double-cleaned yellowfin loins at USD 8 200 per tonne, DDP Italy.

For *sashimi*, supplies of longline caught frozen tuna in Japan increased in January when the Taiwan Province of China and Chinese tuna boats landed their catch in

the market before the Lunar New Year holiday. In early 2014, price of frozen bigeye tuna had weakened in the Japanese auction market but improved in April during the Spring Festival.

For farmed bluefin tuna, supplies from the Mediterranean Sea, Mexico and Japan have increased so far in 2014. Similarly, the Southern bluefin fisheries in Australia wrapped up the season with good harvests; 2014 supplies are expected to be higher than compared with other years.

### Non-canned market (fresh and frozen)

#### Japan

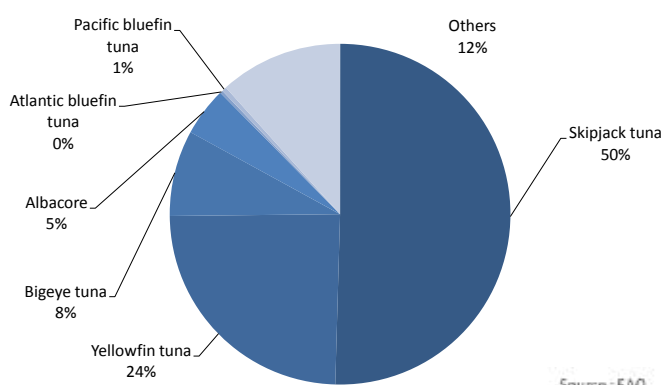
Affected by the weak yen and rising prices of imported seafood, Japan's overall seafood imports declined by 6.4% in quantity and 4.4% in value in 2013 compared with 2012. One of the main drivers behind this decline was the record low imports of both fresh and frozen tuna.

On a year-on-year comparison, imports of total tuna, fresh and frozen (including loins), were 8.62% lower in 2013 at 225 873 tonnes. Although frozen loin imports did increase marginally, supplies of whole dressed tuna were at a ten year low. Other than bluefin, imports of all types of fresh/chilled tuna were at a record low in 2013, leading to an 11% decline in total fresh/chilled tuna imports in 2013 compared with the previous year.

Taking a longer-term perspective demonstrates that this is a continuing trend; from 2004 to 2013, Japan has seen a 52% decline in fresh tuna imports, a clear sign of an overall shrinking demand in the *sashimi* market. This weakening demand is due in large part to changing preferences of younger Japanese consumers. In addition, salmon has emerged as a strong competitor in both the *sashimi* and non-*sashimi* market.

For frozen tuna imports, 2013 also saw declining overall imports (-11.5%) compared with 2012. Again,

Tuna production by species (2012)





**Imports**

**Frozen tuna: Japan**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Bigeye	77.8	77.1	73.4	62.1	79.1	72.7
Yellowfin	47.4	44.1	50.1	47.8	48.0	36.5
Albacore	8.0	8.5	23.2	18.0	15.2	22.1
Skipjack	33.5	53.3	86.6	42.2	30	21.2
S. bluefin	7.4	6.9	6.8	7.4	7.4	8.6
N. Bluefin	4.2	4.0	1.8	3.2	0.4	0.5
<b>Total</b>	<b>178.3</b>	<b>193.8</b>	<b>215.3</b>	<b>180.8</b>	<b>182.2</b>	<b>161.6</b>

Source: INFOFISH

**Imports**

**Fresh/chilled tuna: Japan**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Yellowfin	15.5	15.5	16.1	13.6	12.2	9.9
Bigeye	15.0	15.2	11.6	12.1	13.3	11.3
Bluefin	4.4	5.8	4.0	2.6	3.4	4.0
S. bluefin	1.2	3.4	2.1	1.2	1.5	1.8
Albacore	0.3	0.3	0.3	0.2	0.2	0.2
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>36.3</b>	<b>40.2</b>	<b>34.1</b>	<b>29.8</b>	<b>30.6</b>	<b>27.2</b>

Source: INFOFISH

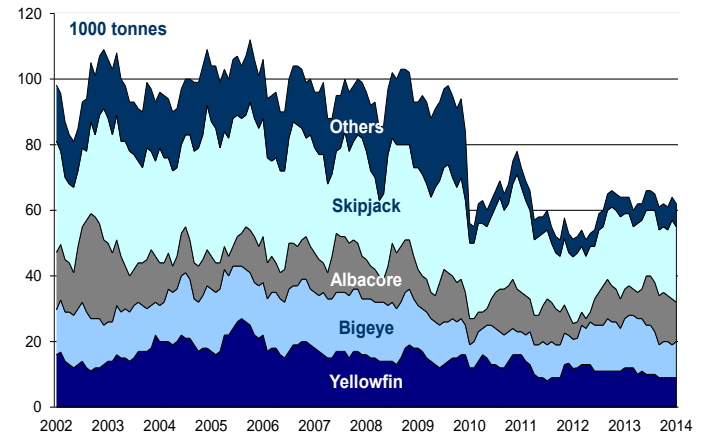
if looking at the larger picture this decline is more significant; when comparing 2013 with 2004, frozen tuna imports were 51% less by value.

For red meat quality frozen tuna loins, Japanese imports weakened marginally in 2013 compared with 2012 but remained higher than in previous years. Although supplies increased from the Republic of Korea, China and Viet Nam, reduced exports from Fiji and Indonesia caused an overall negative trend for imports. For bluefin frozen loins, imports in 2013 increased by over 3 000 tonnes compared with 2012, indicating the Japanese market's preference for frozen loins compared with air-flown fresh/chilled tuna.

Since late February 2014, heavy snowfall affected local and imported supplies of fresh tuna in the Japanese *sashimi* market. Furthermore, consumer demand during this time shifted to warm dishes, reducing sales of *sashimi* tuna in the restaurant and retail sectors. In the frozen *sashimi* tuna market, lower sales were observed for the popular red meat tuna (bigeye and yellowfin) during the year-end festival season in 2013. This was a result of increased availability of bluefin tuna, as prices were significantly lower than compared with other years.

**Coldstorage holdings**

**Tuna: Japan**



Source: INFOFISH Trade News

**USA**

Demand for fresh tuna in the US market remained steady in 2013, though overall fresh imports experienced a drop of 14.8% in 2013 compared with 2012. Consumer preference for fresh red meat tuna, namely yellowfin and bigeye, remained high. Though imports of yellowfin increased only marginally, imports of bigeye increased by 33.3% in 2013 compared with 2012. Imports of bluefin tuna increased by 20%. Overall, with nearly 22 000 tonnes of fresh tuna imported in 2013, US imports came close to the volume imported by the world's largest *sashimi* market, Japan, which imported 27 191 tonnes of fresh tuna in 2013. This makes the US non-canned tuna market come in second in imports only after Japan. Interestingly, most of the red meat tuna imported into the USA enters the 'tuna steak' market segment.

US imports of raw frozen tuna loin meant for non-canning uses declined by 9% to 18 384 in 2013, due to reduced catches in the Indian Ocean and Western Pacific. Supplies increased only from Indonesia and Viet Nam, which mostly supplied treated products. Consumer

**Imports**

**Fresh Tuna: USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Yellowfin	15.9	14.2	16.0	16.9	15.8	16.0
Bigeye	5.5	5.5	4.0	4.5	3.0	4.0
Albacore	0.7	0.7	0.5	0.7	0.7	0.9
Bluefin	0.4	0.4	0.5	1.2	0.5	0.6
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.2	0.0	0.3	0.4	5.7	0.4
<b>Total</b>	<b>22.7</b>	<b>20.8</b>	<b>21.3</b>	<b>23.7</b>	<b>25.7</b>	<b>21.9</b>

Source: NMFS



demand remained stable, with the average import price varying between USD 10.40 (Sri Lanka) to USD 12.50 (Philippines) per kg. Imports from Japan consisted of the high value frozen bluefin loins for which the average import price was more than USD 28 per kg.

In the canning market, imports of cooked frozen loins for canning purposes were 5.3% higher in 2013 than compared with 2012.

## China

International trade of frozen tuna in China has increased significantly over the years and according to national data, exports in 2013 grew by nearly 41%. Skipjack was the main species in both export and imports. At the same time, more than 80 000 tonnes of frozen tuna were imported into the Chinese market in 2013, which is a 29% increase compared with 2012. The majority of these imports were re-processed into cooked loins, for which the major clients were canned tuna producers in the USA, Thailand and in the EU. In 2013, China exported over 73 000 tonnes of processed tuna (cooked loins and canned products tuna) to the global market.

## Canned tuna

### USA

The US market for canned tuna continued to be stagnant despite early optimism that the market would revive due to increasing consumer confidence and declining prices. Demand for traditional canned tuna in brine remained flat while demand for pouched tuna increased thanks to the introduction of various new and convenient products on the market. These trends were mirrored in the total US imports of canned tuna in 2013; while canned tuna imports declined by 3.6%, imports of tuna in pouches increased by 6.6% when compared with 2012. Ecuador took advantage of the demand situation in 2013, supplying 17.6% more tuna in pouches to the US market. Nevertheless, Thailand maintained its position

## Imports

### Tuna loins (cooked): USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	14.9	10.1	26.8	24.7	20.1	22.1
Fiji	10.7	12.7	14.9	4.6	10.3	11.6
Mauritius	5.4	9.3	4.9	8.6	5.8	7.5
China	0.3	0.0	0.0	6.2	10.9	4.3
Ecuador	0.9	0.1	0.1	0.9	2.7	0.7
Others	13.0	16.5	18.1	16.5	16.5	23.6
<b>Total</b>	<b>45.2</b>	<b>48.7</b>	<b>64.8</b>	<b>61.5</b>	<b>66.3</b>	<b>69.8</b>

Source: NFMS

## Imports

### Tuna pouches: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	19.3	22.0	21.7	18.9	20.0	19.3
Ecuador	13.5	11.3	13.3	12.2	13.0	15.3
Others	5.9	5.2	6.1	5.5	3.3	4.1
<b>Total</b>	<b>38.7</b>	<b>38.5</b>	<b>41.1</b>	<b>36.6</b>	<b>36.3</b>	<b>38.7</b>

Source: NFMS

## Imports

### Canned tuna (excl. pouches): USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	64.7	78.8	96.6	83.2	62.9	64.1
Viet Nam	14.6	13.1	17.7	19.2	19.2	18.2
Philippines	25.9	25.0	18.5	21.5	18.5	16.7
China	5.2	6.0	5.9	6.7	7.0	8.6
Indonesia	13.5	13.1	12.9	9.5	8.4	7.6
Ecuador	0.7	1.6	3.6	6.6	2.4	1.1
Others	8.1	4.4	4.1	3.9	5.8	3.4
<b>Total</b>	<b>132.7</b>	<b>142.0</b>	<b>159.3</b>	<b>150.6</b>	<b>124.2</b>	<b>119.7</b>

Source: NFMS

as the number one supplier of both canned and pouch tuna.

To drive growth, major packers have been launching innovative products to expand their product line and penetrate new market segments. For instance, targeting the younger consumer demographic, Bumble Bee Foods launched its new 'Heritage Pack', a premium-quality product which emphasizes healthy and simple eating with minimal ingredients, only solid white albacore or yellowfin tuna, spring water and a pinch of salt (priced at USD 3.18 per 7-oz can). Smaller companies, such as the American Tuna brand, seek to differentiate itself by focusing on sustainable fishing practices and high quality.

In recent news, the WTO has agreed to Mexico's request to set up a panel in a renewed attempt to settle a dispute with the USA over American "dolphin safe" labels.

## Europe

The European canned tuna market improved in 2013 as a result of growing demand. In addition, packers have been more aggressive in promoting new, convenient and sustainable products. Strong commitment from major retailers and packers has resulted in improved demand for pole and line, FAD free caught tuna as well as other certified canned tuna products.



### International trade developments

Reports demonstrate that some major canned tuna producing countries, such as Thailand, the Philippines and Ecuador, have been trying to gain better access to the EU markets. While Ecuador has successfully extended its GSP status with their 0% duty for canned tuna entering the EU continuing until the end of 2014, Thailand and the Philippines will need to continue to wait. The vote on the proposed trade agreement between the EU and Thailand was postponed and at the latest meeting in February 2014, no conclusion on whether Thai canned tuna will receive a reduced tariff was reached. Meanwhile, the Philippines applied in February 2014 to be included under the new EU-GSP+ scheme, with the decision expected to come by September or October 2014. These decisions will be crucial to the Philippines as the EU is their second most important market for tuna. Indeed, in 2013, the EU-27 imported almost 31 400 tonnes of prepared/preserved tuna (HS 160141) from the Philippines, marginally up by 3.9% compared with 2012.

Demand for canned tuna in the major EU markets grew positively in 2013. Volumes of canned tuna imports into the UK, France and Germany increased by 9%, 9.8% and 8.6% respectively in 2013 compared with the previous year. Major growth included French imports from the Seychelles (+13%), German imports from Ecuador (+53%) and UK imports from Thailand (53.8%).

In Italy, though canned tuna imports were lower in 2013 compared with 2012, more pre-cooked tuna loins were shipped into the country, mainly from Ecuador

### Imports

#### Canned tuna: France

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Seychelles	12.3	12.8	13.3	17.2	21.2	24.0
Côte d'Ivoire	28.0	19.8	18.6	15.3	21.7	20.8
Spain	20.6	18.2	21.4	26.0	16.4	18.2
Ecuador	9.8	12.4	12.0	13.6	11.6	12.6
Mauritius	1.5	2.1	1.5	2.9	4.8	6.3
Madagascar	7.5	8.2	5.5	7.1	5.6	5.9
Ghana	5.3	5.8	7.7	8.2	6.2	5.9
Thailand	5.1	9.6	7.6	9.4	4.7	5.7
Others	10.7	12.6	7.6	6.1	5.4	7.8
<b>Total</b>	<b>100.8</b>	<b>101.5</b>	<b>95.2</b>	<b>105.8</b>	<b>97.6</b>	<b>107.2</b>

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

### Imports

#### Canned tuna: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	29.4	16.2	8.9	16.4	10.0	15.3
Philippines	18.5	19.9	17.3	15.5	14.0	13.2
Papua NG	6.1	6.8	11.3	8.7	12.2	9.6
Vietnam	3.4	4.0	3.3	5.4	6.1	8.7
Netherlands	0.3	4.3	6.3	7.7	5.6	5.3
Spain	0.8	0.5	0.7	0.6	5.0	5.0
Thailand	8.2	4.3	4.1	3.2	3.2	4.7
Indonesia	6.8	8.2	6.7	8.1	5.6	4.0
Cote d'Ivoire	0.6	1.0	0.0	0.7	1.4	2.7
Perù	0.0	0.0	0.0	0.0	0.0	1.5
Seychelles	4.4	1.2	3.2	1.1	0.3	0.4
Others	3.3	3.2	5.0	6.6	5.3	4.2
<b>Total</b>	<b>81.8</b>	<b>69.6</b>	<b>66.8</b>	<b>74.0</b>	<b>68.7</b>	<b>74.6</b>

Source: Germany Customs

### Imports

#### Canned tuna: Italy

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	40.0	38.1	41.6	45.8	41.9	37.1
Côte d'Ivoire	9.1	10.6	7.4	7.1	9.6	8.5
Seychelles	5.6	6.4	7.1	6.2	7.1	8.4
Colombia	10.5	8.9	8.0	9.7	8.9	7.3
Ecuador	2.1	3.5	4.0	4.0	5.4	7.3
Mauritius	3.4	4.2	4.6	5.1	5.1	5.0
Portugal	2.1	1.8	1.8	2.1	1.9	2.1
Thailand	3.2	2.2	2.6	3.1	1.7	1.8
Ghana	0.0	0.0	0.0	0.1	0.6	1.5
France	5.1	4.9	0.6	1.3	0.7	0.2
Others	3.1	2.9	2.6	3.0	2.4	4.3
<b>Total</b>	<b>84.2</b>	<b>83.5</b>	<b>80.3</b>	<b>87.5</b>	<b>85.3</b>	<b>83.5</b>

Source: ISTAT

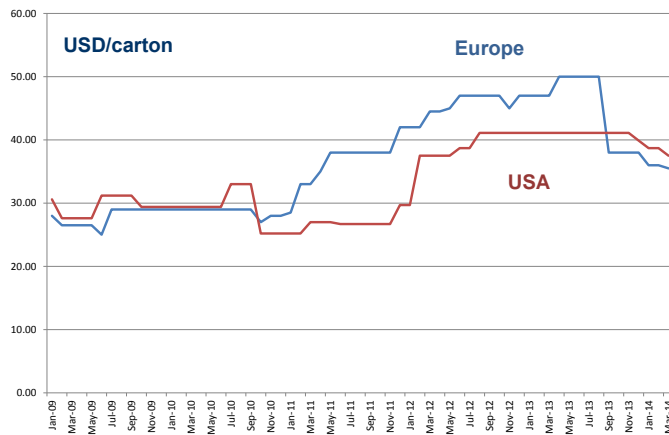
(+15.2%). In Spain, Papua New Guinea shipped more pre-cooked tuna loins (+31.8%) in 2013 compared with 2012, despite the fact that Spain has been a strong critic of their tuna industry.

For the first quarter of 2014, European markets for canned tuna remained slow with no major deals reported as buyers continue to look for a more substantial discount. By the end of March 2014, canned skipjack in brine was quoted at around USD 41-42 per carton (48x185g), which some traders believe is a bottom price that is likely to increase once major supermarket chains start filling their stocks.





## CFR Prices Canned tuna\*: USA, EUROPE



\* 48x6.5 oz Europe, 48x6 oz USA, chunk, origin Thailand

Source: GLOBEFISH

## Imports Tuna loins: Spain

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Ecuador	22.4	28.7	25.7	21.4	21.4	21.5
PNG	0.2	0.5	1.7	4.5	6.6	8.7
Guatemala	1.5	5.7	8.7	6.5	9.1	7.1
China	1.3	1.9	2.8	3.7	1.8	5.0
El Salvador	12.4	13.1	7.6	5.8	6.1	6.9
Thailand	3.5	6.6	5.6	11.2	2.5	4.6
Mauritius	2.1	5.5	7.5	9.6	9.0	4.8
Indonesia	0.0	0.0	0.0	1.4	2.5	1.7
Philippines	0.0	0.0	0.0	0.0	0.0	1.4
Others	2.8	6.9	6.5	4.3	3.6	1.2
<b>Total</b>	<b>46.2</b>	<b>68.9</b>	<b>66.1</b>	<b>68.4</b>	<b>62.6</b>	<b>62.9</b>

Source: Agencia Tributaria

## Imports Tuna loins: Italy

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Ecuador	10.4	13.2	9.9	12.7	10.5	12.1
Solomon Isl	2.2	2.2	1.9	3.6	3.9	3.9
Mauritius	6.8	5.0	4.4	1.9	2.6	2.8
Thailand	2.3	8.7	5.2	3.7	4.8	2.7
Philippines	0.1	0.0	0.0	0.0	0.2	1.8
Kenya	4.8	1.5	2.3	3.5	3.1	1.7
China	0.7	2.5	2.2	2.5	1.5	1.6
Madagascar	0.0	0.0	2.2	0.9	0.8	1.4
Colombia	4.8	2.0	1.4	2.5	1.3	1.4
Others	0.7	2.1	3.5	2.6	2.2	4.0
<b>Total</b>	<b>32.8</b>	<b>37.2</b>	<b>33.0</b>	<b>33.9</b>	<b>30.9</b>	<b>33.4</b>

Source: ISTAT

## Thailand

2013 was a tough year for the Thai canned tuna industry due to declining demand from major markets in the USA and the Middle East and high raw tuna material prices, which peaked at almost USD 2 400 per tonne in April 2013. As a result, exports of canned tuna from Thailand in 2013 declined marginally by 3.7% in volume and 5.3% in value compared with 2012. Shipments to the USA, Egypt, Saudi Arabia and Tunisia dropped sharply by 13.6%, 44.9%, 19.2% and 21.4% respectively compared with the previous year. However, exports to major markets in Europe, posted positive growth for the year, including to the UK (+140.8%), France (+43.7%) and the Netherlands (+42.6%). Interestingly, exports in 2013 to the war-torn Syrian Arab Republic also increased significantly by 44.5% in volume compared with 2012.

## Exports Canned tuna: Thailand

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
USA	94.9	112.7	117.3	99.3	81.6	70.5
Australia	39.7	32.4	41.0	42.3	34.1	33.4
Libya	33.8	33.7	20.5	11.4	30.5	31.4
Japan	28.3	24.3	23.5	29.9	26.8	29.1
Canada	28.1	30.8	28.8	28.8	22.7	24.8
Egypt	34.6	39.8	51.5	44.2	40.4	22.3
Saudi Arabia	19.5	17.0	18.7	20.8	20.1	16.3
UK	15.8	17.0	13.9	22.8	4.4	10.7
South Africa	8.4	9.8	11.3	7.7	9.5	8.6
UAE	10.0	6.0	7.4	10.2	7.6	7.9
Chile	4.3	4.6	7.6	9.5	8.9	7.8
Papua New Guinea	4.3	3.6	5.5	5.0	8.9	7.7
Yemen	*	*	6.3	7.4	7.6	7.1
Tunisia	*		5.5	12.7	8.3	6.5
Syrian AR	4.6	13.0	9.2	9.9	4.1	5.9
Argentina	*	*	*	11.0	7.8	5.5
France	6.2	9.4	7.4	8.1	3.7	5.3
Netherlands	4.0	5.1	7.4	7.4	3.5	5.0
Others	169.6	126.2	152.7	129.9	81.4	90.9
<b>Total</b>	<b>506.1</b>	<b>485.4</b>	<b>535.5</b>	<b>518.3</b>	<b>411.9</b>	<b>396.7</b>

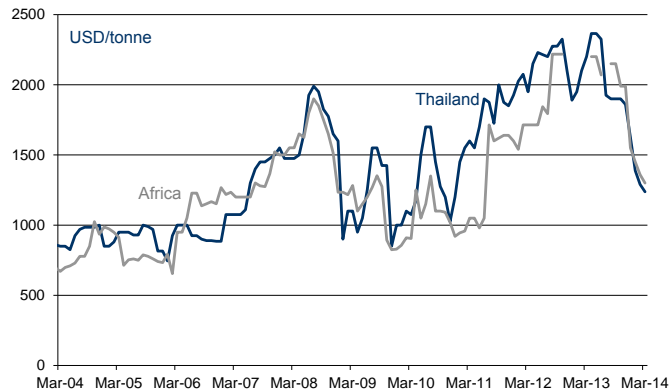
Source: Thai Customs

\* included under "others"

Despite low prices, slow demand for raw tuna material from Thai packers has continued to result in declining imports into Thailand in the first quarter of



## CFR Prices Frozen Skipjack: Thailand and Africa



Source: ITN

2014. According to Thai Customs data, imports of frozen whole skipjack into Thailand from January to February 2014 were recorded at around 98 000 tonnes, a 26% decrease when compared with the same period in 2013.

## Japan

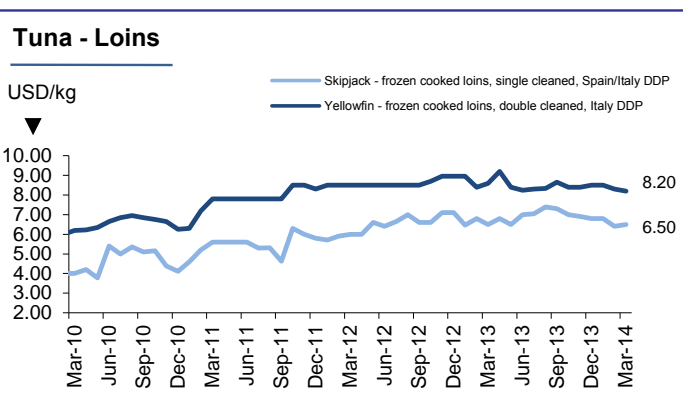
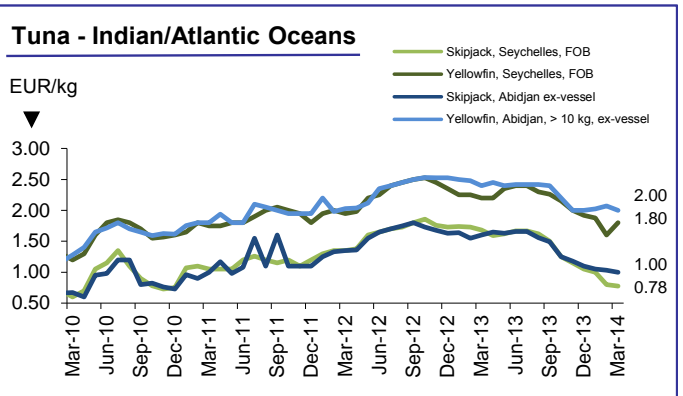
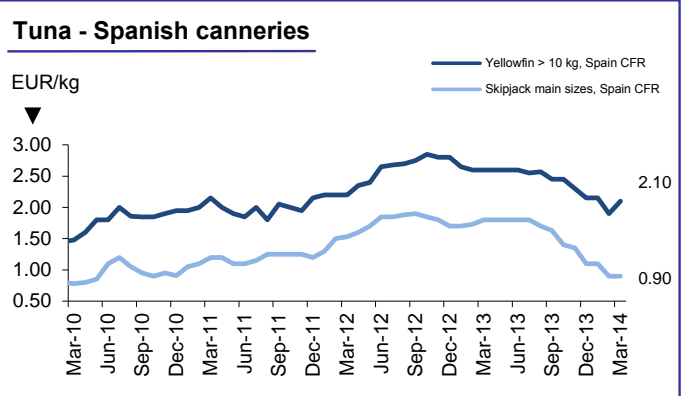
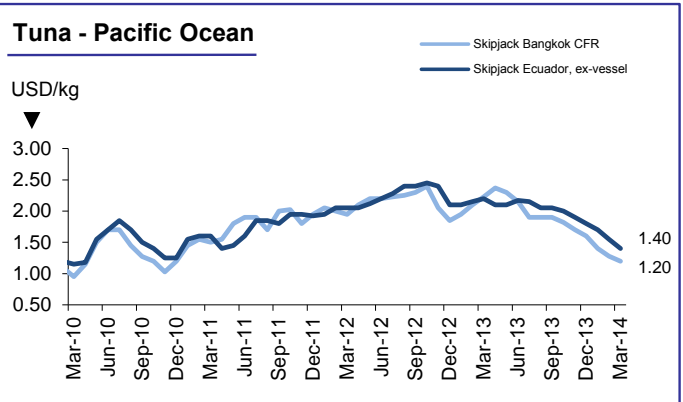
In Japan, volumes of canned and prepared/preserved tuna imports posted negative growth in 2013 compared with 2012 (-3.5%), but increased by 15.2% in value. Thailand dominated the market with a 70% share in total imports, posting 2% growth in 2013. The Philippines took over Indonesia as the second largest supplier; shipments from the latter dropped sharply by 23.6%, while supplies from the Philippines contracted by 4.7% from 2013 to 2012. These three countries dominated the Japanese market in 2013, covering more than 97% of the total canned tuna imports into Japan.

## Outlook

With poor catches in the WCPO and the approaching FAD ban period (July-September), prices of both frozen skipjack and canned tuna are expected to bottom up soon. The market forecast indicates better demand in the coming months, with reduced prices for canned tuna and improved consumer confidence in the US and European markets. In Japan, the Spring Festival has pushed sales of *sashimi* tuna and demand is expected to be strong in April and May. However, competition from cheaper fresh and frozen salmon will remain a challenge.

### Upcoming event: INFOFISH-Tuna 2014 Conference

INFOFISH-TUNA 2014 Conference and Exhibition to be held from 21-23 May in Bangkok will discuss recent trends and outlooks for the industry including a special “green” and ecolabel session during the last day of the conference (see [www.tunatradeconference.com](http://www.tunatradeconference.com) for details).



Graphs Source: GLOBEFISH European Price Report

# GROUND FISH

## In 2014, expected surplus of cod predicts declining prices, whereas haddock and saithe prices forecasted to move up

Supplies of groundfish in 2014 will be marginally higher than in 2013 though there will be major differences from species to species. New markets will likely absorb the extra volumes available, and perhaps more than that. Cod is expected to have a surplus of supplies with prices predicted to decline. Prices for other species, such as haddock and saithe, will increase further.

### Recent News

Delays in reaching a fishing agreement between Norway and the EU at the beginning of 2014 cost the EU fleet considerably. Danish vessel owners were especially troubled, as the lack of an agreement put all applications for fishing licences on hold. This, in turn, kept the on-shore processors idle, forcing business to go elsewhere. Norwegian cod exporters benefitted from this situation, as they were able to flood the European market with cod during this period. On the other hand, Norwegian haddock fishers were not happy, as the lack of an agreement denied them access to EU waters for the haddock fishery in the early months of the year.

In a surprise move this past March, the Danish Fishermen's Association called for a total ban on EU imports of fish products from Norway to force pressure on Norwegian negotiators. This was largely for effect, as ceasing imports of raw material from Norway would push a great number of European processors into bankruptcy.

Beginning on the 1 January, the Russian Federal Veterinary and Phytosanitary Surveillance Service imposed strict limits for imports of Norwegian groundfish (cod, haddock, and halibut) as well as for imports of pelagic species (mackerel and herring).

The so-called haddock boom is benefitting North American fishermen. According to Undercurrent News,

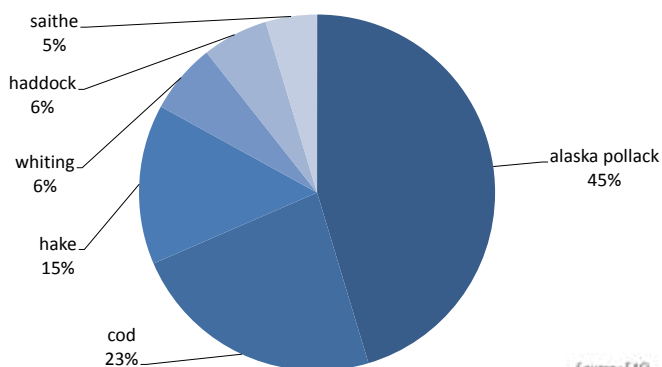
there has been a dramatic increase in the haddock biomass in Georges Bank, and this is predicted to sustain the haddock fishery there for many years. For 2014 the Georges Bank haddock quota has been set at 16 470 tonnes, a 250% increase over last year, though still a relatively modest quantity (Source: Undercurrent News).

