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GLOBEFISH

HIGHLIGHTS

A quarterly update on world seafood markets

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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), INFOPESCA (Latin America and the Caribbean), INFOPECHE (Africa), INFOSAMAK (Arab countries), EUROFISH (Central and Eastern Europe) and INFOYU (China).

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A quarterly update
based on
the GLOBEFISH databank

INSIDE THIS ISSUE...

GLOBAL FISH ECONOMY

The markets for fish and fishery products clearly remain impacted by the difficult economic climate in the world's major economies. Demand in many of the largest import markets remains under pressure as consumers have curtailed discretionary spending and moved towards cheaper varieties of fisheries products, or other types of food.

This has had a downward effect on margins, but has also influenced the product itself, the sizes offered or the composition of the product. For example, many farmed species have seen a demand boom in the smaller sizes that cost less. In addition many value-added products have undergone a change in their composition, as cheaper species or qualities become substitutes for more expensive ones.

At the same time, a number of emerging economies have also seen growth rates fall, including countries that have registered significant consumption and import growth over the last decade, such as Russia and Brazil.

However, there are certain tentative signs that the worst may be over. New economic growth in the USA, Japan and the UK, and even some positive news from Spain where unemployment is finally dropping, give some hope of better times to come. This should also benefit fish producers.

At the same time, prices have stayed remarkably high, in particular for farmed salmon, farmed shrimp and tuna. The cause is found mostly on the supply side as reduced fishing, production constraints or disease problems in aquaculture have limited output. In addition, rising feed costs and high energy prices have also added to the costs of many products.

The underlying demand though for seafood in general remains strong as consumers are attracted by the health benefits of regular seafood consumption. As growing numbers of people find themselves part of the world's middle classes, they also pick up middle class habits of consumption. This trend will continue to influence markets, putting upwards pressure on prices but also encouraging new supply, especially of aquaculture production. The latter explains in large part the current boom in tilapia production in South and Central America, in Africa and in Asia, which is underpinned by local demand and regional demand.

World fish markets at a glance

	2011	2012 estim.	2013 f'cast	Change: 2013 over 2012
	million tonnes			%
WORLD BALANCE				
Production	**156.2**	**156.7**	**161.2**	**2.9**
Capture fisheries	93.5	90.2	91.0	0.9
Aquaculture	62.7	66.5	70.2	5.6
Trade value (exports USD bill)	**127.6**	**128.2**	**130.8**	**2.0**
Trade volume (live weight)	**57.2**	**57.4**	**57.8**	**0.7**
Total utilization	156.2	156.7	161.2	2.9
Food	131.8	135.7	140.5	3.5
Feed	18.3	15.5	15.7	1.0
Other uses	6.0	5.5	5.1	-7.3
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
Food fish (kg/year)	18.9	19.2	19.7	2.4
From capture fisheries (kg/year)	9.9	9.8	9.9	0.5
From aquaculture (kg/year)	9.0	9.4	9.8	4.4

Totals may not match due to rounding.

2013 figures

Total supply for the year is expected to grow, thanks to higher aquaculture production and slightly higher harvests. Traded volumes and values are also expected to end higher than in 2012. It should be noted that a larger share

of catches is now destined to direct human consumption, mostly because of policy changes in the leading South American producers of small pelagic species. In combination with higher aquaculture production, this has contributed to higher global average consumption rates on a per capita basis, which now approach 20 kg per head (live weight).

OECD-FAO projections for 2013-2022

The annual OECD-FAO publication Agricultural Outlook, which now includes fish as well, was released in June. It gives projections up to 2022 and shows a fairly stable situation for capture fisheries with a 5 percent increase in catches projected in 2022 compared with the circumstances today. Aquaculture will continue to grow, up 35% by 2022, although higher feed costs and increasing limitations on land availability and water are likely to reduce the growth rate from that of the last decade.

Fish prices together with meat and biofuel are projected to rise more strongly than primary agricultural products during the period.

