FISH AND FISHERY PRODUCTS

As vaccine roll-out programmes continue across the world, fisheries and aquaculture businesses are now faced with a transformed market landscape that offers both opportunities and continuing challenges. For both fishers and aquaculture operators, a weak market environment and a range of operational difficulties affecting labour, financing, input procurement and logistics all contributed to output contraction in 2020. Tight supply is expected to continue in 2021 for several key species, including cephalopods, pangasius and salmon, although global fish production is expected to return to positive growth. The majority of producers have been quick to adapt to the new circumstances, and the outlook for traditional suppliers to the restaurant sector is steadily improving as restrictions ease.

All nodes of the fishery and aquaculture value chains have been fundamentally affected by the economic and social upheavals that have taken place since initial lockdowns began. Heavy financial losses have been incurred, but the pandemic has also given rise to new market opportunities. Newly developed distribution channels, an increase in products designed for home consumption and operational adaptations are likely to remain key features of the industry in the years to come. For several species, the pivot towards retail during the pandemic has opened up previously untapped customer segments.

Stakeholders are anticipating a significant demand boost as the reopening of food services supplements the newly strengthened retail business, making increases in fish prices likely for the rest of 2021. However, for some categories such as small pelagics and canned tuna, the return of food services may put a dampener on the market growth observed in 2020. Stricter sanitary requirements and inspection protocols have already increased logistical costs for exporters, particularly those exporting to China. Total trade in fish products is forecast to increase only marginally in 2021 in volume and value terms, due to the lingering effects of the pandemic and other trade-related challenges concerning the industry. These include the remaining tariffs on fisheries and aquaculture products traded between the United States of America and China, and the delays and administrative obstacles faced by traders in the United Kingdom of Great Britain and Northern Ireland as the phased process of the country's exit from the European Union continues.

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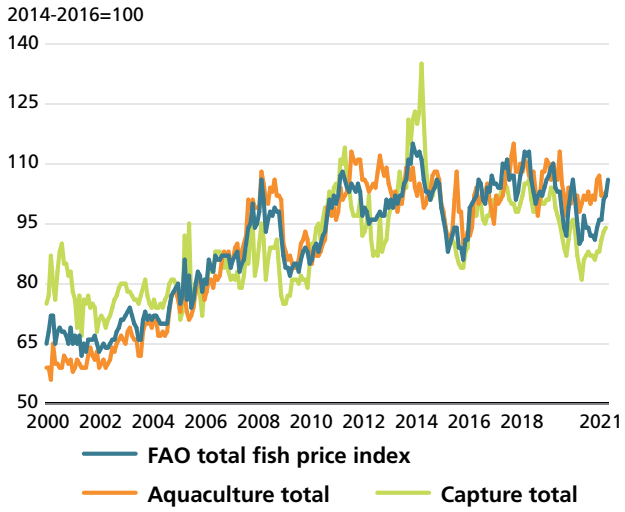
FAO FISH PRICE INDEX (2014-2016 = 100)



Source of the raw data for the FAO Fish Price Index: EUMOFA, INFOFISH, INFOPESCA, INFOYU, Statistics Norway

WORLD FISH MARKET AT A GLANCE

	2019	2020 *estim.*	2021 *f'cast*	Change: 2021 over 2020
	million tonnes (live weight)			*%*
WORLD BALANCE				
Production	**177.8**	**174.6**	**177.3**	**1.5**
Capture fisheries	92.5	90.5	92.3	2.0
Aquaculture	85.3	84.1	85.0	1.1
Trade value (exports USD billion)	**160.8**	**149.4**	**149.8**	**0.3**
Trade volume (live weight)	**65.5**	**63.3**	**63.4**	**0.2**
Total utilization	**177.8**	**174.6**	**177.3**	**1.5**
Food	158.3	154.7	157.1	1.6
Feed	15.5	16.1	16.4	1.6
Other uses	4.0	3.8	3.8	0.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
Food fish (kg/yr)	20.5	19.8	20.0	0.5
From capture fisheries (kg/year)	9.5	9.1	9.2	1.2
From aquaculture (kg/year)	11.1	10.8	10.8	0.0

FAO FISH PRICE INDEX (2014-2016=100)	**2019**	**2020**	**2021** *Jan-May*	**Change: Jan-May 2021 over Jan-May 2020 %**
	102	95	100	3.5

Source of the raw data for the FAO Fish Price Index: EUMOFA, INFOFISH, INFOPESCA, INFOYU, Statistics Norway