### Cod

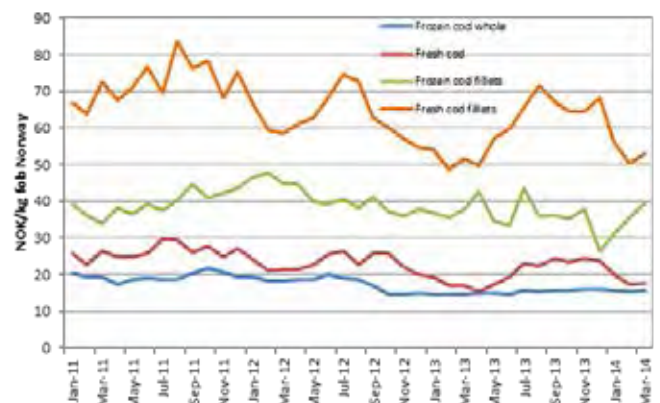
For the first quarter of 2014, the Norwegian spring cod fishery, often referred to as the 'skrei season' has been exceptionally good. Landings of large amounts of cod of very high quality have exceeded previous years, and exports of fresh cod broke record amounts during the first quarter of 2014. Indeed, exports were up by 69% in the first quarter of 2014 compared with the same time period last year, to total 32 700 tonnes. Prices also came up, leading the value of exports to increase to NOK 592 million (+78.2%). Likewise, Norwegian exports of frozen cod attained new record highs, increasing from 16 950 tonnes in the first quarter of 2013 to 30 800 tonnes in the same time period for 2014. The price also rose, with a total export value of NOK 475 million (+92%) (Source: Norwegian Seafood Council, NSC).

The so-called traditional whitefish products (klippfish, stockfish and salted fish) continue to be a

Groundfish production by species (2012)



### Norwegian export prices Average export prices in NOK per kg, fob Norway





## Imports

### Cod-like groundfish: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Fillets</b>						
China	71.0	74.8	74.6	87.0	73.9	75.5
Iceland	6.6	6.5	9.2	6.7	9.3	10.8
Canada	2.3	2.4	5.3	3.8	3.6	2.0
Norway	0.8	0.8	0.8	0.5	1.5	2.0
Others	5.9	4.7	10.8	8.7	16.5	20.9
<b>Total</b>	<b>86.6</b>	<b>89.2</b>	<b>100.7</b>	<b>106.7</b>	<b>104.8</b>	<b>111.2</b>
<b>Blocks/Slabs</b>						
China	35.2	38.9	35.9	36.6	33.4	31.2
Iceland	0.9	1.0	0.7	0.7	1.1	1.7
Argentina	2.3	1.4	0.7	0.6	1.6	1.3
Norway	0.2	0.6	0.8	0.7	0.3	0.7
Russian Fed.	1.3	2.9	1.2	1.1	0.5	0.3
Canada	0.7	0.5	0.4	0.3	0.4	0.3
Others	1.4	1.4	1.8	1.4	2.7	2.2
<b>Total</b>	<b>42.0</b>	<b>46.7</b>	<b>41.5</b>	<b>41.4</b>	<b>40.0</b>	<b>37.7</b>
<b>Gr. Total</b>	<b>128.6</b>	<b>135.9</b>	<b>142.2</b>	<b>148.1</b>	<b>144.8</b>	<b>148.9</b>

Source: NMFS

## Imports

### Frozen cod fillets: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	12.1	7.0	10.0	15.0	10.5	10.8
Poland	2.3	2.6	5.7	4.3	5.1	6.4
Viet Nam	0.0	0.2	0.7	0.2	1.7	1.7
Greenland	0.0	0.4	0.1	0.2	0.3	1.6
Denmark	2.1	1.5	2.2	2.7	1.3	0.9
UK	0.2	0.3	0.2	0.5	0.6	0.9
Norway	0.6	0.3	0.8	0.6	0.5	0.6
Russian Fed	1.1	0.7	0.6	0.5	0.5	0.5
Others	2.3	1.6	1.5	2.0	1.4	1.8
<b>Total</b>	<b>20.7</b>	<b>14.6</b>	<b>21.8</b>	<b>26.0</b>	<b>21.9</b>	<b>25.2</b>

Source: Germany Customs

very important group of products in Norwegian seafood exports. These products have actually been exported from Norway for over 1 000 years, and are still very favoured in markets in the Mediterranean and South America. Export volumes of klippfish increased by 16% during the first quarter of 2014 compared with the same time period in 2013, to 25 681 tonnes worth NOK 862 million. Exports of salted fish increased by 34% during the first quarter, amounting to NOK 368 million. For the third product in this group, stockfish, exports increased by 36% during the period (Source: NSC).

## Imports

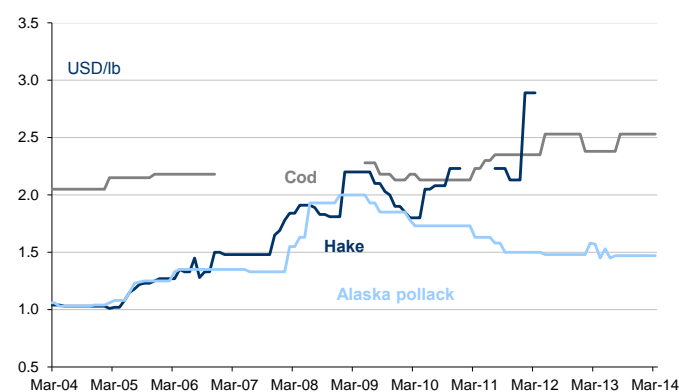
### Frozen cod: UK

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	21.3	14.3	13.6	15.7	14.6	20.4
Iceland	12.7	15.9	15.0	15.5	14.6	17.4
Russian Fed.	8.9	10.8	11.1	9.7	12.7	11.8
Norway	6.0	8.0	8.8	9.3	7.9	10.1
Denmark	9.1	7.3	5.9	7.5	7.2	6.7
Faroe Is.	6.0	5.5	5.6	6.2	6.0	6.2
Germany	4.0	1.5	6.3	8.7	7.6	6.5
Greenland	1.1	1.1	1.9	2.0	2.5	2.6
Poland	3.8	3.9	2.2	2.2	2.4	2.5
Others	6.5	4.1	4.0	4.8	3.6	3.3
<b>Total</b>	<b>79.4</b>	<b>72.4</b>	<b>74.4</b>	<b>81.6</b>	<b>79.1</b>	<b>87.5</b>

Source: Her Majesty's Revenue & Customs

## CFR prices

### Groundfish blocks: USA



Source: ITN

In Russia, sufficient volumes of domestically caught cod and downward trending prices have been reported for the first quarter. In the northern fishing basin, the catch of groundfish species in the January-March period has generally been good, with significant volumes reported for cod, while amounts of haddock and capelin have been lower due to the decreased national TAC set for these two species. The catch of cod reached 130 700 tonnes, which is 22 900 tonnes more compared with the first quarter of 2013. Russian caught cod in the wholesale market in Murmansk demonstrated downward price trends and stalled trade as players have not yet adjusted to the shift in prices.

## Alaska pollock

Chinese processors of pollock are hoping for price reductions for this raw material. Before the Chinese New



Year, prices rose on expectations of a good season in the Sea of Okhotsk, however, actual volumes were less than expected. Prices are now coming down, but not enough to help Chinese processors, who are facing rising production costs, especially for labour. The shortage of labour is worse in 2014 than it has been previously and this is forcing processors to offer higher wages.

During the recent North Atlantic Seafood Forum in February, American Seafoods Executive Vice President Rasmus Soerensen was optimistic, however. He expected prices to rise again and soon return to normal levels.

## Imports

### Frozen Alaska pollock fillets: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	90.9	86.7	88.2	84.2	87.7	87.5
USA	53.4	28.1	36.3	48.1	53.4	32.3
Russian Fed	29.0	21.5	17.6	17.7	9.9	12.3
Others	4.9	6.2	4.5	5.1	6.1	5.0
<b>Total</b>	<b>178.2</b>	<b>142.5</b>	<b>146.6</b>	<b>155.1</b>	<b>157.1</b>	<b>137.1</b>

Source: Germany Customs

## Imports

### Frozen Alaska pollock fillets: France

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	21.8	22.2	23.1	30.5	23.8	20.9
Russian Fed.	7.1	5.8	5.3	6.2	6.6	13.5
USA	7.9	6.0	5.2	9.8	9.0	9.6
Germany	4.2	2.7	4.0	5.7	4.9	6.1
Others	0.5	1.0	2.0	0.4	0.7	0.8
<b>Total</b>	<b>41.5</b>	<b>37.7</b>	<b>39.6</b>	<b>52.6</b>	<b>45.0</b>	<b>50.9</b>

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

## Imports

### Frozen hake fillets: Italy

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Argentina	8.5	9.5	10.2	9.5	6.6	6.2
Namibia	1.8	2.2	3.3	3.5	3.3	5.0
S. Africa	3.7	3.6	3.7	4.3	4.1	4.3
Uruguay	3.1	2.7	4.6	5.1	3.3	4.0
USA	0.0	0.0	2.5	3.3	3.5	3.8
Spain	1.4	1.8	2.3	2.5	2.4	2.2
Peru	0.0	0.0	0.0	0.3	0.8	1.3
Others	2.6	2.8	3.2	3.2	2.7	2.4
<b>Total</b>	<b>21.1</b>	<b>22.6</b>	<b>29.8</b>	<b>31.7</b>	<b>26.7</b>	<b>29.2</b>

Source: ISTAT

## Market news and trends

A new farmed whitefish species is being introduced in Europe: black cod, or sablefish as it is also known in North America. So far, there is only one known producer of this species in Canada, but they are claiming to produce a fish far superior to wild-caught black cod and now want to capture the European market. Following recent trends to popularise new species, they are introducing the species via well-known chefs in Europe. Black cod is mainly consumed in Japan and other Asian countries, as well as on the US west coast.

The market for fish fingers and other cheap groundfish products is currently a race for the bottom price. In particular, prices are under great pressure in Europe, and US Alaska pollock suppliers are experiencing this strongly. Competition from Chinese processors is of course fierce, and some US producers are now looking to their own domestic market for growth in the future. Consequently, many US producers are slowing down or pulling out of Europe. With prices for blocks and fillets under such pressure, some producers may shift to procuring surimi.

## Surimi

During the A season, surimi production in the USA by the end of March was up by just over 11%. At the same time, A season surimi for the European market is being priced 8-10% higher than last year. The main reason for this price hike is that there is a great deal of uncertainty about supplies of surimi from Southeast Asian producers, so European buyers feel forced to secure supplies (Source: Undercurrent News).

On the Japanese market, it is expected that demand for some surimi-based products like *kamaboko* will slow down further. The new consumption tax of 5-8%, which comes into effect in April, is given as the main reason for this slackening demand.

In the first quarter of 2014, the Russian Pacific pollock fleet became active again, with fishing picking up rapidly. Already in January, catches of Alaska pollock in the Sea of Okhotsk amounted to over 120 000 tonnes.

## Prices

Supplies of haddock have been slowing, and as a result, prices have risen sharply. In the beginning of April, prices for headed and gutted small haddock (line caught) increased to some USD 4 800 per tonne, compared to USD 4 650 per tonne at the beginning of February. Prices for larger sizes are still higher, above USD 5 000 per tonne.



Good demand in major markets like the USA, the UK and China is driving prices up (Source: Undercurrent News). Another reason why haddock prices are up is that a number of fishermen are switching to cod and saithe as catches of haddock have been down, while cod is overly abundant this year.

Norwegian operators have been benefitting from haddock's strong price development. The largest fishing company in Norway, Havfisk, reported that their sale price of haddock was up by an astounding 95% during the fourth quarter of 2013 compared with the last quarter of 2012. Thus, haddock prices have increased more than competing species like saithe and cod. From 2011 until 2013, both cod and saithe prices have been declining noticeably.

Producers of Alaska pollock fillet blocks are facing a decline in prices. In 2013, fillet blocks were offered at USD 3 050-3 200 per tonne, but so far in 2014, buyers are offering only USD 2 950-3 050 only.

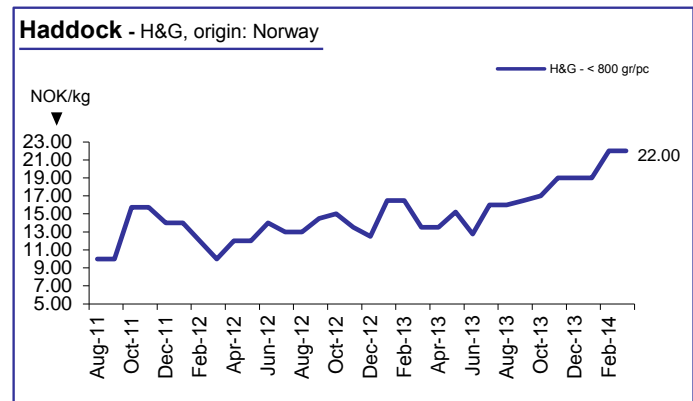
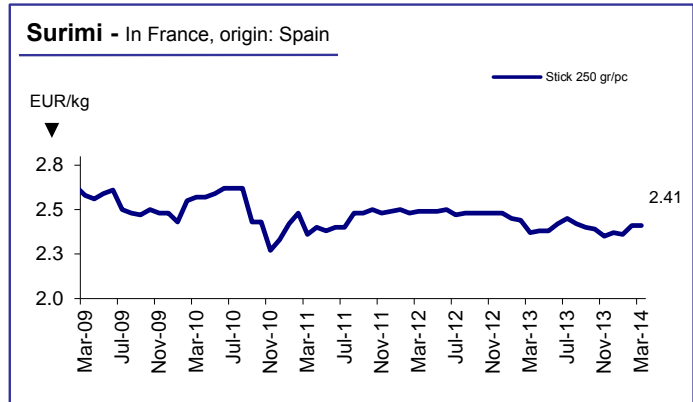
There was a slight increase in US imports of cod-like groundfish in 2013 by 2.8% compared with 2012. However, blocks and slabs declined by 5.8%, while fillets increased by 6.1%. By far, China was the main supplier for both of these main products. In fact, in 2013, China accounted for 71.6% of total US imports of cod-like groundfish, which is actually a reduction from 74.1% in 2012 and 83.5% in 2011 demonstrating that China is losing market share on the US frozen groundfish market. While Iceland increased its market share in 2013, it was the unspecified "other" group that increased the most.

There was a significant drop in German imports of frozen Alaska pollock fillets in 2013 (-12.7%) compared with the previous year. China maintained its export volume, increasing its market share from 55.5% in 2012 to 63.8% in 2013. The main loser on the German market was the USA, which accounted for almost the entire drop in German imports.

Frozen cod fillet shipments into Germany, on the other hand, increased by 3 300 tonnes in 2013 (+15.1%) compared with 2012. China is the largest supplier of this product as well, but held less than a 50% share of total imports. Poland and Greenland benefitted the most from increased German imports.

German imports of frozen hake fillets dropped by 10% in 2013 compared with 2012. Imports from Peru (+50%) and Argentina (+15%) grew, while Namibia held its own with a 30% share of this market.

Imports of frozen Alaska pollock fillets into France increased by 13% in 2013 compared with the previous year, and the big winner on this market was Russia, which increased its shipments by almost 105%. Germany also increased its exports to France (+24%). China, on



Graphs Source: European Price Report

the other hand, had a decline of 12.2% in its exports of pollock fillets to the country.

There was a healthy increase in UK imports of frozen cod in 2013. Total imports went up by 10.6%. Most of the increase was accounted for by China and Iceland, which increased their shipments to the UK by 40% and 19%, respectively. Norway also increased cod exports to the UK, by 27.8%.

Hake is a popular product in Italy, and in spite of the financial crisis, Italian imports of frozen hake fillets went up in 2013 by 9.4%. Namibia shipped a significantly higher amount to Italy (+51.5%), and South Africa saw a slight increase in shipments to Italy (+4.9%).

### Outlook

The outlook for the rest of the year is one of strong supplies, especially of cod. Consequently, prices may suffer, but there will be fluctuations. Haddock prices are expected to increase further, as are saithe prices. The competition on the Alaska pollock market may tighten, and it is expected that some producers may switch to surimi production, in spite of the fact that demand for surimi on the Japanese and European markets is slow. Pollock prices are very low, with some current uncertainty about their movement, though analysts predict they will rise to normal levels again soon.

# CEPHALOPODS

## Octopus and squid prices recovering, cuttlefish remains stagnant

While demand for cuttlefish is still dull, there are signs of recovery in the demand for octopus and squid. In particular, demand in Japan is rebounding, as imports of octopus and squid increased last year while encouraging signs were also seen in Italy and Spain. Recent trends demonstrate stable prices for octopus and prices for squid moving upwards again.

### Octopus

Octopus is experiencing growing demand on the US market. While US consumption of seafood in general declined in 2013, demand for certain items like tilapia, salmon, oysters and octopus increased. In fact, octopus is becoming one of the most demanded items in the US restaurant market with US imports of octopus having increased by nearly 40% from 2010 to 2012 (Source: INFOFISH).

In Japan, demand for octopus appears strong at the moment. In 2013, Japanese imports of octopus increased by an impressive 23% compared with 2012, totalling 58 400 tonnes. Mauritania retained its position as the number one supplier to Japan, providing 23 800 tonnes, or almost 41%. Morocco demonstrated the greatest increase in exports to Japan, growing from 6 500 tonnes to 19 800 (+205%). Other suppliers to Japan registered little change, except that Senegal and Spain shipped significantly less octopus to Japan in 2013 than in 2012.

### Imports

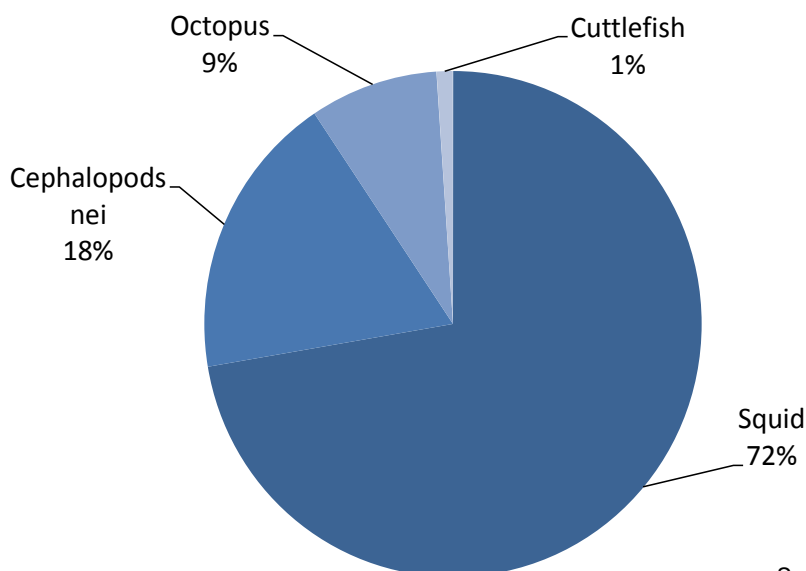
#### Octopus: Japan

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Mauritania	12.6	26.5	16.2	13.6	21.4	23.8
Morocco	10.9	13.8	10.8	5.3	6.5	19.8
China	6.7	5.5	9.4	9.3	7.7	7.0
Viet Nam	5.5	3.7	3.4	3.6	3.6	3.9
Thailand	1.2	1.4	1.0	1.2	1.2	0.9
Senegal	1.7	1.1	1.2	1.6	2.2	0.9
Spain	2.7	3.0	1.8	1.9	2.9	0.7
Others	3.4	1.2	0.9	1.9	1.9	1.4
<b>Total</b>	<b>44.7</b>	<b>56.2</b>	<b>44.7</b>	<b>38.4</b>	<b>47.4</b>	<b>58.4</b>

Source: Japan Customs

Morocco also significantly increased its octopus exports to Italy in 2013, growing their export volume from 7 800 tonnes in 2012 to 14 300 tonnes in 2013 (+88%). Also for imports to Italy in 2013, Spain increased its shipments

### Cephalopods production by species (2012)



Source : FAO



**Imports**

**Octopus: Spain**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	23.3	20.0	16.6	13.6	14.2	21.1
Portugal	2.5	1.1	2.0	1.6	2.2	7.0
Mauritania	4.5	9.2	3.9	5.2	5.4	4.9
China	1.8	3.7	3.0	0.9	1.4	2.6
Italy	0.4	1.0	1.3	1.0	1.2	1.4
Viet Nam	1.6	1.7	1.7	1.6	0.8	0.8
Algeria	1.2	0.5	0.6	0.6	0.8	0.7
Senegal	0.6	1.0	1.1	2.3	1.8	0.6
India	1.1	1.2	1.0	1.7	0.9	0.6
Others	6.2	4.1	5.1	7.3	3.1	1.8
<b>Total</b>	<b>43.2</b>	<b>43.5</b>	<b>36.3</b>	<b>35.8</b>	<b>31.8</b>	<b>41.5</b>

Source: Agencia Tributaria

**Imports**

**Octopus: Italy**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	14.5	16.2	9.2	5.3	7.6	14.3
Spain	8.4	7.7	9.6	8.2	6.4	7.4
Mexico	2.2	3.1	5.8	7.6	4.2	3.5
Senegal	3.4	4.9	2.9	5.2	5.8	2.6
Indonesia	4.0	2.8	4.1	5.3	3.7	2.3
Mauritania	1.4	6.6	2.2	1.4	2.0	2.3
India	2.2	2.6	1.8	2.7	2.3	2.2
Viet Nam	4.5	4.3	4.3	4.6	2.9	1.8
Tunisia	0.8	1.0	1.9	5.0	2.9	1.4
Thailand	2.8	2.8	1.2	0.7	1.3	0.8
Others	7.0	3.0	4.2	6.0	4.2	3.7
<b>Total</b>	<b>51.2</b>	<b>55.0</b>	<b>47.2</b>	<b>52.0</b>	<b>43.3</b>	<b>42.3</b>

Source: ISTAT

from 6 400 tonnes to 7 400 tonnes (+15.6%), while the other major suppliers to this market (Mexico, Senegal, Indonesia) saw declining shipments. For 2013, Italy's total octopus imports fell marginally by 2.3% compared with 2012.

On the other hand, Spanish octopus imports increased strongly, with total imports growing by 30.5% in 2013 compared with 2012. This trend could indicate that in some ways the Spanish economy and the tourism sector is recovering with tourists returning and spending money on seafood during their stay. As in other major markets, Morocco showed an impressive increase in exports to Spain, a growth rate of 48.6% for

2013 compared with 2012, which totalled 21 100 tonnes, accounting for over 50% of all Spanish octopus imports. Portugal also increased its shipments of octopus to Spain, from 2 200 tonnes in 2012 to 7 000 tonnes in 2013, which is an impressive 218% growth rate. Mauritanian shipments to Spain, on the other hand, dropped slightly by just over 9%.

Octopus prices remained stable in 2013. Taking into consideration the supply situation and growing demand in some of the major markets, prices could edge upwards. However, this is not expected, as it is more likely that prices will stay at the same level in the near-term.

**Squid**

After Peru gained a total of 50 000 square kilometres of area in a maritime border dispute with Chile, it is estimated that an extra 200 000 tonnes of squid could be caught. Pilot fishing in this area has only resulted in about 14 500 tonnes, but researchers estimate the total potential of the area to be between 80 000 and 200 000 tonnes per year. The main species in the area is jumbo flying squid (*Dosidicus gigas*). According to reports from SeafoodSource.com, for 2013, lower catches of squid in Peruvian waters have affected Peru's exports to China. Indeed, a new factory in southern Peru, which produces squid mainly for the Chinese market, is having difficulties obtaining enough raw material for its production of boiled squid, a favourite in the Chinese market.

Argentina's squid exports have increased significantly in 2013, by 92% to 133 082 tonnes. Furthermore, their export value grew from USD 156.5 million in 2012 to USD 235.4 million in 2013 (+50%) (Source: FIS.com).

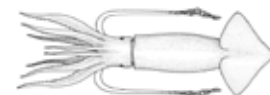
**Imports**

**Squid: Japan**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	26.1	23.7	26.6	33.7	33.8	39.6
Peru	12.7	10.5	4.8	11.2	8.5	14.4
Chile	0.3	0.0	0.9	3.8	7.9	7.4
USA	3.9	4.0	6.3	5.9	5.1	7.3
Thailand	7.1	6.9	7.6	7.7	6.9	6.5
Viet Nam	5.5	5.5	5.4	5.0	5.1	4.4
India	1.2	1.3	2.1	1.7	1.4	1.7
Republic of Korea	0.8	0.4	1.0	0.7	0.8	1.3
Philippines	0.8	0.8	1.1	1.0	1.2	1.2
Indonesia	0.1	0.1	0.1	0.5	0.8	0.8
New Zealand	0.9	1.4	0.5	0.3	0.5	0.2
Others	8.4	4.4	3.0	2.4	3.1	8.4
<b>Total</b>	<b>67.8</b>	<b>59.0</b>	<b>59.4</b>	<b>73.9</b>	<b>75.1</b>	<b>93.2</b>

Source: Japan Customs





## Imports

### Squid: Italy

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	15.6	17.9	20.2	20.8	19.7	22.3
Thailand	23.6	22.2	20.6	20.7	17.9	17.0
China	2.4	3.9	8.0	6.6	6.9	10.7
India	3.6	4.1	9.3	7.9	4.8	7.6
Viet Nam	9.5	6.6	8.6	7.6	6.6	5.5
Peru	0.4	2.3	1.2	1.5	1.7	2.9
Indonesia	1.4	1.5	2.2	3.4	2.8	2.3
South Africa	3.7	4.7	5.2	4.6	2.4	1.7
France	1.6	1.9	2.0	2.0	2.0	1.5
Republic of Korea	2.1	1.3	2.1	0.4	0.8	1.1
Others	6.4	3.7	4.1	3.6	4.8	5.8
<b>Total</b>	<b>70.3</b>	<b>70.1</b>	<b>83.5</b>	<b>79.1</b>	<b>70.4</b>	<b>78.4</b>

Source: ISTAT

## Imports

### Squid: Spain

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Falkland/Malv.	42.3	31.6	48.5	33.3	48.1	39.1
India	15.7	15.1	22.3	18.0	20.4	16.2
China	6.6	8.1	12.0	13.4	10.6	10.8
Morocco	5.4	6.3	5.0	5.7	5.2	8.9
Peru	7.8	9.3	12.4	9.7	11.1	8.2
Namibia	0.3	0.7	1.3	1.6	1.9	2.3
Mauritania	1.4	0.9	0.6	0.7	1.0	2.2
USA	2.2	1.4	2.4	5.7	5.5	1.3
France	1.9	1.3	1.9	2.0	2.8	1.3
Portugal	1.8	1.9	2.7	2.2	1.4	1.2
Others	20.6	12.5	11.2	12.1	8.7	5.4
<b>Total</b>	<b>106.0</b>	<b>89.1</b>	<b>120.3</b>	<b>104.4</b>	<b>116.7</b>	<b>96.9</b>

Source: Agencia Tributaria

In general, reports from South America indicate that the squid fishery was a bit behind in 2013 compared with 2012. By the middle of March 2013, a total of 31 760 tonnes of *Illex* squid had been landed, compared to 69 120 tonnes during the first three months of 2012.

The Japanese cephalopods market appears to be improving, as an addition to octopus imports increasing in 2013, squid imports increased as well. Total squid imports grew from 75 100 tonnes in 2012 to 93 200 tonnes in 2013 (+24.1%). The largest supplier was China, which increased its shipments by 17%, though their share

of total imports declined from 45% to 42.5%. Peru also increased shipments significantly, by almost 70%, to 14 400 tonnes. Shipments from the USA also increased. Otherwise, there were only minor changes among other supplying countries.

Italian squid imports also increased in 2013, from 70 400 tonnes in 2012 to 78 400 tonnes in 2013 (+11.4%). The largest suppliers were Spain (28.4% of total imports), Thailand (21.7% of total imports), and China (13.6% of total imports). Imports from other important suppliers like Viet Nam and Indonesia all declined.

Although Spanish imports of octopus increased in 2013, imports of squid declined by 17%. This affected mainly the largest suppliers, the Falkland Islands/Malvinas and India, which both shipped less squid to Spain in 2013. Imports from the Falkland Islands/Malvinas declined by 18.7%, while shipments from India declined by 20.6%. Imports from Morocco, on the other hand, increased once again by 71%.

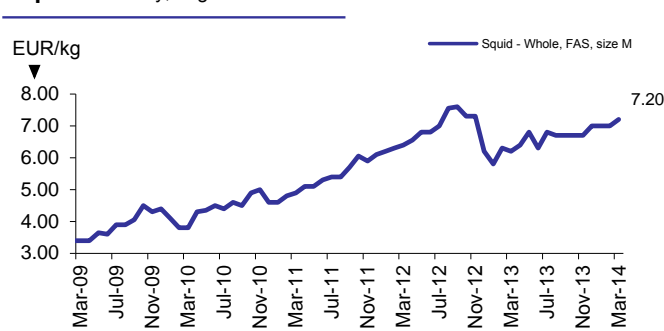
## Imports

### Squid: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	27.7	26.1	37.4	38.8	38.3	39.6
India	6.9	3.8	5.1	5.5	5.5	4.4
Republic of Korea	5.4	5.9	5.4	4.8	3.6	4.2
Thailand	8.2	4.7	4.1	4.0	4.0	3.4
Peru	2.0	3.2	2.8	3.1	2.6	3.3
Taiwan PC	5.4	6.9	4.5	3.3	3.4	3.0
New Zealand	1.0	1.0	3.1	1.7	0.9	1.8
Others	8.5	4.5	4.1	6.1	12.6	9.5
<b>Total</b>	<b>65.1</b>	<b>56.1</b>	<b>66.5</b>	<b>67.3</b>	<b>70.9</b>	<b>69.2</b>

Source: NMFS

Squid - In Italy, origin: South Africa



Source: European Price Report



US squid imports were stable in 2013, and experienced only a slight decline in volume. With imports of around 70 000 tonnes per year, the USA is now one of the most important markets for squid, although the country also exports large quantities. Indeed, in 2013, the USA exported over 96 400 tonnes of squid and squid products, though this volume is a noticeable decline from 2011 when 148 500 tonnes were exported (Source: NMFS Statistics).