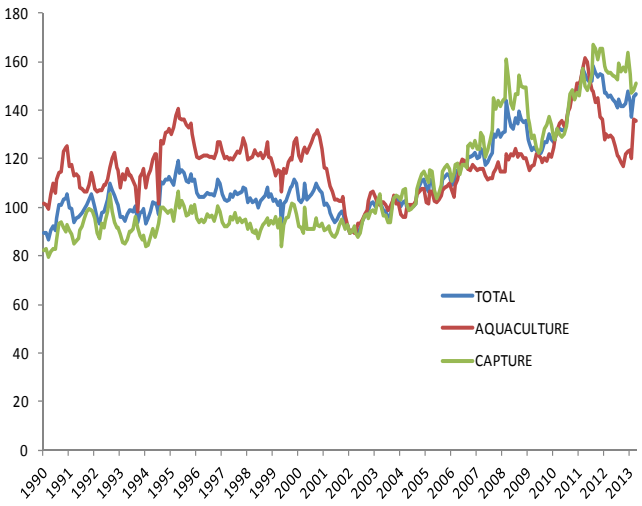
Aquaculture is projected to surpass capture fisheries as the main source for human consumption by 2015.

A summary of the chapter on Fish and Seafood is available at http://www.oecd.org/site/oecd-faoagriculturaloutlook/fish-seafood.htm

with the entire fish chapter accessible online at http://www.keepeek.com/Digital-Asset-Management/oecd/agriculture-and-food/oecd-fao-agricultural-outlook-2013/fish-and-seafood_agr_outlook-2013-11-en

and the whole publication at http://dx.doi.org/10.1787/agr_outlook-2013-en

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



Data Source: Norwegian Seafood Council

50th ANNIVERSARY OF THE CODEX ALIMENTARIUS

This year, on the occasion of its annual session, from 1 to 5 July, the Codex Alimentarius celebrated its 50th anniversary. The Codex Alimentarius Commission, established by FAO and WHO in 1963, develops harmonized international food standards, guidelines and codes of practice to protect the health of the consumers and ensure fair practices in the food trade. The Commission also promotes coordination of all food standards work undertaken by international governmental and non-governmental organizations. Most of the work related to fisheries is undertaken by the Codex Committee on Fish and Fishery Products, but the work of other committees such as the Codex Committee on Food Hygiene and Committees on Food Additives, Contaminants, Residues of Veterinary Drugs and Food Labeling are also relevant. This year, the UN food standards body Codex Alimentarius has agreed on new standards to protect further the health of consumers worldwide. The Standards agreed this year include the Standard for smoked fish, smoke flavoured fish, smoke dried fish, the Standard for live abalone, fresh chilled and frozen abalone, the Standard for quickfrozen fish sticks, and the Procedure for inclusion of additional species in Standards for Fish and Fishery Products.

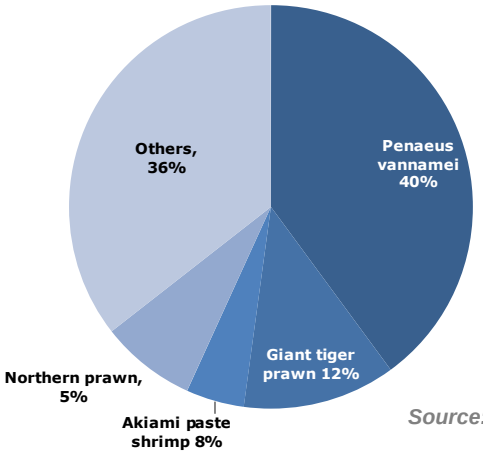
For more information:
www.codexalimentarius.org

SHRIMP

Imports fell below those of last year in the major markets following lower than average supplies from Southeast Asia, with export price going up again in July

There has been no real recovery in Asian farmed shrimp production, still affected by EMS disease, although the problem has been identified and will be brought under control with time. The weaker yen, countervailing duties in the USA and the Eurozone crisis have also taken their toll on import demand.