Though squid prices have been rising for a long time, at the end of 2012 there was a sudden drop, perhaps as a result of troubled economies in many of the main markets. However, since the beginning of 2013, prices have started to recover and climb slowly again.

## Cuttlefish

The cuttlefish market has remained stagnant for some time, and there are no real signs of improvement. In general, international trade declined in 2013, with lower imports into all the main markets.

For Japan, cuttlefish imports declined by 18.5% in 2013, to just 13 200 tonnes. Imports into other main markets, such as Italy and Spain, declined by 18% and 16.1%, respectively. The main suppliers to Japan were other Asian countries, particularly Thailand and Viet Nam, while main suppliers to the European market were other European and North African countries (France, Spain, Tunisia, Morocco, Senegal and Mauritania).

Japanese imports from Thailand and Viet Nam declined in 2013, while imports from Morocco grew again. Moroccan cuttlefish did not do so well on the Italian market, however, with a 10.5% decline in shipments in 2013 compared with 2012. Spanish cuttlefish did well in this market in 2013, though, growing by 18.4%.

Morocco held its own on the Spanish market in 2013, account for over 46% of all imports in 2013. Furthermore,

## Imports

### Cuttlefish: Japan

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Thailand	8.2	7.5	6.9	6.0	5.6	4.5
Morocco	2.2	2.7	3.2	1.9	2.7	3.0
Viet Nam	4.4	3.9	3.9	3.8	3.6	2.5
Malaysia	1.7	1.9	1.8	1.3	1.4	1.3
Republic of Korea	0.6	0.8	0.5	0.6	0.4	0.4
Others	2.6	2.2	2.7	2.4	2.5	1.5
<b>Total</b>	<b>19.7</b>	<b>19.0</b>	<b>19.0</b>	<b>16.0</b>	<b>16.2</b>	<b>13.2</b>

Source: Japan Customs

while total cuttlefish imports into Spain declined by 16.1% for the year, Morocco actually shipped slightly more to this market (+4.6%). India faced a significant decline in the Spanish market, experiencing nearly a 50% drop in cuttlefish volume.

## Imports

### Cuttlefish: Italy

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
France	5.6	3.7	6.2	6.4	7.0	5.1
Spain	4.4	5.0	4.3	3.1	3.8	4.5
Tunisia	3.7	3.4	5.5	5.7	5.0	3.5
Senegal	1.9	2.3	2.2	2.1	1.5	2.0
Morocco	1.0	2.9	1.9	1.7	1.9	1.7
UK	1.3	0.7	1.0	0.6	1.4	1.4
Mauritania	0.9	1.8	1.0	0.4	0.5	0.4
Netherlands	0.7	0.4	0.6	0.6	1.0	0.4
Others	4.8	3.8	3.1	3.7	2.8	1.4
<b>Total</b>	<b>24.3</b>	<b>24.0</b>	<b>25.8</b>	<b>24.3</b>	<b>24.9</b>	<b>20.4</b>

Source: ISTAT

## Imports

### Cuttlefish: Spain

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Morocco	11.9	13.4	13.6	14.1	15.2	15.9
India	16.5	20.1	18.8	15.4	9.5	4.8
Mauritania	2.4	2.9	2.0	1.3	2.4	3.5
China	6.4	6.7	4.4	2.8	3.1	3.4
France	3.7	2.7	3.0	3.8	4.8	3.3
Senegal	1.1	0.5	0.7	1.2	0.5	0.8
Others	8.2	5.8	10.7	8.3	5.5	2.7
<b>Total</b>	<b>50.2</b>	<b>52.1</b>	<b>53.2</b>	<b>46.9</b>	<b>41.0</b>	<b>34.4</b>

Source: Agencia Tributaria

## Outlook

2013 demonstrated a bright outlook for octopus, with improved supplies and signs of recovering demand, which could lead to firmer prices in the long term. The squid market also seems to be improving as trade has been increasing and prices are expected to climb modestly. For cuttlefish, on the other hand, the outlook is not so good. Supplies are tighter, but demand is also slower.

## Supported by growing demand in local and foreign markets, production increased in Asia and Latin America

Increased production of farmed tilapia in the major producing countries (China, Egypt, Indonesia, the Philippines, Brazil, Thailand and Bangladesh) supported the rising domestic demand and contributed to national food security programmes in 2013. International tilapia trade also grew due to demand from the USA and many non-traditional emerging markets.

### China

Chinese production of tilapia, declined in 2013 due to the prolonged cold weather in the main farming regions in southern China. Despite this decrease in production, Chinese exports of frozen tilapia, whole, fillets and breaded, increased by about 10% in 2013 compared with 2012. All categories posted positive growth trends with the most significant rise in the whole frozen and breaded fillet categories. Interestingly, product categories shifted somewhat in the market place with the share of frozen fillets accounting for 57% of total tilapia exports in 2013 compared with 62% in 2012. This trend was largely due to the increased demand for whole frozen tilapia from the new markets in Africa, with whole frozen exports increasing by 21% in 2013 compared with the previous year. For live tilapia, exports from China to Hong Kong markets were more than 10 000 tonnes in 2013.

### Exports

#### Tilapia: China

	2008	2009	2010	2011	2012	2013
	(1000 tonnes)					
<i>frozen whole</i>	12.7	33.1	75.7	107.6	111.5	134.6
<i>frozen fillets</i>	8.0	134.9	186.6	158.1	179.2	182.1
<b>Total</b>	<b>20.7</b>	<b>168.0</b>	<b>262.3</b>	<b>265.7</b>	<b>290.7</b>	<b>316.7</b>
	(million USD)					
<i>frozen whole</i>	20.0	48.2	126.0	202.4	203.4	285.7
<i>frozen fillets</i>	31.9	444.8	688.6	664.0	702.0	285.7
<b>Total</b>	<b>51.9</b>	<b>493.0</b>	<b>814.6</b>	<b>866.4</b>	<b>905.4</b>	<b>571.4</b>

Source: China Customs

### Europe

Demand for frozen tilapia fillets improved in the EU market, with 19 241 tonnes imported valued at USD 72 million, a 21% increase for 2013 compared with 2012. China remained the dominant supplier taking an

83% share, with their exports increasing by 15% in 2013 compared with the previous year. The other suppliers for frozen tilapia fillets in order of ranking were: Indonesia (1 901 tonnes), Viet Nam (980 tonnes) and Thailand (215 tonnes). Supplies from all of these countries were higher than in 2012. With 23 tonnes exported, Bangladesh emerged as the new tilapia fillet supplier in the EU market. The annual production of tilapia in Bangladesh was more than 130 000 tonnes in 2012, most of which was for the domestic fresh fish market.

Within the EU, Spain, Poland, Germany, the Netherlands, Belgium and Italy were the largest importers accounting for nearly 98% of total tilapia imports. For 2013, the rate of increase varied between 1 to 65% for these countries in comparison with the previous year.

### USA

The popularity of tilapia, including the high value, air-flown fresh fillet, continues to grow among US consumers posting all-time records. Indeed, although imports in all product categories increased in volume only marginally (+2.9%) in 2013, the value of tilapia imports crossed over USD 1 billion, which is 7% higher than the value of imports in 2012.

An important market trend for 2013 was that almost 30% more fresh/chilled fillets were imported than compared with 2012, which was a value increase of USD 195.8 million (+33%). Also in 2013, fresh tilapia fillet supplies from Ecuador declined as farmers moved to more lucrative shrimp farming. The supply shortfall from Ecuador was well compensated by a 30% increase in imports of fresh fillets from Honduras, the leading exporter of fresh tilapia fillets in the US market. Fresh fillet imports also increased from Costa Rica (+54.8%) and Colombia (+46.2%).

Frozen tilapia fillets made up 76% of the total US tilapia imports in 2013, with a 5% decline in volume recorded but a 2.8% increase in value. Imports of whole frozen tilapia showed significant growth in volume (+50%) and in value (+67%). Major contributors were China, Taiwan Province of China and Panama.



**Imports**

**Fresh Tilapia Fillets: USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Honduras	8.3	6.5	7.2	8.1	6.3	8.2
Costa Rica	5.6	5.7	5.8	1.7	4.2	6.5
Ecuador	8.5	9.1	7.9	7.6	6.6	4.8
Colombia	1.6	1.6	1.8	2.4	2.6	3.8
Taiwan PC	0.6	0.2	0.2	0.4	0.3	0.6
El Salvador	0.5	0.5	0.3	0.3	0.1	0.4
Others	1.0	0.8	0.5	0.3	0.6	2.4
<b>Total</b>	<b>26.1</b>	<b>24.4</b>	<b>23.7</b>	<b>20.8</b>	<b>20.7</b>	<b>26.7</b>

Source: NMFS

**Imports**

**Whole Frozen Tilapia: USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	29.0	29.7	22.9	25.7	12.6	17.6
Taiwan PC	15.9	13.2	16.3	12.2	2.1	5.7
Thailand	3.3	0.9	1.2	0.6	0.2	0.1
Others	1.4	0.4	0.5	1.2	0.4	0.3
<b>Total</b>	<b>49.6</b>	<b>44.2</b>	<b>40.9</b>	<b>39.7</b>	<b>15.3</b>	<b>23.7</b>

Source: NMFS

**Imports**

**Frozen Tilapia Fillets: USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	87.2	100.7	135.5	118.7	149.9	143.6
Indonesia	9.6	8.8	10.2	9.2	11.9	11.8
Taiwan PC	2.1	2.3	2.2	1.4	1.8	1.5
Ecuador	0.5	1.1	0.6	0.5	0.9	0.7
Others	1.2	1.9	2.2	2.7	3.8	2.2
<b>Total</b>	<b>100.6</b>	<b>114.8</b>	<b>150.8</b>	<b>132.5</b>	<b>168.3</b>	<b>159.8</b>

Source: NMFS

**Imports**

**Tilapia (by product form): USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Whole frozen	49.6	44.2	40.9	39.7	15.3	23.7
Frozen fillets	100.6	114.8	150.8	132.5	168.3	159.8
Fresh fillets	26.1	24.4	23.7	20.8	20.7	26.7
<b>Total</b>	<b>176.3</b>	<b>183.3</b>	<b>215.4</b>	<b>193.0</b>	<b>204.3</b>	<b>210.2</b>

Source: NMFS

**Business focus: Regal Springs Tilapia**

Regal Springs Tilapia is among the largest producers of farmed tilapia in the world. For 2014, the company expects to supply 60% of the fresh tilapia imported into the USA, which could amount to about 16 000 tonnes. Regal Springs also holds an estimated 8% share in the US frozen tilapia market. In South Florida, the company's products are sold at local retail stores such as Sam's Club and Winn-Dixie. Its products are also sold to chain restaurants like Red Lobster, Outback Steakhouse and Flannigan's. The company is fully vertically integrated (includes a hatchery, farms and processing plant) and grows fish in floating cages in Indonesia, Mexico and Honduras. Their largest farm is in North Sumatra, Indonesia, and has 400 cages.

**Central America**

The Central America region specializes in the production of fresh tilapia, mainly fillets, which are exported to the US market. Honduras and Costa Rica are the leading suppliers of fresh tilapia fillets to the USA. Domestic markets are also becoming important for tilapia produced in the region, with incentives towards developing small and medium tilapia production farms to supply this internal demand. Per capita annual tilapia consumption in Honduras is estimated at about 1.07 kg and is growing due to its affordability, availability and high quality. One value-chain examined demonstrated that producers sell gutted tilapia to middlemen from Guatemala and El Salvador. The fish is sold directly from the farm (price varies from USD 2.50-2.70 per pound) and is then transported on ice by land.

According to tilapia producer Aquafinca, projections for their 2014 production suggest a record of 10 000 tonnes, which would generate around USD 70 million. This predicted value will of course depend on the price fluctuation in the international market, which thus far



has oscillated between USD 3.30-4.00 per pound. Export reports highlight that non-traditional products, such as tilapia production, grew up to 20% in 2013.

Two new fish feed plants have started operating in Central America, the first a result of a partnership between the ACI group and BioMar, and will supply Central and South American fish farmers. The plant will especially target farmers in Costa Rica, Brazil, Colombia, Ecuador, Honduras, Mexico and Panama. The second plant is an alliance between Aquafinca and Gisis S.A., and began operating in 2013. The plant can produce up to 100 000 tonnes of fish feed. Mr Jacobo Regalado, Minister of Agriculture and Livestock of Honduras stated “This company will not only supply feed to Aquafinca, but also small producers will have access to this high quality feed to improve their tilapia production”.

### Asia

Regional production of farmed tilapia in Asia was nearly 3.3 million tonnes in 2012 out of a total global production of 5.15 million tonnes. Production continued to grow in 2013 in many Asian countries due to the rising demand for fish products in the region which was bolstered by the affordable price. While most of this production enters the domestic fresh fish market, intra-regional trade is also taking place. For example, live tilapia is exported from China to Hong Kong and from Malaysia to Singapore at a much higher price compared to fresh tilapia.

In Malaysia, tilapia production reached 52 000 tonnes in 2013. In the retail sector there, prices ranged between USD 2.00-3.75 per kg for live tilapia, and at supermarkets from USD 4.70-6.25 per kg.

In terms of trade, imports of frozen freshwater fish fillets into Asia, particularly tilapia and pangasius, totalled nearly 50 000 tonnes in 2013, an increase of nearly 45% compared with 2012. Imports of frozen tilapia fillets averaged about 2 500 tonnes in 2013, with the Republic of Korea absorbing about 62% of this total. Malaysia (5.14%) and Hong Kong (3.24%) posted higher imports of frozen tilapia fillet in 2013 compared with 2012.

Exports of tilapia from Indonesia and the Philippines grew in 2013. Indonesia exported a total of 13 385 tonnes of tilapia to the USA, Taiwan PC the EU and neighbouring Malaysia, which was 5.44% more than in 2012. Tilapia exports from the Philippines reached 6 254 tonnes (+185%). Japan and the US market absorbed nearly 85% of these exports.

Taiwan PC exported a total of 37 361 tonnes of tilapia in 2013, which is 28% more than in comparison with 2012. Nearly 91% of this was whole frozen exports directed to the USA (58%), Canada (8%) and the Middle East (25%). Due to the yen depreciation, exports of the

high quality brackishwater tilapia, izumidae, to its main market in Japan posted negative growth for the year.

### Recent news: India allows tilapia aquaculture

The Marine Products Export Development Authority (MPEDA) has developed a plan to culture the *Nilotica* variety of tilapia in Kerala state with the Kerala government approving the farming of this species. Three years ago, The Rajiv Gandhi Center for Aquaculture in Vijayawada started producing fingerlings of this variety based on technology adopted from the World Fish Centre in Malaysia. The centre already has a stock of around one million infants and is capable of meeting the demand from Indian states. In terms of price, tilapia farmers in India receive an average price of Rs 150-200 per kg (USD 2.40-3.20 per kg) and the production cost is relatively low compared with other fish species.

### Ghana

Ghana imported close to 2 600 tonnes of tilapia from China in 2013, mostly in whole frozen form. The average Chinese export prices were USD 1.90 per kg. African countries are increasingly becoming the target markets for Chinese tilapia, especially for whole frozen products as prices paid by these markets are optimal.

In a related development, the Minister of Fisheries and Aquaculture Development reports that it will do all it can to deliver the needed support to improve fish farming in the country in order to significantly enhance fish production domestically. The Ministry notes that the tilapia imports are threatening the fisheries sector.

### Outlook

The USA continues as the main import market for tilapia and consumption is expected to increase during the Lent season through April 2014. Consumption and imports are also growing in non-producing countries. Meanwhile, demand for tilapia remains firm in most of the producing countries.

As demand continues to grow in the USA, future predictions for Central American tilapia exports are promising. The further development of value-added products in Central America is expected, thereby increasing the number of options for the US consumer.

## Firm demand keeps markets steady

In 2013, based on estimates and official data from reporting countries, markets absorbed approximately 500 000 tonnes of pangasius fillets. In 2012, global production of pangasius reached over 1.6 million tonnes, with nearly 75% supplied by Viet Nam. Viet Nam, Indonesia, Bangladesh, Cambodia, Malaysia and Myanmar all increased their production.

### Viet Nam

The Viet Nam Association of Seafood Exporters and Producers (VASEP) announced a marginal 1% rise in value of pangasius exports in 2013 compared with 2012 at USD 1.76 billion. The association does not report quantitative export figures, but industry sources report a shortage in supplies as the number of farms have declined following heavy losses over the past few years. This shortage in supply has pushed prices up and is expected to prolong until the next harvest in June.

The export value of pangasius to the EU, the major market block, declined by nearly 10% in 2013 compared with 2012. However, the export value increased by 6% to the USA, Viet Nam's single largest market, with a total value of USD 381 million.

### USA

US frozen catfish imports continued to post positive growth. In 2013, a total of 108 400 tonnes of frozen catfish fillets were imported, a 7.43% increase compared with 2012. Interestingly, despite serious production issues in Viet Nam, imports increased from this source (+5.36%).

Imports of frozen *Ictalurus* fillet also increased in 2013 by approximately 100% to 5 544 tonnes compared with the year before. Imports are expected to be higher during the first quarter of 2014 as demand for fish will be stronger during the Lent season.

The recently signed Farm Bill will make it more difficult for Asian catfish to enter the US market and will ultimately lead to higher catfish prices for consumers. The bill mandates that the US Department of Agriculture finalize its catfish inspection programme, which will apply more rigorous standards for imported catfish. Exporters will also be required to open their processing facilities to USDA inspection, submit detailed sanitation plans and set up an inspection system equal to that of the USA. Furthermore, the programme will require re-inspection of catfish at US ports. Currently, imported catfish, known as pangasius, are USD 1.50 to 2.00 cheaper per pound than American catfish. In the past decade, the US catfish industry has decreased by more than 60%, with the amount of land devoted to catfish ponds cut in half.

### Imports

#### Frozen Catfish fillets: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Viet Nam	24.2	38.7	49.2	85.6	97.0	102.2
China	12.5	10.4	8.1	4.9	3.6	5.6
Thailand	5.6	6.2	3.5	1.3	0.1	0.0
Others	1.9	2.6	0.7	0.1	0.2	0.6
<b>Total</b>	<b>44.2</b>	<b>57.9</b>	<b>61.5</b>	<b>91.9</b>	<b>100.9</b>	<b>108.4</b>

Source: NMFS

Many producers argue that these impacts are largely due to cheaper imports. Lawmakers from southern states, where catfish are farmed, have been fighting to reduce imports to bolster the position of domestic producers.

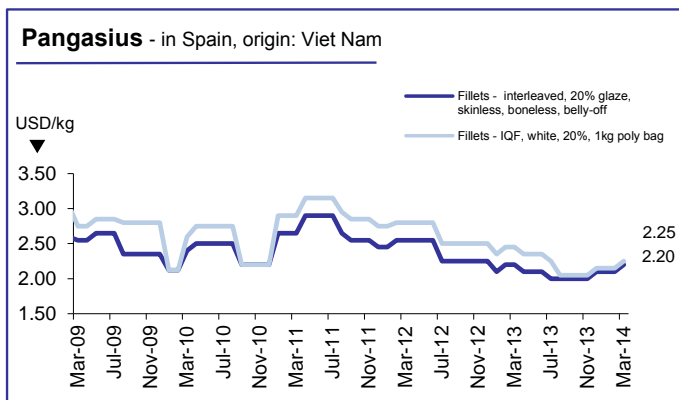
### EU

The EU imported a total of 179 734 tonnes of frozen freshwater fillets (i.e. Nile perch, tilapia and pangasius) in 2013, which is a marginal decrease (-0.4%) from 2012. Of these imports, pangasius maintained the largest share at 79%. However, pangasius imports declined by -1.41% in 2013 to total 141 416 tonnes. Imports of pangasius declined among major EU markets, namely Spain (-2%), the Netherlands (-7.17%), Germany (-15.46%), Poland (-13.33%) and Belgium (-8.83%).

### Asia

Based on official statistical data from reporting countries, imports of frozen freshwater fish fillets into Asia (mostly tilapia and pangasius) totalled more than 50 000 tonnes in 2013, up by nearly 45% from 2012. Nearly 80% of this volume was pangasius, mostly from Viet Nam.

The growing imports of frozen freshwater fillets indicate the rising demand for fish fillets, which began when pangasius entered the markets about a decade ago. Among the largest importers of pangasius fillets in Asia are Singapore, Thailand, Malaysia, China, Hong Kong SAR and Republic of Korea, all of which imported more in



Source: European Price Report

2013, with the average import price at yen 342 per kg (exported by Viet Nam). Japan imported 1 031 tonnes of pangasius fillets in 2013.

**Outlook**

The growth in global production confirms the strong demand for pangasius. Besides the leading producer of Viet Nam, official figures indicate that supplies are increasing steadily from other sources in Asia. This trend will continue as pangasius remains an affordable option of fish protein.

2013 than the previous year. Pangasius imports by these countries alone were approximately 55 000 tonnes with Singapore being the largest importer in Asia, importing nearly 16 247 tonnes. However, it should be noted that part of the imports into Singapore are re-exported.

In Japan, it is interesting to note the import trend for freshwater fish fillets such as Nile perch, tilapia and pangasius, for which volumes are relatively small. Imports of the pangasius fillet, the cheapest among the freshwater fillet category, increased significantly within

**International trade developments: USA’s DOC’s anti-dumping duty on catfish deemed unfair by Viet Nam**

After finishing the US Department of Commerce’s (DOC) ninth anti-dumping duty administrative reviews on certain frozen pangasius fillets imported from Viet Nam, the US government decided to continue implementing the tariffs, despite strong opposition from Viet Nam. DOC will impose an anti-dumping duty of USD 0.03 per kilogram and USD 1.20 per kilogram to Vinh Hoan Corporation and Hung Vuong Corporation, while other separate rate respondents have to pay USD 0.42 per kilogram. The national Viet Nam rate is USD 2.11 per kilogram.

Truong Dinh Hoe, VASEP’s general secretary, pointed out that even though the new anti-dumping tariffs were much lower than those announced in the preliminary report issued last September, they still remained high. In addition, Hoe remarked that choosing Indonesia instead of Bangladesh as the sole benchmark country in calculating the anti-dumping rate of the DOC was unreasonable, as Indonesia is not “economically comparable” to Viet Nam and does not share similarities with Viet Nam in terms of breeding standards and input costs.

Therefore, VASEP calls for DOC to seriously re-consider the anti-dumping duty in administrative reviews, taking into account the livelihood of millions of Vietnamese people, who depend on the pangasius industry in Mekong Delta, as well as commercial relations between the two countries.

Source: FIS.com

**Market focus: Nepal**

In Nepal, magur (walking catfish), rohu, naini, carp, bhakura, and silver grass carp are some of the popular freshwater fish species that are increasingly being sold live. According to the Nepal Fish Development Programme, 57 520 tonnes of fish were produced in the country in the last fiscal year. The Kathmandu Valley now has over 38 outlets selling live fish with more than 800 to 1 000 kg of live fish sold daily. Demand for live fish in this land locked country is growing rapidly in Kathmandu, with traders reporting that sales have jumped five fold compared to a few years ago. Demand has been growing significantly as consumers learn about the perceived health hazards of consuming dead fish that often contain formalin as a preservative. According to the Fishery Association of Nepal, live fish accounts for about 10% of fish sales while frozen fish makes up the rest. As live fish have a high mortality rate, prices are higher though they have been falling as traders begin using modern technology to bring down the mortality rate. Retail prices of live fish currently stand at NPR 450 (USD 4.60) per kilogram compared to NPR 500 (USD 5.10) two years ago.

# NILE PERCH

## With Lake Victoria's stock levels questionable, EU imports of Nile perch fillets fell 38% from 2007 to 2012

According to Eurostat data, in 2013, the EU imported 26 100 tonnes of Nile perch fillets, mainly from the United Republic of Tanzania, Kenya and Uganda. The United Republic of Tanzania was the main exporter of Nile perch fillets to the EU, exporting 12 400 tonnes (47.5% market share), followed by Uganda with 10 800 tonnes (41%) and Kenya with 2 900 tonnes (11%). Total EU imports of fillets in 2013 were down slightly by 12% in comparison with the previous year, but this is part of a longer-term more significant decline, as 2013 imports were 38% less when compared with 2008 volumes (42 300 tonnes). In January 2013, the price of Nile perch fresh fillets is higher than that of its other freshwater competitors. German supermarket chain prices for fresh Nile perch fillets fluctuated between EUR 0.99 and 1.59 per 100 g, while the same amount for frozen fillet pangasius was EUR 0.49.

### Imports

#### Nile Perch fillets: EU

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Kenya	4.0	3.1	3.6	2.8	3.1	2.9
Tanzania	23.3	17.9	16.3	15.0	15.3	12.4
Uganda	15.0	12.5	11.8	9.9	11.3	10.8
<b>Total</b>	<b>42.3</b>	<b>33.4</b>	<b>31.6</b>	<b>27.7</b>	<b>29.7</b>	<b>26.1</b>

Source: Eurostat

### Production

In terms of production, in 2012, the total volume of Nile perch was 300 000 tonnes, an 11% decline when compared with 2007. Declining production from Uganda, the leading supplier, drove the production downhill, as the country supplied 36% less volume in 2012 than compared with 2007. However, in comparing other producing countries' volume in 2012 with 2007, growth was seen in Kenya (11.5%), Nigeria (101%), Niger (32.4%) and Senegal (25.4%). The United Republic of Tanzania's volume remained approximately flat.

There are currently 27 processing plants authorized for international exports of Nile perch, 14 in Uganda, 9 in the United Republic of Tanzania and 4 in Kenya. There are an estimated 70 000 small-scale boats for the fishery, which has increased notably by 40% since 2004.

Overfishing is one of the major contributors to the long-term decline in total Nile perch volume harvested. Experts from the Mauritius-based Indian Ocean Commission's Smart Fish Programme point to the

### Production

#### Nile perch (tonnes)

	2007	2008	2009	2010	2011	2012
	(1 000 tonnes)					
Uganda	150.0	139.1	131.0	120.5	101.9	96.1
Tanzania, UR	95.2	94.2	101.1	97.2	95.8	95.0
Kenya	47.6	45.0	43.7	39.0	46.6	53.1
Nigeria	13.9	25.0	21.3	22.4	24.1	27.9
Niger	6.9	5.0	15.7	12.3	10.8	9.1
Mali	6.0	6.0	6.0	6.0	6.5	4.3
Senegal	2.4	2.5	1.2	0.0	0.6	2.9
Others	16.1	7.8	0.3	28.4	20.1	11.6
<b>Total</b>	<b>338.0</b>	<b>324.6</b>	<b>320.3</b>	<b>325.9</b>	<b>306.4</b>	<b>300.0</b>

Source: FAO

increasing numbers of unregulated fishermen and use of illegal fishing gear in Lake Victoria as contributing. The Commission warned that if urgent measures are not taken, Nile perch may be extinct in the next three to five years (Source: Daily News).

The Lake Victoria Fisheries Organization (LVFO) has mandated that the legal size of Nile perch harvested be between 50-85 cm total length, which was agreed on and legislated by the three countries (Kenya, the United Republic of Tanzania and Uganda) in 2000. However, there has been no actual implementation or compliance by the countries until the industry decided to lead the process.

In terms of ongoing management, LVFO is continuing to involve a variety of stakeholders to move towards a sustainable co-management approach. The organization





has established a number of management systems, such as Beach Management Units and self-monitoring teams from the Fish Processor Association to check for compliance at the factory level. In addition, there are monitoring, control and surveillance teams at the national level. Finally, there is a documented Nile Perch Fishery Management Plan in place, which is currently undergoing revision.

Of course, there are still many significant challenges to overcome, particularly in mitigating the catching and trading of juvenile fish. Unfortunately, there continues to be significant demand for undersized fish in the regional market. Furthermore, continuing demand for Nile perch in the Democratic Republic of Congo, Rwanda, South Sudan, and Uganda has led to an increasing number of fishermen using illegal fishing nets to obtain larger volumes, which often times include juvenile fish. Most of these illegal nets are imported from India and China and some are calling on East African governments to cease importing banned nets while also improving monitoring and surveillance.

According to data from LVFO, 2 million small-scale fishermen, processing plant workers and traders depend on the Nile perch fishery. One way to support the sector could be in developing National Fisheries Improvement Projects, which have the potential to lead to improved market access and long-term sustainability. Such efforts will be particularly important when developing new markets in Asia, where demand for freshwater fish fillets is growing.

Ecolabeling schemes also provide potential ways to support the fishery. The project of GIZ/Naturland, which provided an ecolabel to promote the economic and social importance generated by the Lake Victoria fishery in the Buroka district, is an example of one such scheme. The label has been used by Anova Seafood in European markets since 2009 and in addition to promoting the economic and social importance of the fishery, promotes the fish as wild caught. The social side of this ecolabelling scheme has been very attractive to the small-scale fishers, and incentivizes them to participate in sustainable fishing.

### Outlook

To ensure supplies of Nile perch for the future, it is vital that countries complete the revision of the Fishery Management Plan, develop National Fisheries Improvement Projects and explore possible ecolabeling strategies. In the long-term, farmed production of Nile perch may fill the gap in capture supplies. Uganda and ten other African countries have already begun drafting a policy that seeks to promote aquaculture, especially freshwater, and are working with the private sector to achieve these goals. In addition to playing an increased role in exports, farmed Nile perch could also bolster domestic food security and nutrition.

### Market news and trends: freshwater fish

After following a general downward trend for the past few years, freshwater fish prices have risen steadily over recent months. In some cases the increase has been extreme and very rapid. This trend reversal was expected sooner or later, and some stakeholders are now predicting that prices for certain products will continue to rise and reach levels last seen a few years ago.

Heavy losses for pangasius farming companies in Viet Nam in the last three years have resulted in a substantial decrease in farming. Previously, pangasius farming had been characterized for years by overproduction and downward pressure on prices, with farmers losing money. Now, the number of farms has dropped considerably, creating a healthier supply-demand balance. However, the present situation is characterized by a shortage of raw material, coupled with continuing overcapacity in the large processing factories, which are still numerous. This shortage in supply, along with solid demand from the USA and Russia, is pushing prices up (more than 10% since January so far this year). Prices are not likely to decrease until the next harvest in June and it is not yet clear whether they will go down at all in the summer. The fact that there are now significantly fewer small farmers, with production largely owned by the factories, may allow for stronger control of prices. In 2013, the export value of pangasius from Viet Nam to the EU, the major market, declined by nearly 10% compared with 2012.

In China, there is a shortage of tilapia raw material, which will last until the next harvest. Prices are reported to be at a record-high level, which is affecting consumption. Due to the cold weather after the Chinese New Year, farmers stocked fry more than a month later than usual this year. Consequently, the new tilapia harvest is expected to be delayed this year and is likely to be in July or August. So although prices are extremely high, a significant decrease is not anticipated until mid-summer.

Demand for fresh Nile perch fillet remains firm. Catches in Lake Victoria are reported to be very low and factories lack sufficient raw materials for processing. As a result, the availability of frozen fillets is very limited and prices continue to increase, with no sign of a change in the coming months.

There have been no significant price changes for carp in Hungary although the supply of live fish has increased.

*Source: European Price Report, April 2014*

## Greek producers more hopeful as prices firm

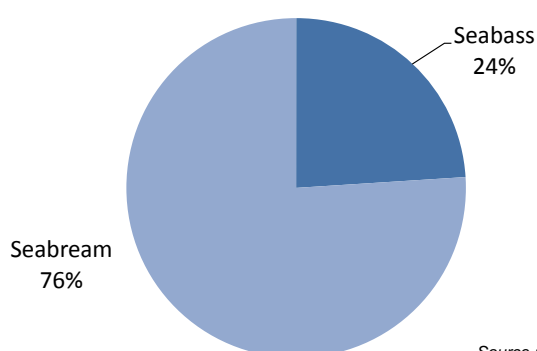
Early signs in 2014 suggest an improved price situation this year for seabass and seabream producers, driven primarily by strong demand growth in 2013 in alternative markets such as Russia, which are increasingly importing larger volumes at approximately stable prices. Traditional markets, such as France and Spain, also absorbed good volumes in 2013, but prices fell as a result of excess supply.

Accounting for the cyclical trend that is observed as a result of seasonal harvesting, prices in 2013 were generally lower than in 2012, particularly for bass and especially for Greek product. However, in March 2014, prices for Greek produced bass and bream on the Italian market were higher than has been seen since the early 2000s. This is good news for farmers in Greece, who are already struggling to cover costs in a difficult credit environment and rapidly losing market share to the expanding Turkish bass and bream industry. However, the Greek aquaculture sector will take some time to recover from one of its worst ever years, as serious cash flow problems continue and banks push to recover their loans.

Turkish producers have been able to consistently undercut Greek and other European producers by a significant margin, resulting in both established and new markets looking increasingly towards Turkish suppliers. In addition, Turkey appears to be exporting large and growing volumes of fillets, mainly to and through the Netherlands to Northern European markets. This reflects the recognition of Turkish suppliers of the importance of adding value to the product, as well as targeting new markets.

Notable opportunities identified by Turkish exporters are the growing markets in the Middle East and Northern Africa - Lebanon, Libya, Iraq and the United Arab Emirates - which together imported 172% more bass and bream in 2013 compared with 2012, at a 152% increase in value. Meanwhile, Russian imports continue to increase, with a clear preference for Turkish suppliers emerging. In 2013,

**Bass and bream production (2012)**



### Production

#### Seabass (*Dicentrarchus labrax*): World

	2008	2009	2010	2011	2012	2013*
	(1 000 tonnes)					
Turkey	49	47	51	47	66	60
Greece	36	34	40	44	43	45
Egypt	6	7	18	19	15	15
Spain	10	13	12	18	15	15
Italy	7	7	7	7	7	8
France	7	7	9	8	7	7
Others	8	8	9	11	10	10
<b>Total</b>	<b>123</b>	<b>122</b>	<b>146</b>	<b>154</b>	<b>162</b>	<b>160</b>

Source: FAO (until 2012) (\*) Estimate

### Production

#### Seabream (*Sparus aurata*): World

	2008	2009	2010	2011	2012	2013*
	(1 000 tonnes)					
Greece	52	61	57	71	72	73
Turkey	33	30	29	33	32	45
Spain	23	24	21	16	17	18
Egypt	7	8	17	16	16	17
Italy	6	6	7	6	6	8
Tunisia	2	2	3	5	6	6
Cyprus	2	3	3	3	3	3
Malta	2	2	2	1	3	3
France	2	1	3	2	2	2
Israel	2	1	1	1	2	2
Others	7	7	8	7	8	8
<b>Total</b>	<b>138</b>	<b>144</b>	<b>151</b>	<b>161</b>	<b>168</b>	<b>185</b>

Source: FAO (until 2012) (\*) Estimate

Russia imported 8 364 tonnes of bass and bream worth EUR 36.9 million, with these figures representing 37% and 30% increases over 2012 respectively.

In terms of volumes, Greece finished 2013 with a total of 84 400 tonnes of bass and bream exported, worth EUR 381.3 million. Compared with 2012, volume remained approximately flat, but value was down 10%.



## Exports

### Fresh Seabass : Greece

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Italy	13.6	14.8	17.8	17.7	16.7	14.9
Spain	4.2	3.6	4.7	3.8	3.1	3.6
France	3.0	3.3	3.8	3.9	3.3	2.8
Portugal	2.0	2.2	2.6	2.2	2.5	2.6
UK	2.4	2.3	3.3	3.2	2.4	2.0
Others	2.7	3.0	3.9	4.6	3.6	3.1
<b>Total</b>	<b>27.9</b>	<b>29.2</b>	<b>36.1</b>	<b>35.4</b>	<b>31.6</b>	<b>29.0</b>

Source : EUROSTAT

The major component of the decrease in value was bass, which was down 9% in quantity and 22% in value, although high volumes in the second half of the year also pushed bream price down.

## Italy

Italy remains the most important European market for bass and bream species. However, demand for both

## Imports

### Fresh Seabream and Seabass: Italy (value)

	2008	2009	2010	2011	2012	2013
	(million Euro)					
<b>Seabream</b>						
<i>(dentex/pagellus)</i>						
Spain	4.6	5.2	5.4	5.6	5.9	5.0
Portugal	1.9	2.6	2.8	2.9	2.1	2.4
Greece	6.3	5.5	5.8	4.7	5.6	1.6
<b>Total</b>	<b>14.3</b>	<b>15.2</b>	<b>15.5</b>	<b>14.1</b>	<b>15.6</b>	<b>10.4</b>
<b>Seabream</b>						
<i>(gilthead)</i>						
Greece	50.2	55.4	73.7	86.1	79.1	80.8
Turkey	5.3	6.4	8.1	7.5	9.0	9.7
Malta	3.6	3.5	6.0	9.1	6.6	4.4
Spain	4.5	5.1	5.1	6.8	6.7	5.4
<b>Total</b>	<b>68.9</b>	<b>76.4</b>	<b>100.9</b>	<b>119.2</b>	<b>110.9</b>	<b>110.2</b>
<b>Seabass</b>						
Greece	50.0	52.2	73.8	86.7	86.1	76.7
Turkey	14.7	15.3	8.3	7.9	10.9	11.2
France	14.4	11.6	10.6	12.9	7.6	7.5
Croatia	3.3	3.8	4.2	7.1	6.1	6.1
Spain	1.7	1.2	2.1	3.0	3.9	5.3
<b>Total</b>	<b>87.4</b>	<b>86.9</b>	<b>102.5</b>	<b>124.7</b>	<b>118.5</b>	<b>109.8</b>
<b>Gr.Total</b>	<b>170.6</b>	<b>178.5</b>	<b>218.9</b>	<b>258.0</b>	<b>245.0</b>	<b>230.4</b>

Source: ISTAT

## Exports

### Fresh Seabream: Greece

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Italy	27.1	26.4	25.6	20.5	21.6	21.4
Spain	10.3	9.0	8.6	7.7	8.2	10.1
France	6.3	6.7	6.6	6.1	6.2	6.1
Portugal	3.1	3.4	3.1	4.0	4.4	4.9
Germany	2.0	2.9	2.2	2.0	2.4	2.5
Cyprus	0.0	0.0	0.0	0.1	0.3	2.1
Others	5.6	5.8	5.8	5.0	5.7	5.0
<b>Total</b>	<b>54.4</b>	<b>54.2</b>	<b>51.9</b>	<b>45.4</b>	<b>48.8</b>	<b>52.1</b>

Source : EUROSTAT

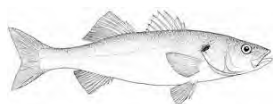
has been sluggish for the past two years, with generally declining prices failing to boost volumes. This is a symptom of the wider economic problems in the country, and demand for seafood as a whole can be expected to strengthen once again if cautious forecasts for a return to growth are realized.

## Imports

### Fresh Seabream and Seabass: Italy (quantity)

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Seabream</b>						
<i>(dentex/pagellus)</i>						
Spain	0.4	0.5	0.5	0.5	0.6	0.5
Greece	1.5	1.2	1.2	0.9	1.0	0.3
Portugal	0.2	0.2	0.2	0.2	0.1	0.2
<b>Total</b>	<b>2.3</b>	<b>2.2</b>	<b>2.1</b>	<b>1.7</b>	<b>1.8</b>	<b>1.2</b>
<b>Seabream</b>						
<i>(gilthead)</i>						
Greece	14.9	14.7	17.1	17.2	18.9	19.6
Turkey	1.9	2.0	2.2	1.6	2.5	2.5
Malta	1.1	1.0	1.5	1.9	1.6	1.0
<b>Total</b>	<b>19.2</b>	<b>19.3</b>	<b>22.5</b>	<b>22.6</b>	<b>25.5</b>	<b>25.5</b>
<b>Seabass</b>						
Greece	10.5	11.5	16.7	16.8	15.4	14.9
Turkey	3.6	4.4	2.3	1.7	2.3	2.7
Croatia	0.8	0.8	1.0	1.6	1.2	1.2
France	1.8	1.3	1.1	1.0	0.8	0.8
<b>Total</b>	<b>17.1</b>	<b>18.5</b>	<b>21.7</b>	<b>22.4</b>	<b>20.6</b>	<b>20.6</b>
<b>Gr.Total</b>	<b>38.6</b>	<b>40.0</b>	<b>46.3</b>	<b>46.7</b>	<b>47.9</b>	<b>47.3</b>

Source: ISTAT



## EUROPEAN SEABASS AND GILTHEAD SEABREAM

### Imports

#### Fresh Seabream and Seabass: Spain (value)

	2008	2009	2010	2011	2012	2013
	(million Euro)					
<b>Seabream</b> (all species)						
Greece	23.7	30.9	34.7	34.6	28.4	38.5
Turkey	4.5	1.7	1.4	9.0	8.1	7.1
Morocco	1.6	1.6	1.6	4.1	3.8	3.5
Portugal	2.7	1.0	0.9	1.2	3.0	3.4
France	2.9	3.2	2.9	1.8	1.3	1.7
<b>Total</b>	<b>36.9</b>	<b>39.8</b>	<b>43.0</b>	<b>52.9</b>	<b>44.7</b>	<b>54.7</b>
<b>Seabass</b>						
Greece	19.5	15.6	19.5	18.2	19.2	23.0
Turkey	10.3	9.5	8.9	8.8	2.4	9.2
France	6.1	4.6	3.8	2.8	2.8	3.1
<b>Total</b>	<b>38.8</b>	<b>31.7</b>	<b>34.0</b>	<b>32.9</b>	<b>25.3</b>	<b>36.9</b>
<b>Gr. Total</b>	<b>75.7</b>	<b>71.5</b>	<b>77.0</b>	<b>85.8</b>	<b>70.0</b>	<b>91.6</b>

Source: Agencia Tributaria

### Spain

Spanish imports, particularly of bass, increased significantly in 2013, although it should be noted the growth in import volumes is at least partly compensating for a decline in domestic production. Greek producers have managed to increase their share of supply of bream

### Imports

#### Fresh Seabream and Seabass: Spain (quantity)

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Seabream</b> (all species)						
Greece	7.0	8.5	8.2	6.7	6.4	8.2
Turkey	1.4	0.5	0.4	1.9	2.1	1.8
Morocco	0.4	0.4	0.3	0.4	0.4	0.4
Portugal	0.5	0.2	0.2	0.2	0.3	0.3
France	0.3	0.4	0.3	0.2	0.1	0.1
<b>Total</b>	<b>10.1</b>	<b>10.2</b>	<b>9.7</b>	<b>9.9</b>	<b>9.2</b>	<b>10.9</b>
<b>Seabass</b>						
Greece	4.0	3.6	4.6	3.5	3.9	4.9
Turkey	2.4	2.5	2.4	1.9	0.6	2.2
France	0.6	0.4	0.4	0.3	0.3	0.6
<b>Total</b>	<b>7.3</b>	<b>6.9</b>	<b>7.5</b>	<b>6.1</b>	<b>4.8</b>	<b>8.0</b>
<b>Gr. Total</b>	<b>17.4</b>	<b>17.1</b>	<b>17.2</b>	<b>16.0</b>	<b>14.0</b>	<b>18.9</b>

Source: Agencia Tributaria

### Imports

#### Fresh Seabream and Seabass: France (quantity)

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Seabream</b> (dentex/pagellus)						
Spain	0.4	0.5	0.5	0.7	0.5	0.3
Greece	0.7	0.5	0.7	0.9	0.3	0.1
<b>Total</b>	<b>1.4</b>	<b>1.4</b>	<b>1.6</b>	<b>2.0</b>	<b>1.0</b>	<b>0.6</b>
<b>Seabream</b> (gilthead)						
Greece	4.7	5.2	4.6	4.7	4.4	6.0
Spain	1.5	1.9	1.4	1.0	2.3	2.8
Turkey	0.1	0.1	0.2	0.2	0.4	0.5
<b>Total</b>	<b>6.5</b>	<b>7.4</b>	<b>6.9</b>	<b>6.0</b>	<b>7.3</b>	<b>10.0</b>
<b>Seabass</b>						
Greece	2.9	3.1	3.5	3.8	2.7	3.0
Spain	0.2	0.4	0.7	0.8	1.0	1.4
<b>Total</b>	<b>4.4</b>	<b>4.8</b>	<b>5.3</b>	<b>5.4</b>	<b>4.8</b>	<b>5.9</b>
<b>Gr. Total</b>	<b>12.3</b>	<b>13.6</b>	<b>13.8</b>	<b>13.4</b>	<b>13.1</b>	<b>16.5</b>

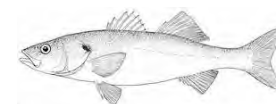
Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE

### Imports

#### Fresh Seabream and Seabass: France (value)

	2008	2009	2010	2011	2012	2013
	(million Euro)					
<b>Seabream</b> (dentex/pagellus)						
Spain	1.4	1.7	1.8	3.1	1.9	1.3
Greece	2.5	2.2	3.0	5.1	1.7	0.5
<b>Total</b>	<b>4.9</b>	<b>5.3</b>	<b>6.4</b>	<b>9.9</b>	<b>4.1</b>	<b>2.4</b>
<b>Seabream</b> (gilthead)						
Greece	15.9	18.9	20.6	23.6	20.8	21.7
Spain	5.4	7.2	6.7	5.2	4.0	3.0
Turkey	0.5	0.4	0.6	1.0	1.6	2.1
<b>Total</b>	<b>22.6</b>	<b>27.6</b>	<b>30.5</b>	<b>31.4</b>	<b>35.1</b>	<b>39.6</b>
<b>Seabass</b>						
Greece	14.5	14.1	17.2	20.6	16.5	13.4
Spain	1.1	1.8	3.8	5.0	6.9	8.8
Netherlands	2.4	1.8	2.0	1.7	1.7	2.2
Turkey	2.0	2.1	1.2	1.4	1.6	2.5
UK	1.4	1.8	2.1	2.3	2.0	2.4
<b>Total</b>	<b>23.7</b>	<b>23.6</b>	<b>28.1</b>	<b>32.3</b>	<b>31.1</b>	<b>32.1</b>
<b>Gr. Total</b>	<b>51.2</b>	<b>56.5</b>	<b>65.0</b>	<b>73.6</b>	<b>70.3</b>	<b>74.1</b>

Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE



to the Spanish market, but it is primarily Turkey that is behind the boosted volumes of bass.

## France

Over the last two years, the French market has been characterized by rising volumes following a distinct decline in prices. The full year figure of 18 000 tonnes imported in 2013 is an all time record. As was observed in the salmon market in 2012, increased coverage and promotion at the retail level in France will help to cement underlying demand at a time of excess supply.

## UK

Similarly to France, UK consumers have responded positively to the lower price level in 2013, and imports were up 7% by volume. There has been a noticeable shift in the relative shares of supply to the UK market, with the Netherlands and Turkey both increasing their significantly at the expense of Greece.

## Germany

The German market continues its positive development, particularly for bream, absorbing higher volumes at stable prices. Turkey is now Germany's major supplier, with a 39% share of total volume in 2013.

## Imports

### Fresh Seabass: UK

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Greece	2.5	1.9	3.4	4.1	5.0	4.7
Netherlands	1.1	1.4	2.0	1.5	1.4	2.6
Turkey	0.0	0.3	0.0	0.0	0.1	0.7
Others	2.0	1.4	1.0	1.6	1.6	1.4
<b>Total</b>	<b>5.6</b>	<b>5.0</b>	<b>6.4</b>	<b>7.2</b>	<b>8.1</b>	<b>9.4</b>

Source : Her Majesty's Revenue & Customs

## Imports

### Fresh Seabream: UK

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Greece	1.4	1.0	1.1	1.5	3.7	3.0
Netherlands	0.4	0.5	0.6	0.5	0.5	0.8
Germany	0.0	0.1	0.0	0.0	0.2	0.3
Others	0.7	0.6	0.7	0.9	0.6	0.5
<b>Total</b>	<b>2.5</b>	<b>2.2</b>	<b>2.4</b>	<b>2.9</b>	<b>5.0</b>	<b>4.6</b>

Source : Her Majesty's Revenue & Customs

## Imports

### Fresh Seabream and Seabass: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Seabream</b>						
<i>(dentex/pagellus)</i>						
Greece	0.3	0.4	0.5	0.3	0.4	0.4
<b>Total</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
<b>Seabream</b>						
<i>(gilthead)</i>						
Greece	0.7	0.7	1.0	0.7	1.4	1.3
Turkey	0.0	0.1	0.1	0.1	0.6	1.3
<b>Total</b>	<b>1.1</b>	<b>1.3</b>	<b>1.5</b>	<b>1.2</b>	<b>2.4</b>	<b>3.5</b>
<b>Seabass</b>						
Greece	0.3	0.4	0.5	0.5	0.6	0.6
Turkey	0.0	0.1	0.0	0.2	0.6	1.0
<b>Total</b>	<b>0.7</b>	<b>0.9</b>	<b>1.1</b>	<b>1.4</b>	<b>1.7</b>	<b>2.3</b>
<b>Gr.Total</b>	<b>2.3</b>	<b>2.8</b>	<b>3.2</b>	<b>3.1</b>	<b>4.6</b>	<b>6.3</b>

Source: Germany Customs

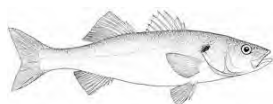
## USA

Demand for fresh bass on the US market is growing rapidly. Total imports of 4 300 tonnes of this product in 2013 represents a 64% increase over 2012. Once again, there has been a pronounced shift towards Turkish bass this year.

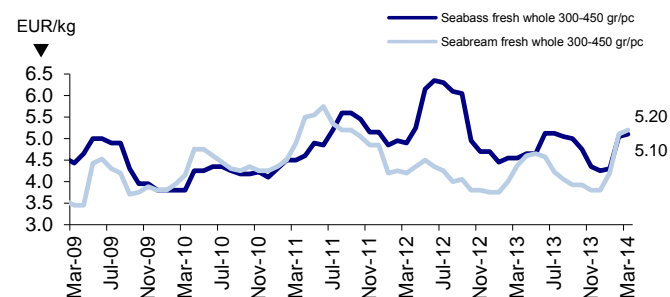
Imports of frozen bass appear to have risen significantly as well, although the large spike in the quantity of imports from non-traditional origins in November 2013 suggests recording error is the main factor behind this apparent increase.

## Outlook

Judging from juvenile stocking, production over the next few years is likely to stabilize, which should in turn bring some stability to prices and relieve some of the pressure on margins that the vulnerable Greek industry is currently facing. The gradual economic recovery predicted for major markets should also see a parallel strengthening of demand. However, Greek aquaculture can expect further upheaval as the banks, now majority shareholders in a number of companies, pursue further concentration of the sector. In the longer term, those responsible for implementing EU proposals to expand the aquaculture sector in Europe will have to be mindful of the fact that increased production does not always equate to profits or growth. That is, unless there are accessible markets with strong enough underlying demand to absorb increased volumes at sufficiently high prices to cover production costs.



## Seabass and Seabream - In Italy, origin: Greece



## Market focus: bass and bream in Ukraine

### Imports continue, but some decline expected

There are four companies importing bass and bream in Ukraine, two large and two small. Both large importers are now facing significant issues regarding liquidity and profitability because of the sudden devaluation of hryvnia and the growth of receivables and trade credits. Due to these challenges, one of the companies has stopped importing bass and bream entirely, while the other has lowered importing volumes. The small importers specialise in supplies to hotel, restaurant and catering companies and are now unable to fill their market niche, as they do not have enough funds to finance trade credits.

As retail chains can purchase goods with 20 to 60 days deferral of payment, new companies will need time to establish themselves in the market. Unfortunately, with the continuing devaluation of hryvnia and the conflict between Ukraine and Russia, it is at this time too risky to enter the bass and bream market. The hryvnia will not stabilise until the Ukrainian government receives financial support from IMF and the EU. Kiev remains the major region of consumption.

### Outlook

For 2014, it is likely that there will be a change in the supplying countries for the bass and bream market. Unlike 2013, it is predicted that Greece will lead importing volumes in 2014 due largely to more favourable custom procedures of administering import VAT payments. This is because for Greece, customs sets the customs value based on the invoiced value, whereas for Turkey it is based on so-called 'indicative customs prices' set by customs. So far in 2014, the indicative customs price was 50-70% higher than the invoiced value.

## Exports

### Fresh Seabass : Turkey

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Netherlands	2.4	2.2	2.0	1.7	1.4	3.7
Italy	3.8	4.4	2.3	1.7	2.3	2.7
Russian Fed	0.1	0.2	0.6	1.4	1.1	2.5
Russian Fed	0.1	0.2	0.6	1.4	1.1	2.5
Spain	2.1	2.5	2.3	2.0	0.8	2.0
UK	0.0	0.6	0.4	0.6	1.0	1.4
Others	4.9	4.2	3.3	1.2	0.6	1.5
<b>Total</b>	<b>13.4</b>	<b>14.3</b>	<b>11.5</b>	<b>10.0</b>	<b>8.3</b>	<b>16.3</b>

Source : State Institute of Statistics

## Exports

### Fresh Seabream : Turkey

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Lebanon	1.4	2.0	2.1	1.9	1.7	3.4
Netherlands	1.3	1.1	1.0	1.0	1.5	2.9
Italy	1.9	2.0	2.1	1.6	2.6	2.6
Russian Fed	0.1	0.3	0.6	1.4	1.9	2.6
Spain	1.4	0.5	0.4	1.9	1.7	1.5
Others	1.7	1.5	1.3	1.8	2.7	5.1
<b>Total</b>	<b>7.8</b>	<b>7.4</b>	<b>7.5</b>	<b>9.6</b>	<b>12.1</b>	<b>18.1</b>

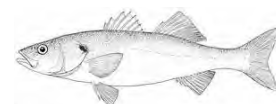
Source : State Institute of Statistics

## Market focus: bass and bream in Turkey

From January to March 2014, sea water temperatures varied between 14.5 to 16.0 degrees Celsius, with the lowest temperature recorded in February. This season is a difficult period for bass and bream aquaculture, as biological and ecological processes impact the fish and lead to an increase in production costs.

### Domestic market

Domestic sales of bass and bream during the first quarter of 2014 is estimated at 2 500 tonnes. Starting from late December 2013, the upward trend in domestic prices of bass and bream continued and stabilized during the first quarter of 2014. The upward trend was strongest for bream, with prices for 600-800 sized fish increasing by 50% compared with last quarter. Domestic prices on the whole remained lower than export prices.



Average ex-farm prices in the domestic market for the first quarter of 2014 (prices in Turkish Lira):

Seabass		
Size	Price	Change*
200-300 g	9.0 TRY/kg	+20.0%
300-400 g	12.0 TRY/kg	+20.0%
400-600 g	13.0 TRY/kg	+13.0%
600-800 g	15.0 TRY/kg	0.0%
80--1000 g	22.0 TRY/kg	-4.3%

Seabream		
Size	Price	Change*
200-300 g	10.0 TRY/kg	+43.0%
300-400 g	11.0 TRY/kg	+29.0%
400-600 g	13.0 TRY/kg	+0.70%
600-800 g	15.0 TRY/kg	+50.0%
800-1000 g	17.0 TRY/kg	**

Price includes packaging and transportation costs. Average Euro/TRY parity: 1 EUR/3.02 TRY (January-March 2014 average, Source: Turkish Central Bank)

\*Change in price compared to previous quarter (Last quarter of 2013)

\*\* No price was available for this size during last quarter of 2013

## Export markets

With export prices higher than domestic prices and the Turkish Lira continuing to weaken against major foreign currencies (USD and EUR), bass and bream exports grew during the first quarter of 2014.

Turkish exports for the first quarter 2014 (tonnes)		
	Seabass	Seabream
January 2014	1 878	1 674
February 2014	1 830	1 580
March 2014	1 937	1 480
Total	5 645	4 734

Source: Aegean Union of Exporters (Ege İhracatçılar Birliği)

Based on figures by the Aegean Union of Exporters (Ege İhracatçılar Birliği), 73% of bass exports (about 4 137 tonnes) were made up of chilled/fresh whole fish during this period. The remaining bass were exported as frozen whole fish and fresh or frozen fillets. For bream, about 84% of exports (4 000 tonnes) were chilled/fresh whole fish.

Average export prices of chilled/fresh whole fish for the first quarter 2014:

Seabass		
Size	Price	Change*
200-300 g	EUR 4.0/kg	+18.0%
300-400 g	EUR 4.7/kg	+17.5%
400-600 g	EUR 5.1/kg	+19.0%
600-800 g	EUR 6.2/kg	+5.0%
800-1000 g	EUR 8.3/kg	+18.5%
Average Change	-	15.6%

Seabream		
Size	Price	Change*
200-300 g	EUR 4.6/kg	+31.0%
300-400 g	EUR 5.0/kg	+31.5%
400-600 g	EUR 5.2/kg	+37.0%
600-800 g	EUR 5.4/kg	+20.0%
800-1000 g	EUR 7.0/kg	**
Average Change	-	30.0%

\*Change in price compared to previous quarter (Last quarter of 2013)

\*\* No price was available for this size during last quarter of 2013

Source: Aegean Union of Exporters (Ege İhracatçılar Birliği)

## Outlook

High demand and strong sales of large-sized bream in the first quarter of 2014 has decreased the availability of bream in the market. Taking into account that many companies in Turkey stocked less fish in cages for 2014 sales, more stable prices for bream in the coming months would be expected due to decreasing supply.

With effective market promotion by the Turkish Fish Promotion Group, Turkish exports of bass to the USA have shown a positive trend. Due to the high demand for large-sized bass in the USA, many Turkish companies are targeting this market, which could affect their exports to the EU markets, creating a gap in supply and more stable prices in the short-term.

As Greek companies struggle to overcome financial crises and are forced to harvest early at lower sizes, Turkish companies with better financial capabilities are expected to meet the gap in supply for large-sized bass and bream, at least for the near future. This trend is expected for 400-600 sized bream as well as for 400-600 and 600-800 sized bass.

## The future looks bright after salmon industry ends 2013 on a high

2013 was a landmark year for the salmon industry, particularly in Europe. Minimal production growth and strong demand saw prices, export revenues and profits reach record highs, while the Norwegian company Marine Harvest became the world's first aquaculture company to be listed on the New York Stock Exchange. Chile's performance also improved in terms of export volumes and prices, but high production costs and biological problems continued to negatively impact the profitability of Chilean companies.

In the long-run, physical and regulatory limits on supply growth coupled with a booming demand from emerging markets across the globe should lead to high salmon prices continuing for at least the next two years, while the steady process of consolidation and vertical integration is expected to result in increased efficiency throughout the supply chain. This transformation is especially important for processors, whose exposure to less flexible supply contracts meant they were amongst those hit hardest by rapid increases in raw material costs.

### Prices

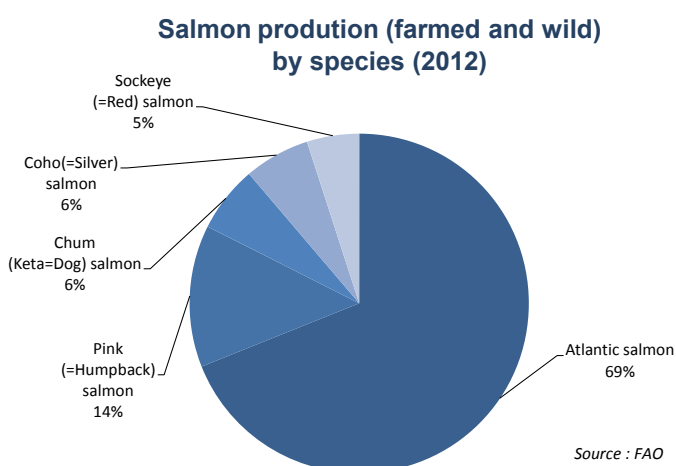
After the expected post-summer drop in prices following increased harvest volumes, export prices for Norwegian salmon rebounded strongly, with larger sizes of fresh whole Atlantics breaking the NOK 50 per kg mark in December. In early 2014, as greater volumes hit the markets, this trend reversed before stabilizing in early March as volumes levelled out. For Chilean exporters, initially low prices in early 2013 climbed steadily throughout the year due to strengthening demand and an improving exchange rate situation. Prices for US-destined Atlantic fillets and Japan-destined coho remained approximately stable in early 2014, but prices on the Brazilian market have fallen in recent weeks.