Shrimp production by main species (2011) (in tonnes)



Source: FAO

The production of farmed shrimp in Asia, dominated by vannamei, remains lower than last year as a result of the early mortality syndrome (EMS) disease outbreak in Southeast Asia. Shrimp production in Thailand is down by half the volume produced last year. Other countries in the region such as Malaysia, Indonesia and Viet Nam are not unaffected by this problem either. Production of black tiger shrimp has also been lower as more and more farmers in Viet Nam and India have switched to vannamei shrimp, particularly in intensive aquaculture.

Meanwhile, shrimp prices in international trade inched up although there has been no real boost in demand in the traditional markets. The EU market remains affected by the Eurozone crisis and the implementation of countervailing duty has slowed imports in the USA, while the weaker yen halted import growth in Japan. However, shrimp prices remained firm in international trade during the first half of the year. The price rise for black tiger shrimp has been sharper than for vannamei shrimp.

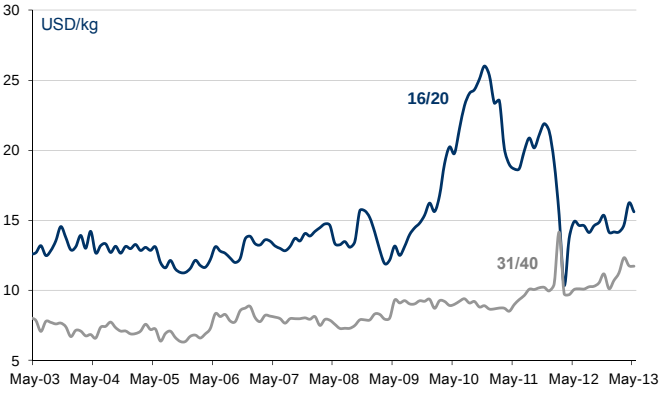
Supply

Farmed shrimp production in Thailand remains much lower than last year, and has been seriously affected by the EMS disease since late last year. Although the disease problem seems to be under control now, many farmers have reduced stocking density in the ponds to avoid further occurrence of the disease. January to March production was slashed to less than 60 000 tonnes - a sharp drop from the average 100 000 tonnes and the trend continued during the 2nd quarter. This year's production is unlikely to exceed 300 000 tonnes compared with 500 000 tonnes produced last year, the respective authorities confirmed. In May/June, the ex-farm price of vannamei was 60-85% higher than that of last year and, as a result, exports of raw frozen shrimp became uneconomical for processors. Now they are turning more towards exports of value-added products, for which demand is relatively better in the Japanese market and also in the USA.

In June, scientists at the University of Arizona discovered the pathogen behind the disease, indicating that EMS is caused by a bacterial agent (*Vibrio parahaemolyticus*) that destroys tissues in the shrimp's digestive organs. The virus is reported to be not dangerous to human health. The identification of the disease agent is an important breakthrough in the prevention of the spread of the disease through import/export.

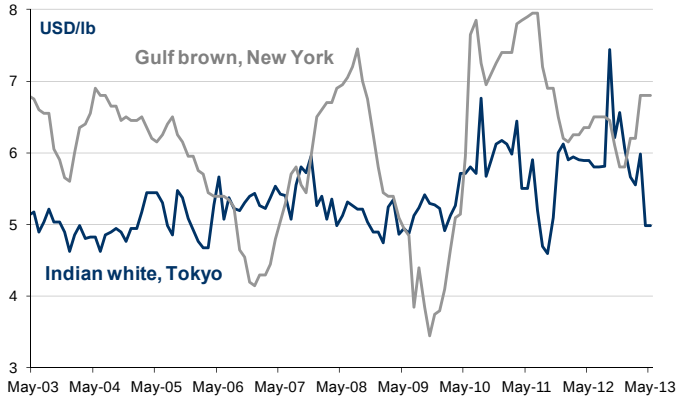
In Viet Nam an increasing number of farmers in the Mekong Delta have shifted to vannamei aquaculture, which may lead to a 20-30% decline in black tiger shrimp

White Shrimp in Japanese market, origin Indonesia



Source: Infofish ITN

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



Source: Infofish ITN

production this year. This could be one of the reasons for the overall increase in exports from Viet Nam to the Japanese and US markets.