### Production

#### Farmed salmon: World

	2008	2009	2010	2011	2012	2013*
(1 000 tonnes)						
<b>ATLANTIC SALMON</b>						
Norway	738	863	940	1 065	1 232	1 100
Chile	389	233	123	264	400	515
UK	129	133	155	158	163	155
Canada	104	100	101	102	108	115
Faeroe Is.	38	51	45	60	77	60
Australia	26	30	32	35	44	31
Ireland	9	12	16	12	12	15
USA	17	14	20	19	19	15
Others	2	3	6	10	12	3
<b>Total</b>	<b>1 451</b>	<b>1 440</b>	<b>1 438</b>	<b>1 726</b>	<b>2 067</b>	<b>2 009</b>
<b>PACIFIC SALMON</b>						
Chile	92	158	123	161	164	160
New Zealand	9	12	13	14	12	12
Japan	13	16	15	0	10	8
<b>Total</b>	<b>114</b>	<b>186</b>	<b>151</b>	<b>175</b>	<b>186</b>	<b>180</b>
<b>Gr. Total</b>	<b>1 566</b>	<b>1 626</b>	<b>1 589</b>	<b>1 901</b>	<b>2 252</b>	<b>2 189</b>

Source: FAO (until 2012) (\*) Estimate

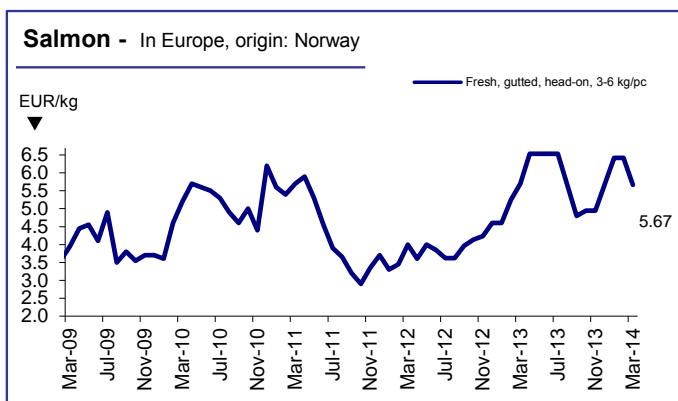


### Norway

#### Salmon

Norwegian salmon producers undoubtedly saw the best of 2013, posting all-time high export revenues and record prices on the back of flat production growth. According to the Norwegian Seafood Council (NSC), the value of all Norwegian salmon exports in 2013 came to NOK 39.8 billion, 35% percent higher than the 2012 figure, at a 44% higher average export price of NOK 39.7 per kg for fresh whole Atlantics. The fact that this increase was of a much greater magnitude than the 3.5% decrease in volumes, down to 960 000 tonnes, points to a significant strengthening of demand for Norwegian salmon.





Source: European Price Report

**Exports (value)**

**Salmon and Trout: Norway**

	2008	2009	2010	2011	2012	2013
	(bill. NOK)					
<b>Salmon</b>	<b>18.0</b>	<b>23.7</b>	<b>31.3</b>	<b>29.2</b>	<b>29.5</b>	<b>40.0</b>
Fresh	13.8	17.5	23.2	21.9	22.9	31.9
Frozen	1.1	1.2	1.6	1.6	1.2	1.4
Fresh fillet	1.6	2.7	3.7	2.9	2.9	3.9
Froz. Fillet	1.1	1.9	2.5	2.5	2.4	2.6
<b>Trout</b>	<b>1.8</b>	<b>1.9</b>	<b>1.6</b>	<b>0.9</b>	<b>1.7</b>	<b>2.2</b>

Source: Norwegian Seafood Council

**Exports (quantity)**

**Salmon and Trout: Norway**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Salmon</b>	<b>623.7</b>	<b>712.5</b>	<b>785.5</b>	<b>839.1</b>	<b>995.2</b>	<b>965.4</b>
Fresh	512.9	570.4	618.0	685.4	829.4	803.2
Frozen	41.8	44.0	50.6	50.9	50.3	45.0
Fresh fillet	35.2	57.1	66.9	55.2	66.8	69.7
Froz. Fillet	24.6	36.3	44.7	44.2	46.6	45.1
<b>Trout</b>	<b>41.8</b>	<b>40.1</b>	<b>26.4</b>	<b>27.1</b>	<b>55.6</b>	<b>55.1</b>

Source: Norwegian Seafood Council

Norwegian exporters focused relatively more on the EU market in 2013, which accounted for around 68% of total export volume (651 000 tonnes) compared with 65% in 2012, and approximately the same proportions of total value. France is still the leading market for Norwegian salmon, representing 30% of volume and value, although it is now rivalled by Poland which has developed a large processing industry to cater mainly to the German market.

The removal of a penalty tariff on Norwegian fresh whole Atlantics in the USA, combined with good demand, saw US-destined exports rise 19% to a total of 19 200 tonnes, while the volume of exports to Russia and Asia decreased substantially. However, high prices meant an increase in total export values in almost every market.

Norwegian companies are cooperating with the NSC to promote Norwegian salmon in Asia. Exporters are hoping to take maximum advantage of the growth in salmon consumption, of which a major component is a growing interest in sushi cuisine from an expanding middle-class, urban consumer demographic.

According to Statistics Norway, in the first two months of 2014, the export price of fresh whole Atlantics from Norway was up 36% compared with 2013, while exported volume remained approximately flat. Export volumes (all salmon products) were down in all of the top three markets; by 11% to France, 12% to Poland and 19% to Russia.

**Trout**

In line with the impressive performance of salmon on export markets, exports of Norwegian trout increased in 2013 by NOK 580 million to NOK 2.4 billion, while export volume remained approximately the same. This was due to the price of fresh whole trout increasing dramatically in 2013, by some 40% to NOK 41.5 per kg, which is even higher than that of fresh whole Atlantic salmon.

Russia is still the main market for Norwegian trout, taking some 47% of the total export volume and about

the same proportion of value. However, major growth was posted in other markets in 2013. Belarus imported 49% more trout from Norway by volume, to 5 600 tonnes, and 105% more by value, to NOK 240 million. Meanwhile, Asian markets such as Japan, Thailand and China also grew substantially.

Statistics Norway shows a 44% increase in the export price of trout from Norway in the first two months of 2014 compared with 2013, along with a 21% decrease in volume.

**Chile**

After the ISA virus crisis, sanitary conditions in the salmon sector in Chile seem to be improving with increased production efficiency and yields. 2013 proved a difficult year for farmers, with Atlantic salmon mortality reaching 15%. While treatments are now making an impact, this translates into an additional expense and less profitability for the sector. The coming months will be telling for 2014 mortality estimates and production predictions.

Chilean salmonid exports for 2013 were up by 8% in volume and 21% in value in comparison with 2012. Chile was able to increase its exports to all markets in 2013, including Russia and the EU. The stable rise that salmon prices experienced internationally has had a positive effect in Chile as well, and gradually, the margins of the



industry have reflected this positive trend. For Chilean exports, the price increase has mostly been driven by the high demand in the USA and by increased shipments to non-traditional markets in Latin America as well as Asia and Eastern Europe.

According to IFOP, throughout 2013, Atlantic salmon was the most exported species in Chile with a total of 305 000 tonnes shipped, valued at USD 2.3 billion, with an average FOB price of USD 7.5 per kg. These figures demonstrate a strong increase of 33% in volume and 59% increase in value when compared with 2012. Coho salmon followed Atlantic as the second most exported species, and though volume traded remained more or less stable at 111 200 tonnes, this was valued at USD 459 million, which is a 17% decrease in value compared with 2012. The average FOB price for coho for the year was USD 4.1 per kg. In the case of rainbow trout, exported volume for 2013 reached 110 500 tonnes, which is a 22% decrease in comparison with 2012. In terms of value, a 15% decline was registered.

**Exports (quantity)**  
**Salmon and Trout: Chile**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Japan	163.0	152.6	144.0	175.0	195.0	147.3
USA	108.0	68.8	45.2	68.7	105.0	124.3
EU (25)	43.0	25.5	8.7	13.0	18.0	32.8
Lat.America	53.0	57.4	50.6	60.0	87.0	101.3
Others	79.0	64.9	48.6	72.0	83.0	122.4
<b>Total</b>	<b>446.0</b>	<b>369.2</b>	<b>297.2</b>	<b>388.7</b>	<b>488.0</b>	<b>528.1</b>

Source: IFOP

**Exports (quantity)**  
**Salmon and Trout: Chile**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>Salmon</b>	<b>320.8</b>	<b>270.2</b>	<b>170.9</b>	<b>259.2</b>	<b>347.3</b>	<b>417.6</b>
Frozen	212.4	195.7	115.8	169.1	208.8	260.2
Fresh	100.8	65.3	49.1	81.0	132.2	151.7
Canned	3.4	2.7	1.1	0.5	0.8	1.1
Salted	0.9	3.7	2.4	5.3	2.4	1.7
Smoked	3.3	2.7	2.5	3.3	3.1	2.9
<b>Trout</b>	<b>124.8</b>	<b>99.1</b>	<b>126.2</b>	<b>130.0</b>	<b>141.0</b>	<b>110.5</b>
Frozen	115.8	88.3	107.4	113.0	126.3	97.0
Fresh	5.5	5.9	12.7	9.6	8.1	7.6
Canned	0.2	0.1	0.1	0.0	0.0	0.0
Salted	0.1	1.5	3.0	3.6	2.7	2.1
Smoked	3.3	3.3	3.0	3.7	3.9	3.7
<b>Total</b>	<b>445.6</b>	<b>369.2</b>	<b>297.2</b>	<b>389.3</b>	<b>488.3</b>	<b>528.1</b>

Source: Boletín de Exportaciones del IFOP

**Exports (value)**  
**Salmon and Trout: Chile**

	2008	2009	2010	2011	2012	2013
	(million USD)					
<b>Salmon</b>	<b>1797.0</b>	<b>1506.9</b>	<b>1158.6</b>	<b>1890.7</b>	<b>2001.0</b>	<b>2752.9</b>
Frozen	1085.0	996.9	691.1	1138.4	1133.0	1510.0
Fresh	643.0	436.4	407.8	656.2	800.7	1178.6
Canned	21.0	17.8	9.0	6.1	7.0	10.2
Salted	6.0	20.6	14.9	37.5	15.3	7.0
Smoked	42.0	35.3	35.9	52.4	45.3	47.1
<b>Trout</b>	<b>594.0</b>	<b>594.5</b>	<b>902.3</b>	<b>1065.6</b>	<b>892.0</b>	<b>760.2</b>
Frozen	527.0	503.8	743.7	898.0	754.4	623.4
Fresh	32.0	42.0	100.6	85.4	61.9	69.4
Canned	1.0	1.0	0.6	0.2	0.0	0.0
Salted	1.0	8.4	18.5	26.2	18.1	12.3
Smoked	34.0	39.4	38.9	55.7	58.3	55.1
<b>Total</b>	<b>2391.0</b>	<b>2101.0</b>	<b>2061.0</b>	<b>2956.0</b>	<b>2893.0</b>	<b>3513.2</b>

Source: Boletín de Exportaciones del IFOP

**Exports (value)**  
**Salmon and Trout: Chile**

	2008	2009	2010	2011	2012	2013
	(million USD)					
Japan	708	825	909	1260	1140	833
USA	795	554	448	721	807	1144
EU (25)	284	160	72	121	111	218
Lat.America	268	290	347	427	452	658
Others	335	273	285	497	383	660
<b>Total</b>	<b>2391</b>	<b>2101</b>	<b>2060</b>	<b>3026</b>	<b>1753</b>	<b>3513</b>

Source: Boletín de Exportaciones del IFOP

Some experts and analysts have relatively low expectations for increased production in 2014. Approximate estimates are 730 000 tonnes of total salmonid harvest in 2014, and 810 000 tonnes for 2015.

**UK**

Similar to the Norwegian producers, UK producers are enjoying high prices, export revenues and margins. Production was approximately flat year-on-year, while a focus on exporting fresh whole Atlantics to the USA and Asian markets has paid off for UK exporters. Total export volume to China, Viet Nam, Taiwan PC, Japan and Hong Kong SAR was up 62% compared with 2012, while total value to the same group of countries increased by 78%. Minimal production growth is expected in the UK in 2014.

According to market research company Nielsen, a quarter of all consumer expenditure on seafood items in the 12 months up to Feb 1 2014 in the UK was on salmon, primarily fresh. This figure is an increase of 10.2% compared



**Salmon fillet prices (FOB Miami, chilled, C-trim, Alt. fresh, 3-4 bs)**



Source: EPR

with the previous period. The strength of the UK market is reflected in trade statistics, particularly for fresh whole Atlantics from the Faroe Islands and Sweden, which make up an increasing proportion of the total import volume.

**Ireland**

In 2013, ongoing Irish salmon production was limited by biological challenges; continuing occurrence of amoebic gill parasites, noctiluca blooms and incidence of PD on some sites. Production was 9 100 tonnes WFE, worth EUR 56 million. Almost 100% of production goes to organic certification, with more than 90% sold as organic product, primarily HOG, followed by fillet and value-added. 80% or more of the total product is exported, with France, the UK and Germany the principal markets. Value per kilogram remains high at EUR 6.2 per kg. Six companies continue to operate 14 sea and 14 inland production units, using approximately 34 sea and 14 inland sites

Apart from recent biological issues and current challenging weather conditions curtailing production, limited capacity remains the biggest challenge to the sector's development. In addition, a relatively slow licensing process coupled with strong competition from other stakeholders and increased special areas of conservation designation for the same waters continues to make efforts to increase production capacity difficult.

**Markets**

Economic forecasts for the Eurozone are for slow recovery of the major economies, which should boost consumer spending on more expensive proteins such as salmon. Meanwhile the USA is following a strongly upward demand trend, and the situation in Japan improved markedly towards the end of 2013. However, it is the emerging markets, mainly in Latin America and East and Southeast Asia, that are continuing to show the most rapid growth in line with increases of the major long-term drivers such as urbanization and expansion of the middle-

**Exports**

**Salmon: UK (by product and country)**

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
<b>FRESH</b>						
USA	13.9	21.1	25.4	31.3	31.2	38.5
France	16.8	17.5	21.4	18.4	18.9	17.3
Poland	0.5	1.2	2.7	6.4	7.6	6.6
Ireland	2.6	3.2	2.5	3.3	4.0	4.3
Germany	2.2	1.9	1.9	1.4	1.0	0.8
Others	4.7	5.5	6.2	10.0	15.7	23.9
<b>Total</b>	<b>40.7</b>	<b>50.4</b>	<b>60.1</b>	<b>70.7</b>	<b>78.3</b>	<b>91.5</b>
<b>FRESH FILLETS</b>						
Ireland	1.6	1.6	1.3	1.6	2.0	1.6
France	1.4	1.6	1.8	1.1	1.1	1.1
Belgium	0.5	0.6	0.7	0.8	1.7	0.9
Others	1.2	2.4	4.0	8.0	2.5	2.8
<b>Total</b>	<b>4.7</b>	<b>6.2</b>	<b>7.8</b>	<b>11.5</b>	<b>7.3</b>	<b>6.4</b>
<b>FROZEN</b>						
France	3.5	1.2	2.4	1.5	1.3	1.4
Russian Fed.	0.0	1.2	2.2	1.7	2.8	1.1
Ukraine	0.0	0.0	0.0	0.1	0.8	1.3
Others	2.8	5.7	1.8	2.5	3.0	2.7
<b>Total</b>	<b>6.4</b>	<b>8.1</b>	<b>6.4</b>	<b>5.9</b>	<b>7.9</b>	<b>6.5</b>
<b>OTHER SALMON</b>						
<b>Total</b>	<b>6.4</b>	<b>7.4</b>	<b>9.2</b>	<b>9.0</b>	<b>8.1</b>	<b>8.6</b>
<b>Gr. Total</b>	<b>58.2</b>	<b>72.1</b>	<b>83.5</b>	<b>97.1</b>	<b>101.6</b>	<b>113.0</b>

Source: Her Majesty's Revenue & Customs

class demographic. India remains a long-term target for the salmon industry, but has yet to show much sign of growth. Of the largest markets, Russia is currently the most uncertain.

**Russia**

In the past decade, the Russian market has been characterized by growing salmon consumption. However, this trend is currently shifting as imports drop following the rise in prices of Norwegian salmon and depreciation of the national currency.

Since 1 January 2014, the RUB/USD exchange rate has declined by 11%, subsequently leading to the rise of import prices for Norwegian salmon in rubles. As a result, some Russian importers have been forced to halt their purchases of Norwegian salmon due to liquidity problems. Other companies with stronger capital have continued purchasing, albeit at decreased levels. It is possible that these larger companies will increase their market share in the near-term.



The falling volume of salmon from Norway has been partially replaced by salmon from Chile. Booming imports of Chilean salmon are largely explained by the combination of the lower competitive price and the decision to lift the duty exemption on fresh salmon imported for freezing purposes in Kaliningrad. Indeed, in 2013, Russia imported 63 700 tonnes of salmon and trout from Chile, which is 127% more than in the previous year. Coho salmon imports grew in particular, despite the increase in import price from USD 3.5 per kg in 2012 to USD 5 per kg in 2013. In April 2014, Atlantic salmon from Chile was priced at USD 8 per kg, coho salmon at USD 7 per kg and trout at USD 9 per kg.

The Russian salmon market is currently characterized by large volumes of frozen salmon in stocks and falling sales, resulting in Russian companies selling Norwegian salmon with losses. Analysts predict the further decline of salmon exports from Norway to Russia by 30 to 40% in 2014 compared with 2013 if the current salmon prices remain high (NOK 50 per kg) and if the ruble continues to weaken. However, if Norwegian salmon prices stay in the range of NOK 30-40 per kg, Russian imports of Norwegian salmon are predicted to recover.

## France

The French market, the most important market for salmon in the EU, performed well in 2013. Volumes were slightly down, but these were absorbed by substantially higher prices. However, there are reports that retail prices are now negatively impacting demand somewhat. While price quotes for fresh salmon from supermarket chains closely follow import prices, French smokers saw their margins tightly squeezed by fresh salmon prices from Norway as contractually-supplied retailers were slower to pass prices onto consumers. Another interesting development on the French market in 2013 was an increase in the proportion of Chilean product on the market, although early indications are that this trend is likely to be reversed in 2014.

## Imports

### Salmon: Germany (by origin)

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Norway	42.8	55.4	58.5	58.2	51.0	49.5
Poland	21.2	29.6	27.9	29.3	36.5	43.1
Denmark	11.0	9.9	9.0	10.4	8.8	13.5
China	12.4	13.9	17.5	15.3	12.9	11.9
Chile	13.6	8.1	2.0	3.4	2.6	7.8
Lithuania	2.2	3.5	5.2	6.0	5.8	4.8
USA	4.4	4.1	3.6	4.1	3.2	5.3
UK	1.7	2.5	2.9	3.0	3.4	3.3
Others	8.3	9.3	8.0	7.7	4.6	7.7
<b>Total</b>	<b>117.7</b>	<b>136.2</b>	<b>134.7</b>	<b>137.4</b>	<b>128.7</b>	<b>146.7</b>

Source: Germany Customs

## Imports

### Salmon: France

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
<b>Fresh whole</b>	<b>91.5</b>	<b>107.4</b>	<b>111.1</b>	<b>109.3</b>	<b>116.6</b>	<b>105.5</b>
Norway	65.1	74.0	79.3	76.3	82.7	72.3
UK	17.6	19.3	21.1	21.6	21.2	21.2
<b>Frozen Pac</b>	<b>5.7</b>	<b>4.8</b>	<b>4.7</b>	<b>4.6</b>	<b>4.8</b>	<b>3.4</b>
USA	4.4	4.0	4.3	4.5	2.6	2.9
<b>Frozen Atl</b>	<b>3.3</b>	<b>3.3</b>	<b>4.6</b>	<b>3.6</b>	<b>1.1</b>	<b>0.9</b>
Poland	0.0	0.0	0.6	0.1	0.0	0.4
Norway	1.0	0.9	0.9	0.7	0.4	0.2
<b>Smoked</b>	<b>5.4</b>	<b>5.7</b>	<b>7.4</b>	<b>7.8</b>	<b>9.3</b>	<b>8.7</b>
UK	0.9	1.0	0.8	0.9	0.8	0.6
Poland	3.0	3.4	5.3	5.5	6.8	6.5
Germany	0.5	0.3	,	0.4	0.5	0.5
<b>Fresh fillets</b>	<b>6.4</b>	<b>9.7</b>	<b>10.6</b>	<b>12.0</b>	<b>19.3</b>	<b>19.5</b>
Norway	5.5	8.2	9.6	11.0	17.1	17.0
<b>Frozen fillets</b>	<b>19.9</b>	<b>21.7</b>	<b>21.0</b>	<b>20.6</b>	<b>19.2</b>	<b>22.7</b>
Chile	8.8	9.0	3.8	4.4	6.0	8.8
China	4.5	5.8	8.2	8.2	5.4	4.9
Norway	2.2	2.9	3.4	2.8	3.0	3.7
<b>Canned</b>	<b>1.9</b>	<b>2.0</b>	<b>1.8</b>	<b>1.8</b>	<b>1.6</b>	<b>2.0</b>
Thailand	0.4	0.3	0.4	0.3	0.4	0.5
Denmark	0.6	0.7	0.4	0.6	0.6	0.5
Germany	0.1	0.3	0.2	0.0	0.0	0.2
<b>Grand Total</b>	<b>134.1</b>	<b>154.7</b>	<b>161.2</b>	<b>159.7</b>	<b>171.9</b>	<b>162.7</b>

Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE

## Germany

German consumers appeared to respond better to high prices than their French counterparts in 2013. The increase in salmon consumption took place against a backdrop of decreasing general seafood consumption,

## Imports

### Salmon: Germany (by product)

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Fresh salmon	41.0	51.7	50.0	51.7	44.9	46.7
Frozen salmon	7.4	6.6	5.9	5.4	5.1	9.7
Smoked salmon	24.0	32.8	32.8	35.7	34.5	38.8
Fresh fillets	6.4	8.2	8.2	6.9	7.3	8.3
Frozen fillets	34.6	32.3	32.3	30.6	26.7	32.3
Salted	0.6	1.6	2.9	4.3	7.3	7.2
Canned	3.7	3.0	2.7	2.7	2.8	3.8
<b>Total</b>	<b>117.7</b>	<b>136.2</b>	<b>134.7</b>	<b>137.4</b>	<b>128.7</b>	<b>146.7</b>

Source: Germany Customs



providing strong evidence of the rising demand for salmon. This is further reflected in the increase in both import volume and import value for 2013. However, it should be recognized that this is a market that is dominated by value-added products and large discount-retailers, delaying the transmission of raw material costs onto the consumer. Germany also substantially increased its imports from Chilean suppliers in 2013, mainly frozen fillets.

## Japan

Annual import figures for Japan in 2013 show an overall decrease both in total salmon imports and in prices. However, this is mainly due to weak demand in the first half of the year. In the latter of the year, prices for both Chilean coho and sockeye from Russia and the USA began picking up, and this trend has continued into early 2014. Demand appears to be firming, but other likely contributing factors to the upward price trend are reduced production volumes, low inventories, strengthening yen and increased availability of larger fish from Chile in the latter half of the year.

## Outlook

The outlook for the salmon industry looks positive, although there is always the possibility of negative shocks due to the number of uncertainties. Unknowns include the ongoing situation in Ukraine, the short-term development

## Imports

### Salmon: Japan

	2008	2009	2010	2011	2012	2013
<b>Fresh *</b>	<b>20.7</b>	<b>21.4</b>	<b>20.8</b>	<b>23.0</b>	<b>29.2</b>	<b>22.8</b>
Norway	15.6	18.6	18.0	19.7	26.4	19.4
Australia	1.1	1.1	1.3	1.7	1.2	0.8
UK	0.5	0.4	0.4	0.6	0.6	0.6
Canada	2.9	0.6	0.3	0.2	0.4	1.2
<b>Frozen**</b>	<b>131.3</b>	<b>128.3</b>	<b>128.3</b>	<b>143.1</b>	<b>148.9</b>	<b>137.9</b>
Chile	83.9	81.5	71.3	94.0	111.6	94.7
Russian Fed	26.3	21.7	24.9	28.3	24.9	34.5
USA	18.2	21.3	22.8	16.6	9.7	4.7
N. Zealand	0.7	2.0	1.6	1.5	0.8	1.9
Canada	0.7	0.7	6.7	1.4	0.8	1.1
<b>Fresh fillets</b>	NA	NA	NA	NA	<b>6.2</b>	<b>7.7</b>
Norway	NA	NA	NA	NA	5.5	7.6
<b>Frozen fillets</b>	NA	NA	NA	NA	<b>15.4</b>	<b>14.5</b>
Chile	NA	NA	NA	NA	9.1	9.2
<b>Norway</b>	NA	NA	NA	NA	4.7	3.5
<b>Grand Total</b>	<b>152.6</b>	<b>149.9</b>	<b>149.4</b>	<b>166.6</b>	<b>200.2</b>	<b>183.2</b>

Source: Japan Customs

\* mainly Atlantic \*\*mainly Pacific Note: 2008-2011 grand totals do not include fillets

## Market focus: salmon in China

In 2012, the Director for China in the Norwegian Seafood Council, Mr. Sigmund Bjørgero, predicted a future growth rate of 20% annually for fresh chilled salmon in China. In 2013, countries of origin for salmon sold in the Chinese markets ranged from Norway to Scotland, Denmark, Chile, with some volume coming from Canada, Australia and Ireland. After Norway, Chile has become the major supplying country. There is also a small volume of silver salmon and chum salmon from Alaska and Hokkaido. Large volumes of Pacific salmon imported from the USA and Russia are mainly for processing and re-export to the US and EU markets.

Chinese consumers have little knowledge about salmon except that fresh salmon is more nutritious and suitable for consumption in its raw form. There is a general lack of official standards and knowledge in terms of varieties, preparation methods and criteria for freshness.

Imports of fresh chilled salmon were initiated with some promotional activities launched in Beijing, Shanghai and Guangzhou some years ago. In the early stages of development, consumers could find Norwegian fresh chilled salmon only at special counters of supermarkets, buffet restaurants in hotels, or at Japanese restaurants. As the market developed, chain stores specializing in salmon were launched in South China. In 2013, consumers are increasingly buying salmon products through e-commerce, and target consumer groups include the young 20s to 30s demographic. The baby food market is also expected to grow in the future.

According to Oriental Ocean Sci-Tech Co., Ltd, one of the largest salmon farming companies in China with a production capacity of 1 000 tonnes a year, freshwater aquaculture species, namely rainbow trout and steelhead trout, are the main competitors to salmon in the Chinese market.

of the Russian market, negative media coverage and the ever-present possibility of disease outbreak and feed price movement. Nevertheless, salmon prices are expected to remain high on the back of relatively slower production growth. Norway is now expected to reclaim its role in leading these production increases, with Chilean farmers making concrete efforts to drastically reduce growth rates. While this is generally regarded as a step in the right direction, it remains to be seen whether it will indeed achieve the desired result of a reduction in mortalities, increase in production efficiency and improved profitability.

## New mackerel and herring quotas drive price movements for 2014: up for herring, down for mackerel

After long discussions, the North Sea mackerel and herring agreements have finally been signed, but not all nations are happy. With the mackerel quota for 2014 increased by 33%, the question now becomes, where will all the extra mackerel go? Quotas established for herring, on the other hand, will make for scarcer supplies.

### Mackerel

At long last, the mackerel agreement between Norway, the EU and the Faroe Islands has been reached. This is a long-term, five-year agreement, which should put an end to the debate that has been going on for some time now. For 2014, the mackerel quota for the EU amounts to 611 205 tonnes. Iceland is not yet part of this agreement. But according to EU Commissioner for Maritime Affairs and Fisheries, Maria Damanaki, the door is still open.

As a group, Norway, the Faroes and the EU are content with the agreement, however Denmark is extremely unhappy as the agreement means a 20% reduction for their mackerel quota. According to the Danish Pelagic Producers' Association, Danish players are claiming that the agreement rewards the Faroes for five years of illegal and irresponsible fishing.

Greenland is also unhappy as the agreement mandates that they are prevented from fishing an experimental quota of 100 000 tonnes. This year, applications for Greenland mackerel quotas amounted to almost five times the allocated quota, which is 60 000 tonnes. Last year, 53 881 tonnes of mackerel were caught in Greenland waters. As Greenland does not have a fleet large enough to catch the entire quota, vessels from countries such as Russia, Iceland and China have also applied for quota allocations.

In Galicia, mackerel fishermen are sorely disappointed with the quotas for 2014. The total quota for the Cantabrian and Northwest area is set at 6 480 tonnes, which according to the fishermen is "ridiculous" and will cause great losses to most of them. The Spanish Minister of Agriculture, Food and Environment, Miguel Arias Cañete, has described the problem of quota distribution between the fleets of Galicia, Asturias and the Basque country as "complicated" (Source: Undercurrent News).

In the South Pacific, fishing nations have recommended limiting the jack mackerel quota to 440 000 tonnes in 2014, which means there will be no change compared with 2013. However, Peru has set a high quota that may disrupt these plans. Realistically however, the jack mackerel stocks are not in great shape in this region,

### Imports

#### Frozen Mackerel: Germany

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
UK	2.5	1.2	1.9	7.6	9.4	10.1
Ireland	3.3	3.9	4.9	3.6	2.6	3.2
Faroe Is	0.0	0.0	2.4	4.9	5.5	3.2
Netherlands	4.6	4.7	5.4	5.3	5.4	2.9
Denmark	5.2	4.5	4.0	3.5	1.7	1.5
Norway	1.6	2.2	1.4	0.5	2.0	1.4
Poland	3.0	3.5	3.2	3.9	0.7	1.4
Others	1.9	1.7	1.6	3.3	1.0	0.9
<b>Total</b>	<b>22.1</b>	<b>21.7</b>	<b>24.8</b>	<b>32.6</b>	<b>28.3</b>	<b>24.6</b>

Source: Germany customs

### Exports

#### Frozen Mackerel: Norway

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Japan	56.3	51.7	80.5	74.7	48.0	52.3
China	32.4	33.2	51.0	56.9	48.0	52.2
Turkey	10.0	18.0	26.0	19.2	18.8	20.1
South Korea	3.1	7.7	12.1	14.2	13.1	17.0
Romania	16.0	19.9	16.0	18.1	19.6	13.1
Netherlands	2.7	4.8	5.9	10.8	18.5	9.5
Poland	6.1	12.1	8.3	5.3	7.5	9.3
Ukraine	10.1	13.0	8.5	9.4	7.4	8.6
Egypt	0.2	0.0	3.6	0.0	3.4	8.2
Lithuania	1.1	2.5	1.5	3.5	8.6	7.4
Thailand	1.8	1.5	2.0	2.4	3.8	6.3
Taiwan PC	0.9	2.3	2.6	3.0	7.2	5.4
USA	2.9	1.8	4.0	2.8	2.9	4.0
Nigeria	1.7	4.3	25.0	3.1	27.7	3.8
Viet Nam	0.5	0.2	0.6	2.0	2.4	3.2
Ghana	0.1	0.0	1.1	0.1	1.6	3.1
Belarus	2.8	2.8	2.8	1.4	1.6	1.1
Others	13.9	12.5	13.5	12.4	23.3	20.5
<b>Total</b>	<b>162.6</b>	<b>188.3</b>	<b>265.0</b>	<b>239.3</b>	<b>263.4</b>	<b>245.1</b>

Source: Statistics Norway



so there may be little chance that the quotas will actually be filled.

Norwegian mackerel exports declined in 2013 compared with 2012, but there are now signs that this will change in 2014. While Norwegian exports of frozen whole mackerel dropped from 263 400 tonnes in 2012 to 245 100 tonnes in 2013 (-6.9%), exported volume increased during the first quarter of 2014 by 13.7% when compared with the same time period in 2013. Prices are also strengthening. The average export price (FOB Norway) during the first quarter of 2013 was NOK 9.69, while in 2014 it increased to NOK 11.92.

The main markets for Norwegian frozen mackerel are Japan and China, which both took about 52 000 tonnes in 2013. Turkey, The Republic of Korea and Romania are also important markets for this product. While the top markets have all increased their imports of Norwegian mackerel, the Netherlands imported less in 2013.

The quota increase for Northeast Atlantic mackerel (to 1.24 million tonnes) will create new and exciting market conditions. However, it will be a great challenge to sell the 300 000 extra tonnes of mackerel this year, and the big question now becomes, where will all of the extra fish be sold? Russia and Ukraine are traditionally good markets for Norway and European exporters, but in view of the political situation at present, there is great uncertainty about trade boycotts. Turkey, which in recent years has increased its imports of small pelagics, could be a possible market. However, Turkey has a tax-free agreement with Norway and consequently buys almost exclusively from Norway. The other consideration is that Turkey typically purchases small sizes (200-400 g), and little is known about the size and quality of this year's catch. Another possible market is China, which has increased imports of round frozen mackerel from Norway by almost 50%, to 14 500 tonnes during the first quarter of 2014 compared with the same time period in

2013. FOB export prices from Norway to China have also significantly increased during this period, from NOK 8.98 in 2013 to NOK 11.93 in 2014.

Since late 2012, frozen mackerel prices have been on a general rise. There have been some very noticeable ups and downs, especially for large sizes, but the general trend has been an increase in prices. For smaller sizes (<600 g), prices have been more stable and at a lower level. However, changes are expected this year as the 33% increase in the 2014 mackerel quota has caused several traders to expect a fall in prices. Considering the prices for frozen mackerel at present are about 20-25% higher than last year, a certain price reduction should be possible for the industry to weather.

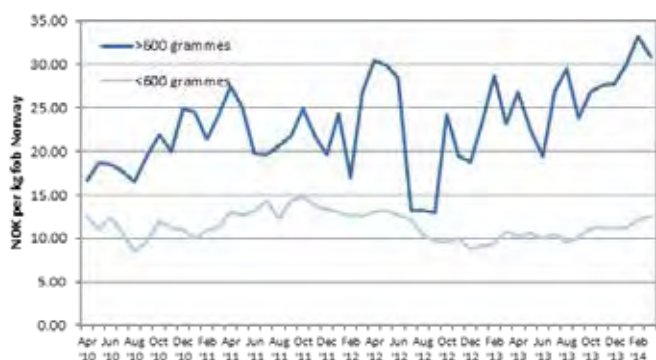
As predicted, with a massive increase in the quota, prices are bound to come down. How far down remains to be seen. Much depends on how active the exporters will be in promoting the extra product, and especially how the political crisis in Russia and Ukraine develops.

## Herring

The north Atlantic herring agreement was reached between the EU, Norway, Iceland and Russia at the end of March 2014. The total allowable catch was set at 418 487 tonnes, which is a 33% reduction compared with the 2013 TAC. The Faroes, however, refused to sign the deal, in spite of the recent success of the mackerel agreement. Norway received 61% of the quota, or 255 277 tonnes.

The lack of a firm deal regarding herring quotas in the North Sea has created a difficult situation for several

## Norwegian frozen mackerel export prices



Source: NSC/Central Bureau of Statistics, Norway

## Exports

### Dutch frozen herring

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Nigeria	51.0	48.0	49.0	37.3	66.0	59.3
Egypt	14.6	31.3	23.4	18.2	34.3	42.8
China	5.7	10.4	10.2	7.7	7.7	7.4
UK	0.8	0.6	0.8	1.8	1.2	3.5
Cote d'Ivoire	0.6	0.7	0.1	0.0	0.4	3.4
Germany	4.6	1.7	2.2	2.4	3.1	3.1
Ghana	0.1	0.0	0.0	0.0	2.2	2.0
Lithuania	1.5	1.1	0.7	1.8	4.7	1.4
Malta	0.7	0.5	1.0	0.8	0.8	1.2
Spain	0.2	0.1	0.3	2.0	2.3	1.1
France	1.3	0.4	0.9	1.5	4.4	1.1
Others	5.0	5.1	3.9	4.5	6.4	7.0
<b>Total</b>	<b>86.1</b>	<b>99.9</b>	<b>92.5</b>	<b>78.0</b>	<b>133.5</b>	<b>133.3</b>

Source: Eurostat



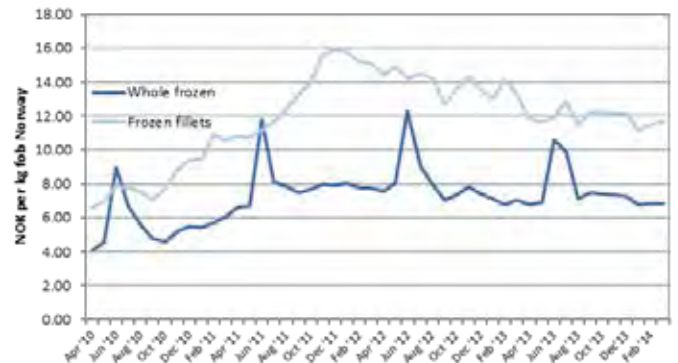
nations, and fishermen in Denmark are now complaining that the lack of an agreement is causing great losses to their industry. In fact, they have calculated that the loss to Danish fishermen amounts to EUR 13 million so far. The Danish fleet catches most of its Atlantic herring quota in Norwegian waters, as this is cheaper than fishing in EU waters due to shorter distances to landing ports.

A new herring product called ‘virgin herring’ has been introduced by the Norwegian research institute Nofima (Norwegian Institute for Food, Fisheries and Aquaculture). The product is made from filleted fresh small North Sea herring that are lightly salted and matured, giving it a mild taste. The new product was launched in attempt to provide an alternative to matjes herring, which in some years has been produced in larger quantities than the market has been able to absorb. Virgin herring is currently being tested in a number of markets.

In spite of catches being reduced, Norway experienced a slight increase in frozen herring exports for the year, from 205 100 tonnes in 2012 to 212 400 tonnes in 2013. Export prices (FOB Norway) fell only slightly, from NOK 7.91 per kg to NOK 7.28 per kg. However, there were some significant changes in the direction of trade with Russia increasing their imports of Norwegian herring from 60 000 tonnes in 2012 to 78 700 tonnes in 2013. Ukraine imported less, from 58 300 tonnes to 40 000 tonnes. Lithuania increased its imports from Norway, as did the Netherlands.

In the first quarter of 2014, the Norwegian export volume of frozen herring dropped by 12.3%, to 51 500 tonnes compared with the first quarter of 2013. But at the same time, prices declined slightly as well.

Norwegian frozen herring export prices



Source: NSC/Central Bureau of Statistics, Norway

Germany, which is a major market for herring fillets from Norway, imported considerably less in 2013 than in 2012. Imports from Norway dropped by 43.7%, and imports from Denmark were reduced by 21.5%. The greatest reduction was registered for UK exports of frozen herring fillets to Germany, which were down from 8 200 tonnes in 2012 to 2 600 tonnes in 2013 (-67.9%).

In Japan, herring sold well in 2013, with imports growing by a healthy 28.9%. The main supplier was the USA, which accounted for as much as 69% of total imports of fresh and frozen herring. Other main suppliers such as Russia, Norway and Canada also increased shipments to Japan in 2013.

While mackerel prices have been on an upward trend over the past two years, herring prices have clearly gone the other way. Prices for whole frozen herring have been sliding since the beginning of 2012, while frozen fillet prices have been more stable, although on a slight

Exports

Frozen Whole Herring: Norway

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Russian Fed.	154.6	151.6	121.1	77.1	60.0	78.7
Ukraine	79.3	106.6	9.5	56.0	58.3	40.0
Lithuania	15.3	24.5	22.7	22.8	26.2	36.1
Netherlands	13.0	14.2	17.8	15.5	9.7	12.4
Egypt	15.2	13.6	22.6	16.3	15.3	10.8
Latvia	2.8	5.1	4.3	4.6	4.2	10.6
Poland	3.8	5.6	4.9	2.8	3.3	3.8
Nigeria	138.5	119.5	129.2	44.7	6.7	2.9
Japan	9.6	3.5	3.5	2.6	3.0	2.6
Kazakhstan	13.4	16.7	14.4	10.9	3.2	2.1
Others	36.6	39.2	98.1	27.6	15.2	12.4
<b>Total</b>	<b>482.1</b>	<b>500.1</b>	<b>448.1</b>	<b>280.9</b>	<b>205.1</b>	<b>212.4</b>

Source: Statistics Norway

Imports

Frozen Herring Fillets: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Norway	5.1	12.0	17.6	17.0	13.7	5.9
Denmark	4.0	2.8	1.7	1.7	5.1	4.4
Ireland	1.4	0.6	0.5	0.7	1.7	3.2
UK	0.5	0.3	0.0	0.2	8.6	2.9
Iceland	0.0	0.0	0.8	1.5	0.8	1.7
Netherlands	1.4	1.3	1.3	1.2	1.0	1.0
Others	0.4	1.2	0.6	0.6	0.3	0.1
<b>Total</b>	<b>12.8</b>	<b>18.2</b>	<b>22.5</b>	<b>22.9</b>	<b>31.2</b>	<b>19.2</b>

Source: Germany customs





### Imports

#### Fresh and Frozen Herring: Japan

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
USA	21.4	22.0	26.4	23.4	17.5	21.9
Russian Fed	8.1	5.0	5.4	4.3	4.2	5.1
Norway	4.3	3.6	3.3	3.7	2.2	2.5
Canada	0.0	0.0	0.0	0.0	0.2	1.7
Others	1.2	1.3	1.4	0.4	0.5	0.5
<b>Total</b>	<b>35.0</b>	<b>31.9</b>	<b>36.5</b>	<b>31.8</b>	<b>24.6</b>	<b>31.7</b>

Source: Japan Customs

downward trend with seasonal peaks every June. The seasonal June peak will come this year as well of course, but it is expected that post-June herring prices will turn and increase for the rest of 2014.

### Capelin

After a slow start, the capelin season in Norway and Iceland is now taking off. However, the quota for 2014 has been dramatically reduced. In 2012, the allocated quota was 221 000 tonnes, in 2013, 119 000 tonnes and in 2014 it is only 38 980 tonnes. By the middle of February 2014, only some 19% of the quota had been landed. This is significantly less than in 2013, when 64% of the quota had been landed by this time.

### Anchovies and sardines

Peruvian scientists are predicting a strong El Niño this year, which is expected to have a major effect on fisheries off the west coast of South America in 2014. This will affect primarily the anchovy fishery and the giant squid fishery. Thus, there may be less raw material available for the fishmeal industry this year. This year's El Niño started already in February, and may be as strong as in 1997-1998, which was the strongest ever recorded. With these predictions, Peru has recommended starting the season earlier than usual.

The Pacific anchovy resources off Chile and Peru are under scrutiny. A team of researchers from the Fisheries Development Institute (FIFG) in Chile have started a study of the juvenile anchovy stock to provide a resource assessment that will give guidance to the authorities regarding future quotas.

Chile has already reduced the sardine and anchovies TACs for 2014 by 38% and 65%, respectively. Thus, the Chilean pelagic industry is preparing for a tough year. In Peru, as much as 99.1% of the total Pacific anchovy quota has been allocated to the industrial fleet. Peruvian

Minister, Gladys Triveño, announced that this was good news for the industry and that the biomass has improved. The total quota allocated amounts to 2 304 000 tonnes.

Meanwhile, on the other side of the South American continent, Argentina is also studying the anchovy biomass. According to a study published by a research group from the National Institute of Fisheries Research (Inidep), the anchovy biomass now exceeds 700 000 tonnes. The Federal Fisheries Council (CFP) has announced that a maximum allowable catch of 120 000 tonnes is possible. However, this greatly exceeds the actual landed catch, which in 2013 was just over 18 000 tonnes.

### Canned sardines

As reported in Globefish Highlights January 2014, Namibia will not be producing any sardines in 2014, and this may affect the availability of canned sardines on some markets, most noticeably in Africa and Europe. Apart from that, there is little movement on the canned sardine market. Import volumes were stagnant in 2013 compared with 2012. There was a slight decline in German imports, which went down by 10%. The decline was suffered mainly by the largest supplier, Morocco.

France imported slightly more canned sardines in 2013, and there was a change in the relative positions of main suppliers Morocco and Spain in favour of Morocco. Imports into the UK and the USA saw the same trend as in Germany, with roughly a 10% decline in import volumes. Some changes in the positions of the main exporters to these markets were registered. In the USA, Thailand lost ground (-38.5%), as it did the UK (-45%), while Morocco strengthened its position in both of these markets.

In recent news, a new cannery is being built in Brazil, in Sao Concalo do Amarante in Fortaleza. The new cannery will have a 60 tonne per day capacity, and will be operational by mid-April 2014. The main products will be canned small pelagics in tomato sauce or oil.

### Imports

#### Canned sardine: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	10.0	6.7	5.2	4.4	5.3	4.8
Peru	0.5	0.5	0.7	0.8	1.5	1.2
Netherlands	0.5	0.8	0.8	0.8	0.5	0.7
Others	1.2	0.5	0.5	0.7	0.5	0.4
<b>Total</b>	<b>12.2</b>	<b>8.5</b>	<b>7.2</b>	<b>6.7</b>	<b>7.8</b>	<b>7.1</b>

Source: Germany customs



**Imports**

**Canned sardines: France**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	12.8	13.6	11.3	7.7	10.2	11.9
Portugal	3.4	4.0	4.1	3.9	5.0	3.9
Spain	1.2	0.7	0.9	0.4	0.4	0.3
Others	0.7	0.7	0.4	0.3	0.7	0.4
<b>Total</b>	<b>18.1</b>	<b>19.0</b>	<b>16.7</b>	<b>12.3</b>	<b>16.3</b>	<b>16.5</b>

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

**Imports**

**Canned sardine: UK**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	5.5	4.5	4.8	2.8	3.7	4.7
Portugal	5.7	4.7	5.0	5.2	4.6	4.0
Thailand	1.5	1.2	3.4	2.9	5.3	2.9
Others	1.4	1.5	1.0	0.4	0.3	0.9
<b>Total</b>	<b>14.1</b>	<b>11.9</b>	<b>14.2</b>	<b>11.3</b>	<b>13.9</b>	<b>12.5</b>

Source: Her Majesty's Revenue & Customs

**Imports**

**Canned sardine: USA**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	3.7	3.8	3.8	3.4	4.3	4.7
Poland	1.3	1.5	3.6	5.0	4.2	4.6
Thailand	4.6	5.6	4.8	5.6	6.5	4.0
Ecuador	2.7	3.2	2.9	2.8	4.7	4.0
Canada	6.4	6.5	6.8	6.0	3.8	4.0
China	0.1	0.8	1.4	1.5	1.9	1.7
Philippines	1.8	1.8	1.7	2.5	1.8	1.4
Others	4.8	4.9	3.4	3.2	3.0	3.0
<b>TOTAL</b>	<b>25.4</b>	<b>28.1</b>	<b>28.4</b>	<b>30.0</b>	<b>30.2</b>	<b>27.4</b>

Source: NMFS

**Outlook**

The outlook for 2014 demonstrates that there will be more than adequate supplies of mackerel, but significantly less herring than in 2013. This should result in price reductions for frozen mackerel, as well as increasing efforts on the part of the main exporters to find new markets. In the herring industry, one may expect tighter supplies and slight price increases.

**Market focus: herring in Russia**

The herring market in Russia is characterized by mixed-usages; a significant part of Pacific herring is exported while Atlantic herring is used mostly as raw material for processing. According to www.fishnet, in 2014, the forecast of the Russian herring catch is estimated to be 350 000 tonnes, of which only 10% will be provided by Atlantic herring, while the rest will be made up of Pacific herring caught in the Russian Far East. It is expected that there will be a shortage of 150 000 tonnes of herring on the Russian market due to the decreased TAC for both Atlantic and Pacific herring. Traditionally, Russia has been the leading importer and consumer of herring, therefore, the processing companies are currently deciding whether to wait for the improvement of the supply situation with Atlantic herring, or to substitute with Pacific herring, which is currently exported in large volumes (around 100 000 tonnes) from the Russian Far East to the Southeast Asian countries.

**First quarter catch**

According to Rosrybolovstvo, as of March 24, 2014, the catch of Pacific herring for the first quarter of 2014 was 41 600 tonnes lower than compared with the corresponding period in 2013, amounting to only 54 400 tonnes. Such a significant decline in catch is due to the lower number of fishing vessels early this year as most of the fishing fleet was focused on the Alaska pollock catch. This situation continued until 1 April 2014, when the ban of Alaska pollock catch in the West-Kamchatka and Kamchatka-Kurilskaya subzones came into force. Following the ban, increased catch of Pacific herring should be expected.

**Local market**

According to www.fishnet.ru, prices of large sized Pacific herring (25 cm+) on the wholesale market in Moscow on 2 April 2014, increased from its lowest limit of RUB 28 per kg (EUR 0.57 per kg) to RUB 33 per kg (EUR 0.67 per kg). This upward price trend is due to strong demand and is expected to continue, with forecasts that May prices will reach RUB 35 per kg (EUR 0.71 per kg). Regarding Atlantic herring, the price has stabilized though it may decrease in the future for smaller sizes. The price of Atlantic herring from the Faroe Islands (350+ g) ranged from RUB 57 to 59 per kg (EUR 1.16 to 1.20 per kg) with declining price tendencies due to the lower demand for the given size. The same fish sized 400+ g reached its peak price in the range of RUB 63 to 70 per kg (EUR 1.29 to 1.43 per kg), with no expectations of price decline in the near-term.

# FISHMEAL AND FISH OIL

## Strong demand and limited production for fishmeal and fish oil result in record high prices in 2013

Growing demand from the aquaculture and terrestrial animal feed sectors maintained pressure on fishmeal and fish oil prices, while increasing demand for direct human consumption further increased fish oil prices. Declines in global production due to quota restrictions and adverse weather pushed both prices up further in 2013 to record high levels. China remained the largest consumer of fishmeal although the country is shifting its supplies to originate from Southeast Asia while growing its domestic production as well.

Feed producers are increasingly substituting with plant based material to reduce their dependency on fishmeal and oil. In May 2013, the price ratio between fishmeal and soymeal reached 3:6:1 (compared with the 10-year average of 3:3:1), but in September it retreated to 1:6:1 due to drastic changes in soymeal prices.

### Production

#### Fishmeal: 5 major producers

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Peru/Chile	2063	2039	1274	2160	1161	855
Denmark/ Norway	302	274	345	256	140	190
Iceland	251	198	146	134	169	176
<b>Total</b>	<b>2616</b>	<b>2511</b>	<b>1855</b>	<b>2607</b>	<b>1801</b>	<b>1477</b>

Source: IFFO

\* these figures refer only to IFFO member countries

### Production

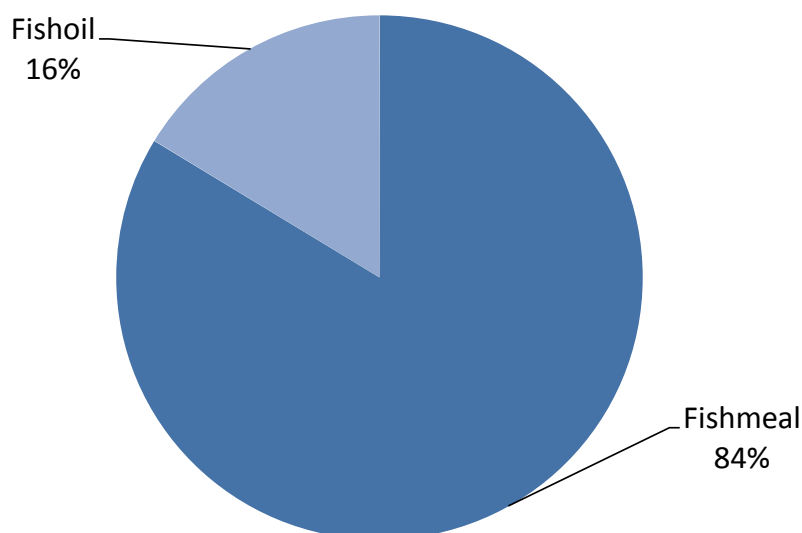
#### Fish oil: 5 major producers

	2008	2009	2010	2011	2012	2013
(1 000 tonnes)						
Peru/Chile	459	410	279	450	295	181
Denmark/ Norway	93	79	116	92	50	57
Iceland	81	44	69	67	67	69
<b>Total</b>	<b>633</b>	<b>532</b>	<b>471</b>	<b>612</b>	<b>479</b>	<b>441</b>

Source: IFFO

\* these figures refer only to IFFO member countries

## Fishmeal and Fish Oil production (2011)



Source : FAO



## Production

Fishmeal production from the top five supplying countries in 2013 was 18% lower than in 2012. Peru and Chile faced the biggest declines, dropping 26% from 1 160 000 tonnes to 855 000 tonnes. This amount reflected the lowest volume in six years, and was in fact only 40% of the highest amount, produced in 2011. This low fishmeal production in 2013 is largely due to Peru's low summer anchovy quota in 2012, which amounted to only 810 000 tonnes. Both low production and low inventory drove up the prices of fishmeal to a record high for the first half of 2013. Fishmeal production from Denmark, Norway and Iceland was slightly higher than in the previous year, but their limited production only offset the decline in Peru and Chile slightly.

Fish oil production faced the same situation as fishmeal. Production from Peru and Chile dropped by 39% in 2013, reaching just 181 000 tonnes. In turn, their production share also significantly declined from 77% in 2009 to 41% in 2013. Slightly higher production from Denmark, Norway and Iceland closed the overall supply gap to a limited extent. The USA notably exported 72% more volumes of fish oil for the year, mainly from gulf menhaden. These trends, along with a growing demand for fish oil and quota restrictions, continued to put upward pressure on fish oil prices throughout the year.

## Export

Peruvian fishmeal exports in 2013 were reported at 846 700 tonnes, which was only 64% of the volume in 2012. With the exception of China, exports to all major countries fell to less than half of the 2012 level reaching record low volumes. After the winter fishing season, exports increased tremendously, with 60% of these volumes destined to Chinese ports. Chilean fishmeal exports also reported the lowest record in 6 years, exporting less in 2013 to almost all importing countries. China had the largest market share, accounting for 44% of Chilean fishmeal exports.

In the case of fish oil, Peru only exported 98 800 tonnes of fish oil in 2013, a mere 36% of the volume in 2012 and the lowest production in the past six years, due largely to weather and quota restrictions. Chile exported slightly more fish oil than in the previous, reaching 68 100 tonnes. US exports grew, shipping 72% more fish oil than compared with 2012. The bulk came from gulf menhaden, which demonstrated a 158% increase over 2012.

## Markets

### Germany

Germany reported total fishmeal imports of 167 200 tonnes in 2013, a drop of 27% compared with 2012.

## Exports

### Fishmeal: Peru

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	831.9	753.9	554.5	758.0	681.9	535.4
Germany	191.9	269.1	136.3	119.2	193.5	90.7
Japan	148.1	117.1	112.2	95.8	113.1	47.4
Taiwan PC	63.1	62.5	37.5	46.3	53.7	18.2
Viet Nam	46.8	61.4	34.5	44.3	52.1	19.2
UK	22.7	54.4	32.2	30.8	19.7	12.2
Others	259.5	218.8	177.3	198.0	205.8	123.6
<b>Total</b>	<b>1564.0</b>	<b>1537.2</b>	<b>1084.5</b>	<b>1292.5</b>	<b>1319.8</b>	<b>846.7</b>

Source: Produce

## Exports

### Fishmeal: Chile

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	245.0	328.5	119.5	157.0	131.2	105.2
Japan	51.0	61.0	54.7	37.0	30.3	22.9
Spain	32.0	29.9	23.8	19.0	15.7	17.2
Republic of Korea	25.0	29.7	20.4	17.0	21.2	15.3
Italy	22.0	25.8	18.6	20.0	12.9	12.6
Taiwan PC	18.0	20.6	8.0	13.0	12.1	5.0
Germany	37.0	30.1	12.5	16.0	16.7	0.5
Others	57.0	79.3	61.1	38.0	59.2	61.2
<b>Total</b>	<b>487.0</b>	<b>605.0</b>	<b>318.6</b>	<b>317.0</b>	<b>299.3</b>	<b>239.9</b>

Source: Produce

## Exports

### Fish oil: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Menhaden	43.2	31.5	62.2	44.1	17.8	46.0
Other	13.3	17.4	14.8	21.2	20.5	19.8
<b>Total</b>	<b>56.5</b>	<b>48.9</b>	<b>77.0</b>	<b>65.3</b>	<b>38.3</b>	<b>65.8</b>

Source: NMFS



## Imports

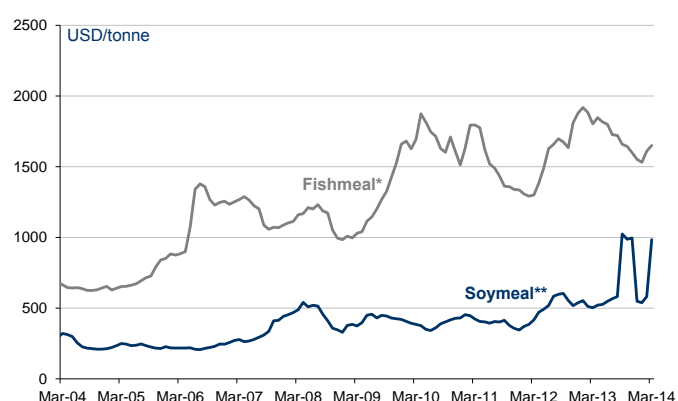
### Fishmeal: UK

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ireland	11.4	22.2	11.2	2.6	9.8	12.5
Peru	24.6	53.1	33.3	28.6	24.2	11.9
Denmark	22.0	19.1	29.7	23.7	10.3	11.2
Germany	8.3	2.5	14.9	14.9	10.4	7.3
Iceland	10.3	1.6	2.8	3.5	7.3	5.7
Norway	3.8	2.6	3.7	3.1	0.1	5.6
Chile	0.2	4.7	1.2	1.5	1.9	2.9
France	0.5	1.2	1.1	1.8	1.4	1.8
Spain	0.1	0.0	0.0	1.0	0.4	1.4
Others	12.1	7.5	3.5	3.2	8.3	5.5
<b>Total</b>	<b>93.3</b>	<b>114.5</b>	<b>101.4</b>	<b>83.9</b>	<b>74.1</b>	<b>65.8</b>

Source: Her Majesty's Revenue & Customs

## Prices

### Fishmeal and Soymeal



Source: Oil World, GLOBEFISH  
\* all origins, 64-65% cif Hamburg; 44% cif Rotterdam

## Exports

### Fishoil: Peru

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Denmark	32.6	85.1	42.7	58.0	88.7	35.3
Belgium	64.6	67.3	44.8	40.1	48.8	19.8
Chile	52.3	22.5	61.9	45.1	40.1	14.0
Australia	10.0	9.7	12.4	5.2	4.1	4.5
China	1.0	31.5	16.7	11.2	5.0	4.5
Norway	31.4	19.5	14.2	7.9	26.7	8.9
Canada	20.5	17.1	19.9	11.7	18.3	0.5
Others	22.4	34.5	22.4	32.1	41.6	11.4
<b>Total</b>	<b>234.9</b>	<b>287.2</b>	<b>235.1</b>	<b>211.3</b>	<b>273.3</b>	<b>98.8</b>

Source: Produce \* included under "others"

## Imports

### Fishmeal\*: USA

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Mexico	22.7	17.9	5.8	12.9	15.6	19.0
Chile	5.5	5.9	13.1	10.9	17.4	17.3
Canada	4.4	6.7	6.7	6.1	5.3	4.5
Others	5.5	4.4	13.5	4.5	5.0	6.7
<b>Total</b>	<b>38.1</b>	<b>34.8</b>	<b>39.1</b>	<b>34.4</b>	<b>43.3</b>	<b>47.5</b>

Source: NMFS \* excluding solubles

## Exports

### Fishoil: Chile

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	12.6	0.0	11.0	5.4	6.8	8.5
Japan	15.8	10.6	7.5	14.2	10.6	9.2
Norway	5.5	1.0	6.4	3.5	1.6	2.3
Belgium	3.1	22.4	2.1	0.0	5.4	1.4
Denmark	15.0	0.0	4.0	0.0	3.0	0.0
Vietnam	4.6	6.4	4.9	6.2	6.1	5.5
Indonesia	0.6	0.9	1.2	4.8	4.8	4.5
Others	23.9	39.4	13.1	27.9	29.6	36.8
<b>Total</b>	<b>81.0</b>	<b>80.8</b>	<b>50.0</b>	<b>62.0</b>	<b>67.9</b>	<b>68.1</b>

Source: Boletín de Exportaciones del IFOP

## Imports

### Fishmeal: Germany

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Peru	131.1	251.1	159.3	115.7	145.1	75.8
Morocco	1.8	5.6	36.0	19.2	22.2	21.9
Iceland	7.5	0.0	0.0	1.5	1.3	20.1
Denmark	8.8	14.9	13.5	12.0	7.5	17.4
France	3.6	4.2	3.7	4.4	4.5	10.3
Mauritania	0.0	0.0	0.0	0.0	4.0	10.1
Others	12.5	34.7	15.2	14.0	44.0	11.6
<b>Total</b>	<b>165.3</b>	<b>310.5</b>	<b>227.7</b>	<b>166.8</b>	<b>228.6</b>	<b>167.2</b>

Source: Germany Customs



Fishmeal originating from Peru contributed to less than half of this volume, while the import total from Iceland, Denmark, France and Mauritania more than tripled to more or less close the gap. Nevertheless, Peru and Morocco still supplied the majority of German fishmeal imports for the year, accounting for 58%.

## USA

US fishmeal imports increased steadily in 2013, though the 2012-2013 growth rate slowed to 10% compared with 2011-2012 growth rates of 26%. Mexico and Chile were the major suppliers contributing 76% to the US market. After its low year in 2010, Mexico has been slowly expanding its market share. US demand was primarily from the terrestrial animal farming industry.

## UK

The UK imported slightly less fishmeal in 2013 at 658 000 tonnes. Imports from Peru fell by half, but imports from Norway, France and Spain compensated for the decline to some extent. In general, the current fishmeal imports in the UK have been on a downward trend since 2009 and decreased by 11% in 2013 compared with 2012.

## Prices

Due to the strong demand from aquaculture and the terrestrial farming sector, fishmeal and fish oil prices in 2013 were in general quite high. The price of fishmeal went up to USD 1 919 per tonne in January 2013, largely due to the low quota in late 2012. Throughout 2013, with weaker demand from the shrimp industry, increased anchovy landings in Peru post winter season, and decreasing demand from China towards the end of

the year, fishmeal prices gradually came down to USD 1 553 per tonne in December 2013. Soymeal prices had a drastic range of ups and downs during the year from USD 553 per tonne in January to USD 1 024 in October, though generally, the price is increasing as its substitution role for fishmeal strengthens.

Fish oil prices reached record high levels in 2013. Although the USA exported 72% more fish oil than in 2012, the decline in exports from Peru due to quota restrictions and adverse weather drove prices up. Growing demand from the direct human consumption industry pushed up fish oil prices further. An additional factor impacting supply was that after the low quota in Peru in 2012, much of the fish caught in 2013 was adult fish, containing less fat for oil production.

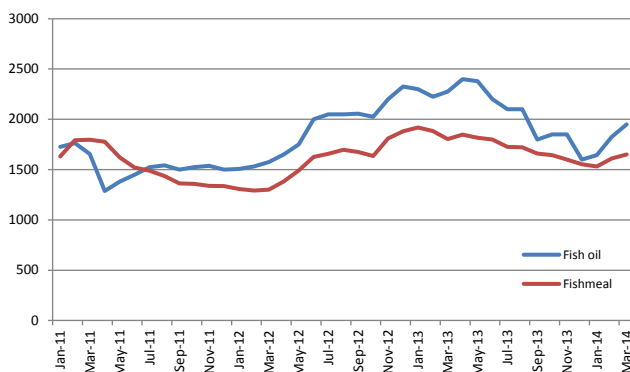
## Outlook

The demand for fishmeal and fish oil from aquaculture and the terrestrial farming industry will remain strong in the long-term. Increased demand from the direct human consumption industry will also continue to push up the fish oil price. Although an increasing amount of meal producers are revising their formula to substitute with more soymeal or canola to reduce their dependence on fishmeal, this process could be lengthy, particularly when the price of soymeal showed instability in 2013.

Although anchovy quotas were raised to 2.05 and 2.3 million tonnes for two fishing seasons in Peru (May-July 2013 and November 2013-January 2014), several companies reported heavy financial losses in 2013 and there is yet no news about the quota for 2014. Nevertheless, it is anticipated that the strong El Niño effect in 2014 will impact fishmeal production.

On the other hand, there is some promising news. The result of a recent stock assessment showed that the status of the gulf menhaden fishery stock is healthy at current harvest levels. Furthermore, with the EU's introduction of a ban on discards for quota stocks in 2014, more by-products from the processing sector for fishmeal production may be expected, especially within the context of climbing fishmeal prices. Although both of these developments will help to reduce the pressure on the supply side to some extent, prices for fishmeal and oil are expected to remain high in the long-term.

## Fishmeal and fishoil prices Europe (USD/tonne)



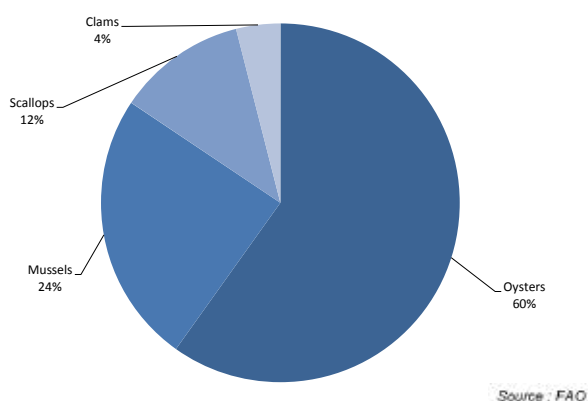
Source : Oil World

# BIVALVES

## For 2013, a slight drop in mussel imports whereas international trade in scallops consolidates

In 2013, the global European trade of mussels slightly declined, with imports decreasing by 3.8% compared with 2012. Chile was the top external EU supplier with a total of 39 300 tonnes shipped to Europe, of which the majority (14 800 tonnes) went to Spain. For scallops, the EU-27 recorded a 4.9% increase in imports (+2 500 tonnes) in 2013, with a high rise shown for Peruvian frozen scallops.

Bivalves production by species (2012)



### Imports/Exports

#### Mussel: World

	2012	2013
(1 000 tonnes)		
<b>IMPORTS</b>		
France	54.7	52.2
Italy	41.5	42.1
USA	34.3	32.2
Belgium	28.1	27.0
Netherlands	28.3	25.8
Spain	18.1	23.0
Germany	21.4	13.8
Russian Fed.	8.3	8.5
UK	6.2	5.7
Republic of Korea	6.5	4.6
<b>Total</b>	<b>286.7*</b>	<b>276.1*</b>
<b>EXPORTS</b>		
Chile	61.0	64.9
Netherlands	44.9	43.5
Spain	47.9	43.1
New Zealand	33.7	28.7
Denmark	14.1	24.7
Canada	16.4	16.3
Ireland	15.8	12.6
Italy	8.7	11.1
Greece	10.0	9.7
UK	13.9	8.3
China	7.1	8.2
<b>Total</b>	<b>302.2</b>	<b>294.8*</b>

Source: GTIS

\* estimates

### Mussels

For 2013, total imports of mussels into the EU-27 reached 201 400 tonnes, which reflects a small decrease compared with 2012 (-3.8%) though a stronger decline is noted when compared with 2011 (-10.4%). Out of the total amount of mussels imported into the EU-27 in 2013, 77.5% originated from domestic supplies, with the Netherlands (22% market share) and Spain (20.5%) providing the largest supplies. Chile occupied a noteworthy third position in imports with 39 300 tonnes exported to France, for a 19.5% market share of total EU-27 mussel supplies.

Overall, EU-27 imports of mussels declined from most origins in 2013, with the exception of Chile, Italy and Greece. The year was particularly hard for Ireland, whose exports to the rest of the EU dropped by a dramatic 22% (-3 400 tonnes) reflecting a decline in Irish production. Imports also declined from large-scale suppliers such as the Netherlands and Spain.

Despite a 4.6% decline in 2013 imports compared with 2012, France in the number one mussel importer in the EU, with a 25.9% market share and 52 200 tonnes purchased abroad. With over 30 000 tonnes imported every year (32 900 tonnes in 2013), Italy is the second largest EU-27 importer of mussels, followed by Belgium (25 200 tonnes in 2013). The Netherlands is the fourth biggest importer, though it mostly processes and then re-

exports the finished product (washed and packed). From 2008 to 2013, the Netherlands imported 28 100 tonnes and exported 46 400 tonnes per year.

In 2013, major French mussel suppliers include the Netherlands (25.1% market share), Spain (22.9%) and Chile (18.2%). French mussel imports slightly shrank in 2013 compared with 2012 (-4.6%), though the drop was more significant when comparing 2013 with 2010, which


**Imports**
**Mussels: EU-27**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France	53.8	55.8	63.3	60.2	54.7	52.2
Italy	39.3	41.4	37.1	37.8	41.5	42.1
Belgium	28.7	29.9	29.6	28.3	28.1	27.0
Netherlands	30.2	22.7	23.3	35.7	28.3	25.8
Spain	16.7	15.4	17.9	25.4	18.1	23.0
Germany	14.6	16.0	14.3	16.8	21.4	13.8
UK	5.8	5.9	6.8	7.2	6.2	5.7
Portugal	3.9	3.0	3.0	4.2	2.7	3.9
Others	11.5	12.3	9.1	9.1	8.5	7.9
<b>Total</b>	<b>204.4</b>	<b>202.4</b>	<b>204.5</b>	<b>224.7</b>	<b>209.3</b>	<b>201.4</b>

Source: EUROSTAT and Customs

**Imports**
**Mussels: EU-27 (by country of origin and destination)**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
Netherlands	42.6	47.2	48.6	48.4	47.3	44.4
Spain	39.5	44.1	41.2	36.9	44.6	41.3
Chile	38.0	28.8	36.1	52.1	37.2	39.3
Denmark	14.9	15.4	14.3	13.4	18.9	17.2
Italy	4.5	5.2	7.8	7.2	7.4	11.5
Ireland	19.2	16.0	17.2	17.3	14.3	11.1
Greece	10.4	12.4	7.1	8.3	9.5	10.1
UK	9.4	9.1	10.3	6.5	11.6	9.8
Others	26.0	24.1	21.9	34.5	18.5	16.7
<b>Grand Total</b>	<b>204.4</b>	<b>202.4</b>	<b>204.5</b>	<b>224.7</b>	<b>209.3</b>	<b>201.4</b>
<b>Total Intra</b>	<b>154.4</b>	<b>161.9</b>	<b>158.8</b>	<b>161.6</b>	<b>164.9</b>	<b>156.1</b>
<b>Total Extra</b>	<b>50.0</b>	<b>40.5</b>	<b>45.7</b>	<b>63.1</b>	<b>44.4</b>	<b>45.3</b>
<b>EXPORTS</b>						
France	45.4	43.4	51.6	47.8	48.3	40.9
Italy	35.4	35.6	31.0	29.5	33.3	32.9
Belgium	23.0	23.0	25.1	23.6	24.1	25.2
Netherlands	27.5	26.1	22.4	35.5	31.9	24.9
Germany	9.0	10.5	12.1	10.2	10.0	15.2
Others	24.5	23.1	31.1	23.7	23.5	26.1
<b>Grand Total</b>	<b>164.8</b>	<b>161.7</b>	<b>173.3</b>	<b>170.3</b>	<b>171.1</b>	<b>165.2</b>
<b>Total Intra</b>	<b>161.8</b>	<b>159.3</b>	<b>170.7</b>	<b>167.7</b>	<b>167.7</b>	<b>162.2</b>
<b>Total Extra</b>	<b>3.0</b>	<b>2.4</b>	<b>2.7</b>	<b>2.7</b>	<b>3.4</b>	<b>3.1</b>

Source: EUROSTAT and Customs

was an exceptional year. Indeed, in 2010, 63 300 tonnes were imported to complement the domestic production, which was estimated at 73 900 tonnes that year (Source: Comité National de la Conchyliculture).

**Imports**
**Mussels: France**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Netherlands	12.6	13.3	15.7	16.1	14.1	13.1
Spain	13.8	16.2	14.0	14.4	14.7	12.0
Chile	9.8	8.4	10.7	13.0	11.5	9.5
Italy	2.7	2.4	5.2	4.6	3.6	6.6
UK	1.6	2.4	2.2	1.7	2.2	2.9
Greece	3.0	3.8	2.9	2.3	2.4	2.3
Ireland	5.6	5.5	8.8	5.7	3.6	2.2
Denmark	2.4	1.9	2.1	0.8	1.1	2.0
Others	2.3	1.9	1.8	1.7	1.5	1.7
<b>Total</b>	<b>53.8</b>	<b>55.8</b>	<b>63.3</b>	<b>60.2</b>	<b>54.7</b>	<b>52.2</b>

Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE

**Imports**
**Mussels: Italy**

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	20.8	23.9	22.1	18.2	26.1	24.9
Greece	6.7	7.4	3.7	6.0	6.9	7.3
Chile	7.0	4.7	6.6	9.4	6.4	6.5
Others	4.6	5.4	4.7	4.3	2.0	3.4
<b>Total</b>	<b>39.3</b>	<b>41.4</b>	<b>37.1</b>	<b>37.8</b>	<b>41.5</b>	<b>42.1</b>

Source: ISTAT

In Italy, imports in 2013 reached a record of 42 100 tonnes, which is an increase of 5.5% when compared to the average amount annually imported between 2008 to 2013 (39 900 tonnes). Spain is by far the leading supplier, with a 59% market share. It is followed by Greece and Chile with a 17.3% and 15.4% market share respectively.

Despite its paramount production and export capacity, each year Spain imports some mussel products. In 2013, it bought 14 800 tonnes from Chile, its number one supplier, which is responsible for 64% of Spain's total imports.

**Spain**

In early 2014, the Galician Mussel Regulatory Council alerted local authorities and the EU Commission that the mussel industry was facing severe economic difficulties due to a combination of factors including toxins, climate change and competition from tax-free imports. Producer





## Imports

### Mussels: Spain

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Chile	9.3	8.8	10.7	18.2	11.4	14.8
Italy	0.6	1.0	1.2	1.5	2.7	4.0
France	2.3	1.5	2.3	1.6	1.8	1.8
New Zealand	2.2	2.1	2.5	2.9	1.7	1.3
Others	2.4	1.9	1.3	1.1	0.5	1.1
<b>Total</b>	<b>16.7</b>	<b>15.4</b>	<b>17.9</b>	<b>25.4</b>	<b>18.1</b>	<b>23.0</b>

Source: Agencia Tributaria

associations reported that some enterprises suffered a 40 to 50% reduction in revenue. The mussel industry is a significant source of employment for Galicia, employing 11 500 people or 17.5% of the region's working age population (Source: FIS.com, Undercurrentnews). In February 2014, Galicia announced that it would offer support of up to EUR 1.5 million to mussel aquaculture companies that have had to cease production.

## Chile

In February 2014, the Chilean mussel fishery and suspended culture was certified with the MSC standard. The fishery is located in Los Lagos de Chile in the Southeast Pacific Ocean in FAO statistical area 87. Mussels from this fishery are harvested mainly between October and July, with Spain as their largest commercial market (Source: MSC).

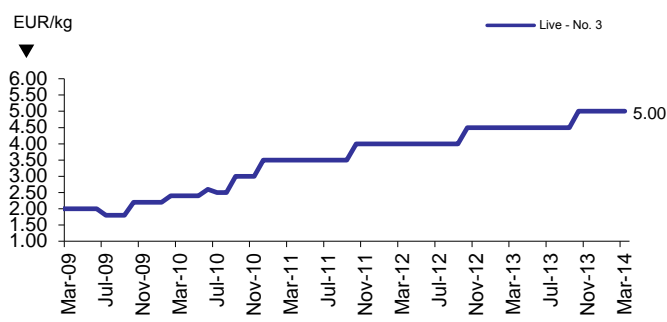
## Portugal

For the first time, in 2014 Testa & Cunhas, a Portuguese company, will place an organic certified mussel, (*Mytilus galloprovincialis*) on the market. The company expects to produce around 700 tonnes of mussels in 2014 with a capacity of 1 000 to 1 200 tonnes per production unit. Targeted markets include France, Italy, Spain, Netherlands and Belgium. The production complies with European organic rules, and is certified by SGS and IPAC (Portuguese Certification Institute).

## Oysters

As a consequence of the drastic decline in production of French oysters due to the herpes virus type 1 virus that caused mortality in juveniles, oyster prices in France, and elsewhere, have increased dramatically. Average retail prices have hit record-high levels and in February 2014, were for the first time in history above EUR 10 per kg.

Oyster - *Crassostrea gigas*, production price, origin: Ireland/France



Source: EPR

## Imports/Exports

### Oyster: World

	2012	2013
	(1 000 tonnes)	
<b>IMPORTS</b>		
USA	9.0	9.8
Japan	7.7	7.5
Hong Kong	5.9	6.8
France	4.5	5.4
Italy	5.4	5.2
Canada	2.8	3.0
Belgium	2.2	2.6
<b>Total</b>	<b>52.2*</b>	<b>53.5*</b>
<b>EXPORTS</b>		
Republic of Korea	7.3	9.9
China	9.6	8.9
France	7.5	8.1
Ireland	3.8	5.2
Canada	3.4	3.8
USA	3.7	3.5
<b>Total</b>	<b>50.7*</b>	<b>52.9*</b>

Source: GTIS

\* estimates

The entire EU market for oysters is under scrutiny as food safety alerts are increasing. The EU Rapid Alert System for Food and Feed (RASFF) informed EU member states of 9 alerts in 2013 (all for norovirus), 7 in 2012 (5 norovirus, 1 Escherichia coli, 1 paralytic shellfish poisoning) and 1 in 2011 (1 Escherichia coli) (Source: RASFF). Although the number remains limited, an increase in norovirus alerts is to be noted. The virus causes an infectious intestinal disease, and live shellfish have been linked to a number of outbreaks and incidents. In March 2014, The British Food Standards Agency invited stakeholders to design and implement a research study to



identify and evaluate possible enhancements to improve norovirus removal from live oysters during shellfish depuration processes (Source: FSA).

The results of the Oyster Recover Project (Globefish Highlights October 2013) were released in October 2013 in Vigo, Spain. They included recommendations for an efficient diagnosis of *Bonamia ostreae*, strategies towards selective breeding programmes, the sustainable management of flat oyster natural beds and improving ways for natural spat collection. Presentations are available on the project website: [www.oysterecover.eu](http://www.oysterecover.eu).

## Scallops

### EU Imports

Total imports of scallops in the EU-27 reached 54 300 tonnes in 2013, showing a 4.9% rise compared with 2012. From 2008 to 2013, average yearly imports totalled 58 500 tonnes, with 2010 demonstrating a high record with 63 500 tonnes. France, Spain and Italy were responsible for 67.4% of total scallop imports in 2013, reflecting the concentration of *Pectinidae* consumption in these southern Europe countries.

Of the total amount imported into EU-27, half originated in EU countries and the other half from non-EU countries. Peru, an important supplier of *Argopecten purpuratus*, sold 9 000 tonnes in 2013, equivalent to a 16.5% market share. This was an outstanding year for Peruvian production, demonstrating a 68% increase in exports compared with the 5 300 tonnes shipped the year before. On the other hand, imports of *Zygochlamys patagonica* from Argentina declined by 11.3% down to 3 600 tonnes, compared with 4 100 tonnes the year before.

France, which is the EU's largest importer of scallops, bought over 21 500 tonnes in 2013, or nearly 40% of all EU purchases. However, this amount reflects a severe decline compared to the previous years, with 28 000 tonnes imported in 2008, and 28 100 tonnes in 2010.

Spain, the second largest importer of scallops, imported 9 200 tonnes in 2013, demonstrating an increase in purchases (+25.7%) compared with 2012. France was Spain's most important importer, with 5 400 tonnes (58%), coming from France, followed by the UK and Italy.

By contrast, Italy has a clear preference for UK scallops, with 3 300 tonnes imported in 2013, allowing the UK to hold a 56% market share. From 2008 to 2013, the UK positioned itself as the number supplier to Italy, ensuring between 40 to 60% of the country's needs for scallops. France is the second largest supplier in Italy, providing less than 1 000 tonnes.

### Japan

## Imports Scallops EU

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France	25.5	28.0	28.1	26.6	20.0	21.5
Spain	13.3	12.6	11.5	10.2	7.4	9.2
Italy	5.6	5.2	6.4	6.2	6.1	5.9
Belgium	4.7	3.8	4.8	5.2	4.2	4.8
Netherlands	2.4	3.3	3.3	2.6	4.6	3.2
Denmark	0.9	0.9	1.6	2.3	2.8	2.8
Others	6.4	8.3	7.8	7.6	6.7	6.9
<b>Total</b>	<b>58.8</b>	<b>62.0</b>	<b>63.5</b>	<b>60.6</b>	<b>51.8</b>	<b>54.3</b>

Source : EUROSTAT and Customs

## Imports Scallop: EU-27 (by country of origin)

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
<b>IMPORTS</b>						
UK	8.2	9.2	9.5	10.7	13.7	11.8
Peru	5.1	7.4	11.0	8.9	5.3	9.0
France	5.9	6.8	6.5	6.7	4.3	7.7
USA	7.0	9.3	7.8	9.0	7.0	5.6
Argentina	7.9	5.7	6.3	5.8	4.1	3.6
Others	24.7	23.5	22.3	19.6	17.3	16.6
<b>Grand Total</b>	<b>58.8</b>	<b>62.0</b>	<b>63.5</b>	<b>60.6</b>	<b>51.8</b>	<b>54.3</b>
<b>Total Intra</b>	<b>27.6</b>	<b>29.2</b>	<b>27.4</b>	<b>28.4</b>	<b>26.5</b>	<b>27.9</b>
<b>Total Extra</b>	<b>31.2</b>	<b>32.8</b>	<b>36.1</b>	<b>32.3</b>	<b>25.3</b>	<b>26.4</b>
<b>EXPORTS</b>						
<b>Grand Total</b>	<b>28.7</b>	<b>30.2</b>	<b>36.2</b>	<b>39.9</b>	<b>31.4</b>	<b>28.9</b>
<b>Total Intra</b>	<b>27.9</b>	<b>29.5</b>	<b>34.8</b>	<b>38.4</b>	<b>29.2</b>	<b>26.9</b>
<b>Total Extra</b>	<b>0.7</b>	<b>0.6</b>	<b>1.4</b>	<b>1.6</b>	<b>2.2</b>	<b>2.0</b>

Source : EUROSTAT and Customs

In Japan, scallop production off Hokkaido in the Sea of Okhotsk hit a five year high in 2013, as good conditions produced healthy and heavy scallops. In most areas the season has now closed, although some smaller areas will be open until the end of 2014. The total harvest is expected to reach around 310 000 to 315 000 tonnes (Source: SEAFOOD.COM).

On 25 February 2014, Friend of the Sea announced the certification of North Kurilsk Seiner Fleet Base scallops. The company is the Russian partner of Unimak Maritime Group, and the scallops are fished in the Pacific Ocean (Kuril Island and Okhotsk areas). The use of dredges have been authorized as the level of scallop population



## Imports

### Scallops: France

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Peru	3.5	5.3	8.0	6.9	3.8	6.0
United Kingdom	3.6	4.6	4.0	4.4	4.1	5.1
Argentina	6.5	5.3	6.0	5.5	4.1	3.6
United States	3.6	5.5	3.6	4.4	3.4	2.6
Canada	2.2	1.6	1.7	1.3	1.0	1.5
Others	6.0	5.7	4.9	4.2	3.6	2.6
<b>Total</b>	<b>25.5</b>	<b>28.0</b>	<b>28.1</b>	<b>26.6</b>	<b>20.0</b>	<b>21.5</b>

Source: Direction Nationale des Statistiques du Commerce  
Extérieur – DNSCE

## Imports

### Scallops: Italy

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
United Kingdom	2.4	2.5	3.0	3.2	3.6	3.3
France	1.1	0.8	1.2	1.1	0.9	0.9
Peru	0.5	0.5	0.5	0.5	0.5	0.5
Greece	0.1	0.1	0.3	0.2	0.3	0.3
Denmark	0.1	0.1	0.2	0.2	0.2	0.3
Others	1.4	1.1	1.2	1.0	0.7	0.6
<b>Total</b>	<b>5.6</b>	<b>5.2</b>	<b>6.4</b>	<b>6.2</b>	<b>6.1</b>	<b>5.9</b>

Source: ISTAT

## Imports

### Scallops: Spain

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France	3.0	3.3	3.6	3.8	2.1	5.4
United Kingdom	1.3	1.0	1.3	1.2	1.8	1.4
Italy	6.9	5.8	4.1	3.0	1.9	1.1
Others	2.1	2.4	2.5	2.2	1.6	1.3
<b>Total</b>	<b>13.3</b>	<b>12.6</b>	<b>11.5</b>	<b>10.2</b>	<b>7.4</b>	<b>9.2</b>

Source: Agencia Tributaria

is high, the gear does not touch the seabed and vessels are operated at a mandated distance from the coast. Discards from scallop fishing tend to be minimal (Source: Undercurrentnews).

In November 2013, the EU Commission extended the suspension for imports of certain bivalve molluscs from Peru into the EU until 30 November 2014, due to the risk of contamination with the hepatitis A virus. Bivalve molluscs of aquaculture origin that have undergone heat treatment, been shucked and fully eviscerated will continue to be authorised for importation into the EU (Source: Decision 2013/636/EU).

## Imports/Exports

### Scallop: World

	2012	2013
	(1 000 tonnes)	
<b>IMPORTS</b>		
USA	15.6	27.6
China	13.7	24.2
France	20.1	21.8
Hong Kong	8.9	12.3
Spain	7.5	9.3
Republic of Korea	9.6	9.1
Taiwan	6.5	7.5
Ukraine	4.5	6.8
Italy	6.1	5.9
Canada	5.0	5.6
<b>Total</b>	<b>138.6*</b>	<b>163.0*</b>
<b>EXPORTS</b>		
China	27.1	31.2
Peru	6.0	15.1
USA	14.8	12.5
UK	14.4	11.8
Canada	5.2	7.0
Argentina	5.1	5.3
Japan	5.6	5.1
Belgium	3.4	4.3
<b>Total</b>	<b>114.9*</b>	<b>118.4*</b>

Source: GTIS

\* estimates

## Outlook

In 2013, European trade in bivalves (all species included) has proven rather stable, with a slight decline in mussels and a moderate rise in scallops. When it comes to oysters, prices reached a historical record in February 2014 in France. The future price development of oysters will move according to production performances, making it difficult to predict.

As the Panel on Climate Change revealed in its latest report on 31 March, scientists and shellfish professionals have witnessed the negative impact of ocean acidification on bivalve production. Just within 2013, numerous diseases affected both wild and farmed populations in various areas around the world. However, simultaneously, aquaculture shellfish projects are being initiated globally; including the Catalina Sea Ranch's application for a 100 acre open ocean shellfish farm in California, a new mussel farm in Portugal, projects in the Mediterranean sea, as well as others.

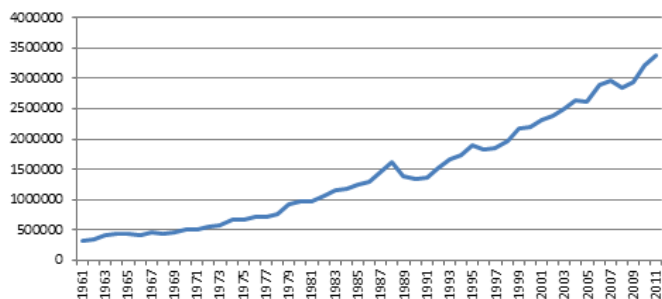
## Markets in the Middle East

This article will provide an overview of production, consumption and consumer trends as well as trade in the Middle East, concluding with summary findings on opportunities and challenges in the region. The Middle Eastern countries explored in this article include Bahrain, Egypt, The Islamic Republic of Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates (UAE) and Yemen.

### Production

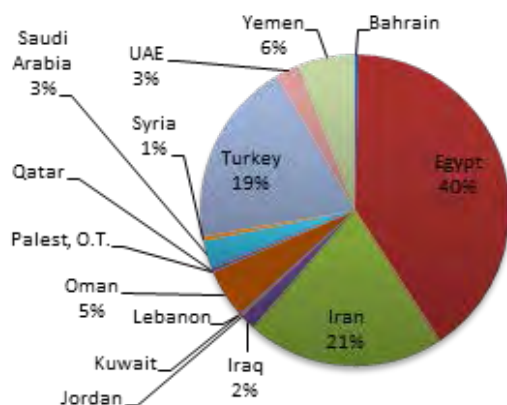
With seven seas surrounding the region, including the Mediterranean, the Persian Gulf, the Gulf of Aden, the Red Sea, the Black Sea, the Caspian Sea and the Arabian Sea, the Middle East is not short of sources for fresh seafood. However, total production in the region amounts to only 2.17% of the total worldwide production. Middle eastern capture fisheries are characterized by a large number of small-scale fishers, with estimates that the small-scale sector provides about 80 to 90% of the total landings.

### Total fisheries and aquaculture production in the Middle East, 1961-2011 (volume in tonnes)



Source: FAO Fisheries Balance Sheet

### Fisheries and aquaculture production by country

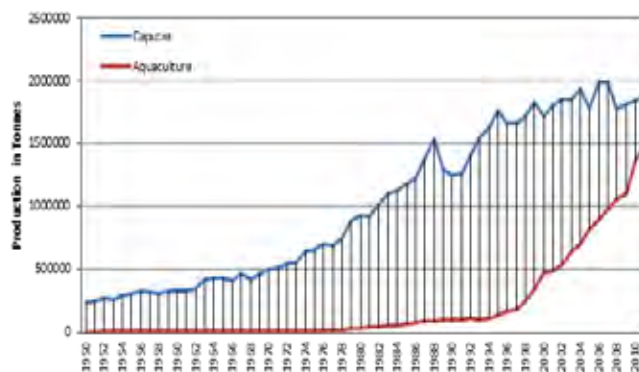


Source: FAO Fisheries Balance Sheet 2011

Since 1961, fish production in the Middle East has gradually been increasing at a growth rate of 16%. Egypt is the biggest producer in both capture fisheries and aquaculture, supplying 40% of the total volume. This is followed by The Islamic Republic of Iran (21%), Turkey (19%), Yemen (6%), and Oman (5%). Kuwait, Qatar, Syria, Lebanon and Jordan are the lowest producers.

Following global trends, aquaculture has played an increasing role in Middle Eastern production. Indeed, in 2001, out of a total of 2.4 million tonnes produced in the Middle East, 78.6% was from capture fisheries while only 21.4% was from aquaculture. In 2011, out of a total of 3.4 million tonnes, 56% was from capture fisheries while 44% was contributed by aquaculture.

### Capture vs aquaculture production

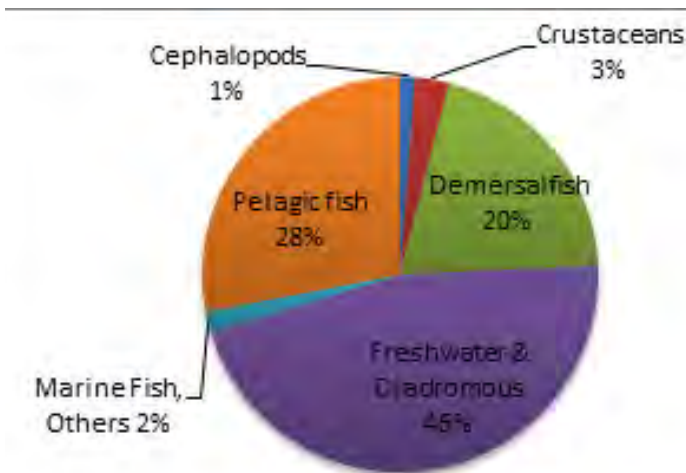


Source: FAO Fisheries Balance Sheet 2011

The main aquaculture producers in the region are Egypt, Saudi Arabia and The Islamic Republic of Iran. In 2011, 72% of all production in Egypt was from aquaculture, while Saudi Arabia and The Islamic Republic of Iran produced 41% and 33% from aquaculture respectively. Aquaculture production is mainly used for domestic consumption.

In terms of fish species, fresh water and diadromous fish make up 46% of the species produced in the Middle East. This is mainly due to the aquaculture production

## Species production (quantity)

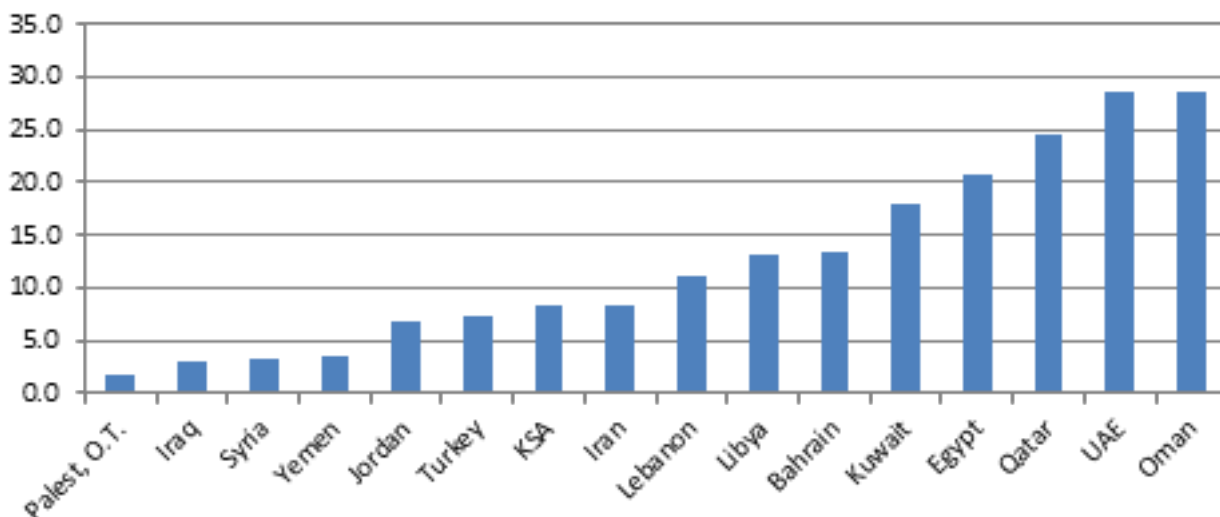


Source: FAO Fisheries Balance Sheet

in Egypt. In 2011, Nile tilapia production from Egypt contributed to 18% of the total fisheries and aquaculture production in the Middle East at 610 000 tonnes. Interestingly, if Egypt is not considered, small pelagic species such as sardines, anchovy and mackerel are the highest produced species in the Middle East.

Overall, production in the region is lower than demand. To improve this situation, government support for aquaculture production is growing. In 2013, the Saudi Arabian Ministry of Agriculture and Fisheries said it would provide USD 10.6 billion for aquaculture projects with the goal of producing one million tonnes of fish in the next 16 years. Similarly, the Sultanate of Oman announced it would provide USD 1.29 billion for development. The Ministry of Environment in Doha, Qatar, also has plans to boost production and is building a large fish breeding farm and research centers.

## Per capita fish consumption (kg per year)



Source: FAO Fisheries Balance Sheet, 2011

## Consumption and consumer trends

The Middle East, especially the GCC (Gulf Cooperation Council) region (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE), has seen a substantial rise in per capita seafood consumption. The average per capita consumption for the Middle East in general was 9.9 kg per year in 2010. When taking only the GCC region into consideration however, the average per capita consumption is significantly higher at 14.4 kg per year. In the UAE and Oman, seafood consumption is one of the highest worldwide, estimated at 28.6 kg per year. Other countries in the region, such as in Qatar and Egypt, also have high seafood consumption rates at 24.5 and 20.8 kg per year respectively.

Overall, small pelagic fish such as sardines and mackerel and large pelagic fish such as tuna and barracuda are the most highly consumed species throughout the Middle East. Freshwater species such as tilapia and Nile perch are also popular and consumed significantly by the Egyptians, Iranians and the Iraqis. The richer oil producing GCC states highly value their local demersal species such as grouper, travelly, emperor and pomfret. Imports of high value seafood products such as scallops, shrimp, lobsters and caviar have increased as a result of the growing economy and tourism sector.

As in other parts of the world, consumers in the Middle East are increasingly purchasing their seafood from supermarkets and shopping malls. Though not widely available, online fish retail stores are also a growing market presence, and work to deliver seafood directly to households in metropolitan cities such as Dubai.

In terms of preferences, an important factor taken into consideration by the Middle Eastern consumer is whether a product is farm raised or wild caught. A

## MARKETS IN THE MIDDLE EAST

large section of consumers prefer wild caught due to the perception that it is more natural, fresher, tastier and healthier. Another emerging trend is consumer interest in sustainability. In the UAE, the government launched a campaign in partnership with the WWF entitled “Choose Wisely”, educating consumers on the sustainability of fish. Similar to other sustainability guides, the campaign provides consumers with a color coded system to provide information about which species are over exploited, considered sustainable or good alternatives. These color codes have been placed in fish retail areas and on restaurant menus in the UAE

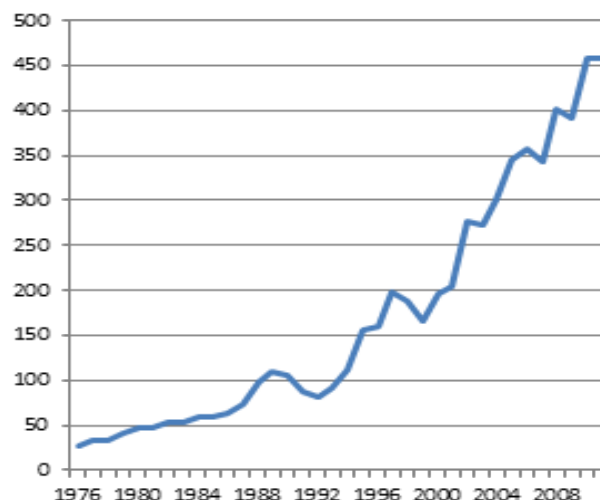
Government participation in marketing and trade is limited. The exception is in Yemen, where the government holds strict control over the production, marketing and pricing of fish. Since 2004, it has been mandated that all fish sold in Yemen be sold through official auctions where the government levies a 3% charge plus another 5% service charge on the gross sale value. In other places such as Qatar, Iraq, and Oman, the government has a suggested pricing model in place. In Oman, the government also enforces strict export controls for locally consumed species in order to maintain domestic supply.

### Fish and fishery product exports and imports

#### Exports

Fish and fishery product exports in the Middle East are minimal in comparison with other major global players. In 2009, exports from the Middle East were valued at USD 882 million, which was only 0.91% of the global value. Nevertheless, Middle Eastern exports are growing, especially after the 1990's, when the average growth rate reached 16%. Pelagic fish such as sardines, anchovies, sprats and mackerels are the most exported products from the Middle East.

### Fish and fishery product exports in the Middle East (volume in tonnes)

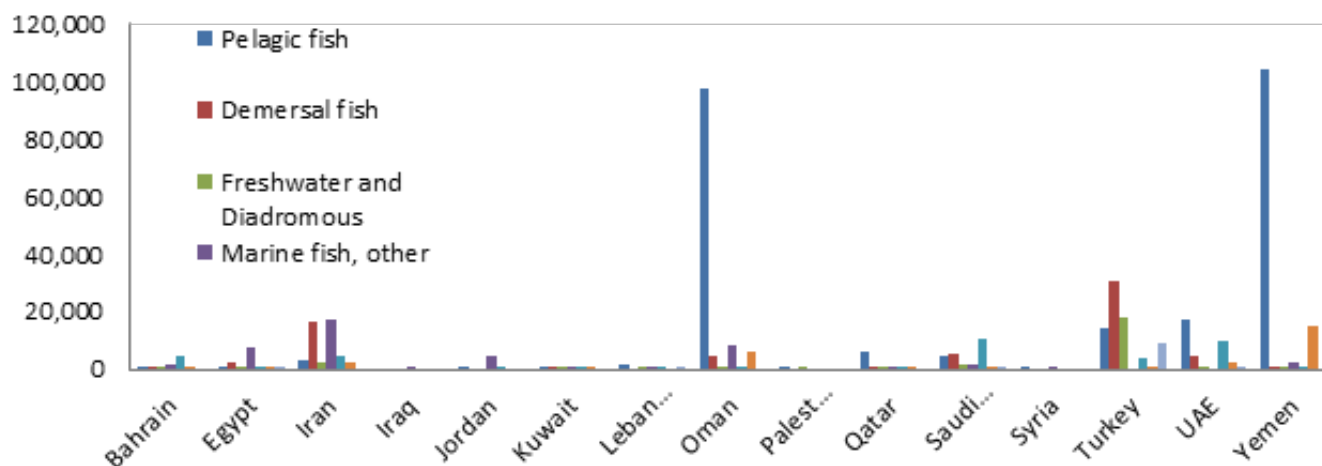


### Export value in USD millions



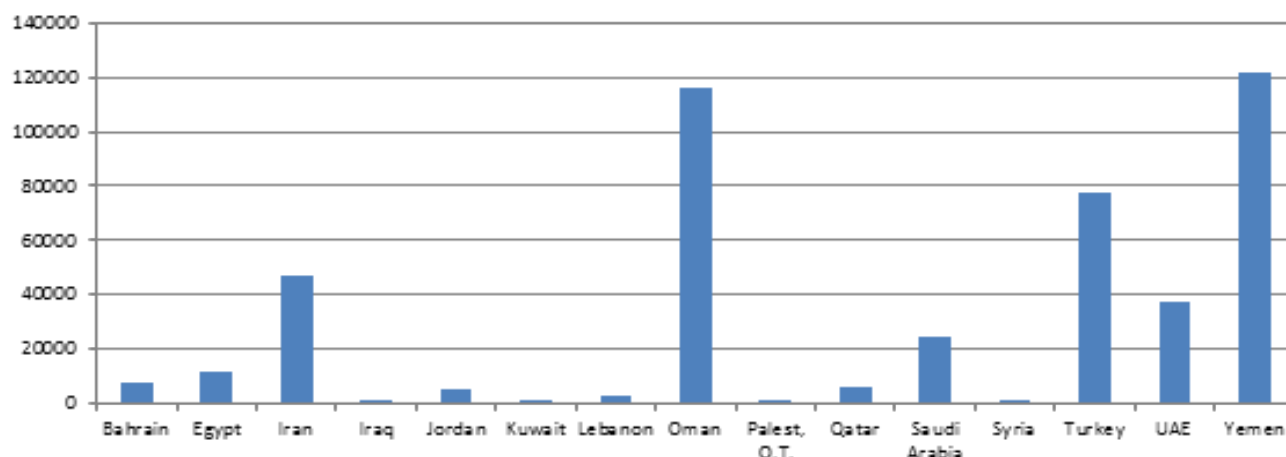
Source: FAO Fisheries Balance Sheet, 2011

### Species exported by country (volume in tonnes)



Source: FAO Fisheries Balance Sheet, 2011

## Total exports by Middle East countries (volume in tonnes)



Source: FAO Fisheries Balance Sheet, 2011

Yemen and Oman, which produce 6% and 5% of the total fisheries production in the region, are the leading exporting nations in the Middle East by volumes. Both countries have long coastlines, a very active fishing sector and low populations, resulting in a high excess of production that is then exported.

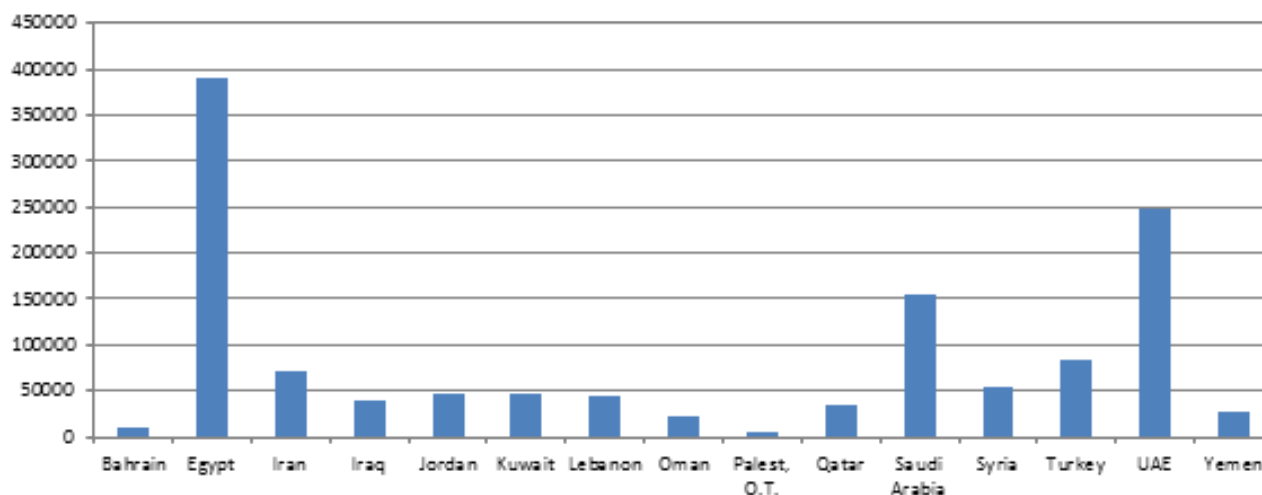
Turkey and The Islamic Republic of Iran are the other major exporters. Though Turkey does not export as much in volumes as Oman and Yemen, their export market is valued higher than both. This is mainly due to the fact that the country exports higher value species such as seabass, seabream, trout and bluefin tuna to Europe.

Middle Eastern countries affiliated with the GCC impose very low import tariffs (i.e. 0-5 percent), and as a result, inter-regional trade is strong. Currently, eight countries in the Middle East are allowed to export to the EU, including Egypt, The Islamic Republic of Iran, Oman, Saudi Arabia, Yemen, Turkey, Israel and UAE.

## Imports

Combined imports in the Middle East are approximately three times greater than combined exports, with import volumes increasing at an average rate of 12.3% since 1980. In 2009, the fisheries import market in the Middle East was worth around USD 1.7 billion occupying 1.69% of the global value. Countries in the region with large populations and strong economic growth are the biggest importers. Egypt has been one of the drivers of this import growth, as the country has shown an average increase in imports of 12.8% from 1980. UAE has also played a significant role, as it has experienced an annual growth rate of 33.6% since 1999. Egypt, UAE and Saudi Arabia combined take a 62% market share for all imports of fish and fishery products in the region.

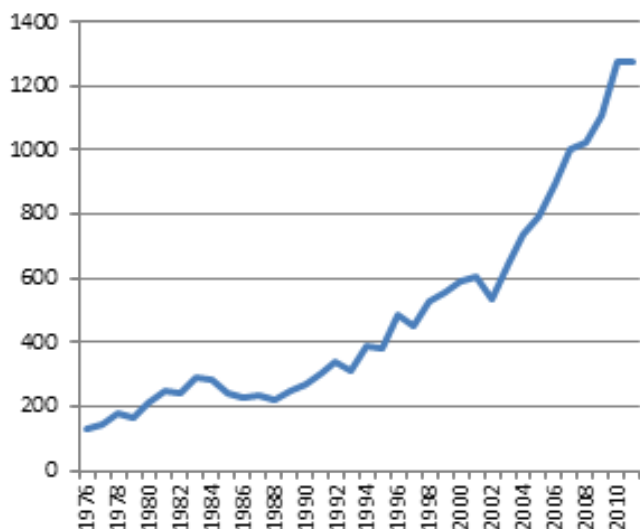
## Imports in Middle East Countries (volume in tonnes)



Source: FAO Fisheries Balance Sheet, 2011

# MARKETS IN THE MIDDLE EAST

## Imports in the Middle East (volume in tonnes) Conclusions



Fisheries and aquaculture production in the Middle East is relatively small and remains under developed. Production from the region amounts to only 2% of the total world production. Major producers are Egypt, The Islamic Republic of Iran and Turkey, with Egypt being the largest producer as well as the largest importer. Oman and Yemen are the main exporters in the region, exporting more than half of their production. The major importers are Egypt, Saudi Arabia and UAE. UAE, Saudi Arabia, Kuwait and Qatar import several times more than what they produce making the GCC a highly import dependant region.

The Middle East's demand for seafood has grown significantly due to its economic development, market demand and effective distribution. However, its high seafood consumption and dependence on imports makes the region highly vulnerable to the global seafood market. With consumption likely to continue to rise, aquaculture has become the most realistic way to meet demand. Recently, government initiatives to enhance domestic production in the region have been increasing with many Middle Eastern governments such as Saudi Arabia, Oman and UAE investing in aquaculture.

## Import value in USD millions

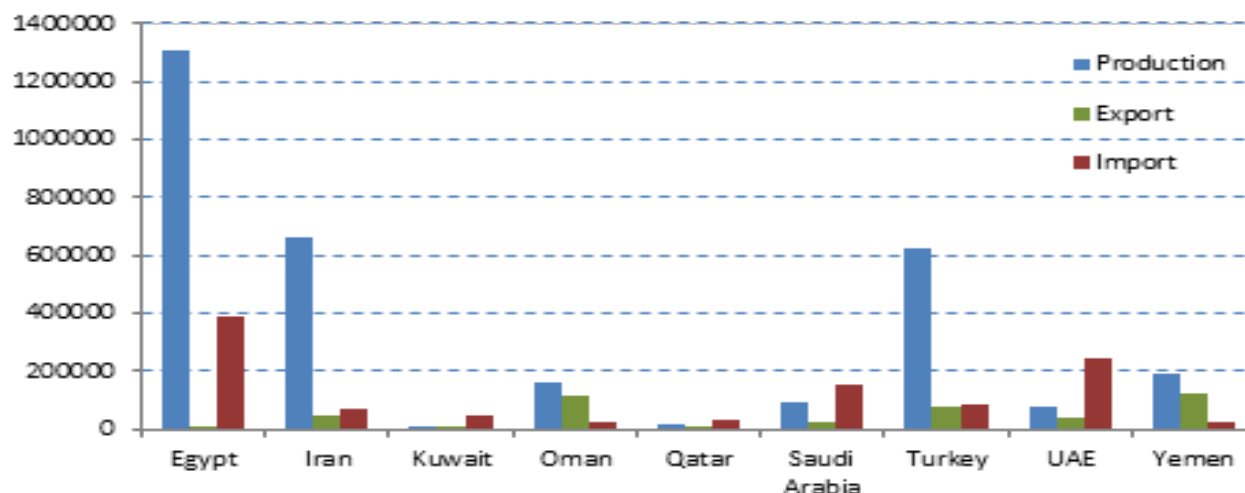


Source: FAO Fisheries Balance Sheet, 2011

As a multicultural, high-income society with a significant number of expatriates and a highly sophisticated retail industry, the Middle East can serve as a testing ground for innovative value added products. Furthermore, with obesity and diabetes as a growing concern in the region, opportunities for healthy value added fish products could be especially promising. However, processing plants would need to be further developed as currently, most plants are small and do not have strong value addition capabilities. Additionally, processors would have to invest heavily in automatic assembly lines to create these new products.

References available with the author, Gemsheer Mon Chalil, contact: gemsheer@royalfisheries.ae

## Production, export and imports





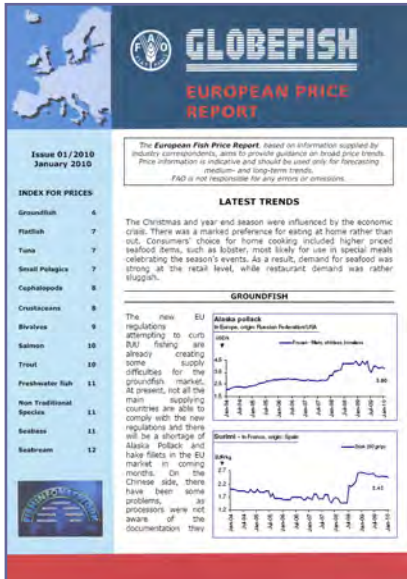
## Fish and fishery products statistics

	Capture fisheries production		Aquaculture fisheries production		Exports			Imports		
	2011	2012	2011	2012	2011	2012	2013 <i>estim.</i>	2011	2012	2013 <i>estim.</i>
	Million tonnes (live weight equivalent)				USD billion					
<b>ASIA</b>	<b>48.9</b>	<b>50.2</b>	<b>54.8</b>	<b>58.9</b>	<b>50.2</b>	<b>51.3</b>	<b>53.4</b>	<b>42.5</b>	<b>44.0</b>	<b>42.1</b>
China <sup>2</sup>	16.7	17.1	38.9	41.5	19.8	21.0	22.5	12.2	12.3	12.9
of which China, Hong Kong SAR & Taiwan Province of China	0.2	0.2	0.0	0.0	0.0	0.0	0.0	3.5	3.7	3.8
India	4.3	4.9	3.7	4.2	3.5	3.4	4.5	0.1	0.1	0.1
Indonesia	5.7	5.8	2.7	3.1	3.2	3.6	3.8	0.4	0.4	0.4
Japan	3.8	3.6	0.6	0.6	1.9	1.8	2.0	17.3	18.0	15.0
Korea, Rep. of	1.7	1.7	0.5	0.5	2.0	2.0	1.8	3.9	3.7	3.6
Philippines	2.4	2.3	0.8	0.8	0.6	0.8	1.1	0.2	0.2	0.2
Thailand	1.8	1.8	1.2	1.2	8.1	8.1	7.1	2.7	3.1	3.1
Viet Nam	2.5	2.6	2.8	3.1	6.2	6.3	6.4	0.7	0.8	0.9
<b>AFRICA</b>	<b>7.7</b>	<b>8.2</b>	<b>1.4</b>	<b>1.5</b>	<b>5.2</b>	<b>5.4</b>	<b>5.5</b>	<b>5.4</b>	<b>5.3</b>	<b>7.6</b>
Ghana	0.3	0.4	0.0	0.0	0.1	0.1	0.1	0.3	0.2	0.3
Morocco	1.0	1.2	0.0	0.0	1.4	1.6	1.9	0.1	0.1	0.2
Namibia	0.4	0.5	0.0	0.0	0.8	0.8	0.8	0.0	0.0	0.1
Nigeria	0.6	0.7	0.2	0.3	0.1	0.1	0.1	2.0	1.5	3.4
Senegal	0.4	0.5	0.0	0.0	0.3	0.3	0.3	0.0	0.0	0.0
South Africa	0.5	0.7	0.0	0.0	0.6	0.6	0.5	0.3	0.4	0.4
<b>CENTRAL AMERICA</b>	<b>2.1</b>	<b>2.0</b>	<b>0.3</b>	<b>0.3</b>	<b>2.1</b>	<b>2.3</b>	<b>2.1</b>	<b>1.4</b>	<b>1.7</b>	<b>1.9</b>
Mexico	1.6	1.6	0.1	0.1	1.1	1.1	1.0	0.6	0.7	0.8
Panama	0.2	0.1	0.0	0.0	0.1	0.1	0.2	0.0	0.1	0.1
<b>SOUTH AMERICA</b>	<b>14.0</b>	<b>10.1</b>	<b>2.1</b>	<b>2.3</b>	<b>12.6</b>	<b>12.7</b>	<b>13.3</b>	<b>2.8</b>	<b>2.8</b>	<b>3.3</b>
Argentina	0.8	0.7	0.0	0.0	1.5	1.3	1.5	0.2	0.2	0.2
Brazil	0.8	0.8	0.6	0.7	0.2	0.2	0.2	1.3	1.2	1.5
Chile	3.1	2.6	1.0	1.1	4.5	4.4	5.0	0.4	0.4	0.4
Ecuador	0.5	0.5	0.3	0.3	2.5	2.9	3.6	0.3	0.2	0.1
Peru	8.2	4.8	0.1	0.1	3.1	3.3	2.6	0.1	0.1	0.2
<b>NORTH AMERICA</b>	<b>6.2</b>	<b>6.2</b>	<b>0.6</b>	<b>0.6</b>	<b>10.4</b>	<b>10.4</b>	<b>10.7</b>	<b>20.1</b>	<b>20.3</b>	<b>21.7</b>
Canada	0.9	0.8	0.2	0.2	4.2	4.2	4.3	2.6	2.7	2.8
United States of America	5.2	5.1	0.4	0.4	5.8	5.8	6.0	17.5	17.6	18.8
<b>EUROPE</b>	<b>13.3</b>	<b>13.1</b>	<b>2.7</b>	<b>2.9</b>	<b>46.4</b>	<b>44.0</b>	<b>48.2</b>	<b>55.9</b>	<b>53.4</b>	<b>57.6</b>
European Union <sup>2</sup>	5.1	4.6	1.3	1.3	30.1	28.7	31.1	49.8	47.0	50.5
of which Extra-EU	"	"	"	0.0	5.3	5.6	6.2	26.7	24.9	26.1
Iceland	1.1	1.4	0.0	0.0	2.2	2.2	2.3	0.1	0.1	0.1
Norway	2.3	2.2	1.1	1.3	9.5	8.9	10.4	1.3	1.4	1.3
Russian Federation	4.3	4.3	0.1	0.1	3.3	3.2	3.5	2.7	2.7	3.2
<b>OCEANIA</b>	<b>1.2</b>	<b>1.3</b>	<b>0.2</b>	<b>0.2</b>	<b>2.9</b>	<b>3.1</b>	<b>3.0</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>
Australia	0.2	0.2	0.1	0.1	1.0	1.0	1.0	1.5	1.6	1.6
New Zealand	0.4	0.4	0.1	0.1	1.2	1.2	1.2	0.1	0.2	0.2
<b>WORLD <sup>3</sup></b>	<b>93.7</b>	<b>91.3</b>	<b>62.0</b>	<b>66.6</b>	<b>129.8</b>	<b>129.1</b>	<b>136.2</b>	<b>129.9</b>	<b>129.4</b>	<b>136.3</b>
World excluding Intra-EU	"	"	"	"	104.9	106.1	111.2	106.8	107.4	111.9
Developing countries	69.3	67.2	58.0	62.3	68.6	70.4	72.8	34.1	35.1	39.3
Developed countries	24.4	24.1	4.0	4.3	61.2	58.7	63.4	95.9	94.2	97.0
LIFDCs	20.9	21.7	10.4	11.6	10.5	11.0	12.4	5.2	4.8	7.0
LDCs	9.4	9.8	2.7	3.0	2.7	2.6	2.5	0.8	0.9	1.1
NFIDCs	21.3	18.5	4.0	4.3	9.8	10.1	9.3	3.3	3.9	4.4

<sup>1</sup> Production and trade data exclude whales, seals, other aquatic mammals and aquatic plants. Trade data include fish meal and fish oil. <sup>2</sup> Including intra-trade. Cyprus is included in Asia as well as in the European Union. Starting with 2013 data, EU includes Croatia. <sup>3</sup> For capture fisheries production, the aggregate includes also 19 214 tonnes in 2010 and 19 566 tonnes in 2011 of not identified countries, data not included in any other aggregates. Totals may not match due to rounding.



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