The trend is similar in India, which is now possibly the second largest export processor of farmed shrimp, after Thailand. Farmed vannamei shrimp production almost doubled last year. Farmers have learnt how to balance the harvest against the market demand. Official reports estimated a production of 230 000 tonnes of vannamei shrimp in 2012. The volume could be 1.5 times more this year. However, black tiger harvests have declined because of the diversification in the farmed species.

Market Trend

The unusual supply shortage during the peak farming season in Asia, the prolonged Eurozone crisis, the weak yen and the US ruling on the countervailing duties have all combined to bring negative impacts on the international trade for shrimp, but raw material shortage has kept shrimp prices firm worldwide.

Market growth was stagnant in the two large western markets of the EU and USA, with imports in these markets at a 5-year low during the first quarter of the year. Increased landing costs associated with the yen depreciation in Japan affected household demand for raw shrimp compared with processed shrimp.

Meanwhile, in Southeast Asia, stable consumer demand is keeping fresh shrimp prices high, compared with frozen products for export markets. In India, smaller sizes of fresh vannamei continue to enjoy good demand in the local market.

Japan

Wholesale prices in Japan have gone up significantly, which has led to reduced demand in supermarkets as they are not able to offer promotional sales during high consumption seasons.

The price of raw frozen vannamei was one and a half times more in April than the same month last year. The price of black tiger shrimp went up by more than 30%, affecting the sales volume of raw shrimp.

The yen depreciation caused a 15-20% rise in import prices, while export prices from the country of origin remained stable. As a result of the yen depreciation and rising shrimp prices, Maruha Nichiro predicted that this year's imports of raw frozen shrimp would be 20% or 25 000 tonnes lower than last year. In order to compensate for rising import costs, seafood marketers in Japan are focussing on the promotion of processed products, including shrimp.

During the first quarter of 2013 imports of raw frozen shrimp were 10% lower, but processed shrimp imports increased by 21% compared with last year. Thus the share of prepared shrimp in total shrimp imports increased to 30% against 25% a year ago. However, overall imports of shrimp during January-March posted a 1.13% decline, as raw frozen products had a 68% share in total shrimp imports. Imports of farmed vannamei have also increased from Ecuador as result of supply shortfall from Thailand.

The Argentinean shrimp 'seabob' is still dominant in the market and imports even increased slightly compared with last year. Cumulative imports of shrimp during the first four months of the year remained below the level of last year.

Imports

Shrimp (frozen raw): Japan

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Indonesia	8.4	8.5	7.5	7.9	7.3	7.1
Thailand	4.4	5.5	9.0	8.5	7.7	6.5
India	5.0	4.8	4.7	4.4	5.7	5.6
Viet Nam	7.3	6.2	7.3	6.8	6.0	5.0
Argentina	0.2	0.4	0.8	1.7	2.5	3.8
China	4.0	2.8	3.2	3.3	3.3	2.2
Russia	2.7	2.3	1.8	1.8	1.7	1.5
Malaysia	0.9	1.1	1.4	2.3	1.8	1.2
Myanmar	1.6	1.6	1.0	1.4	1.3	1.1
Greenland	1.0	2.3	1.0	0.7	0.7	1.0
Bangladesh	0.8	0.8	0.7	0.5	0.6	0.7
Canada	1.2	1.6	1.2	1.1	1.3	0.6
Others	2.2	2.4	2.2	2.7	2.4	2.1
Total	**39.7**	**40.3**	**41.8**	**43.1**	**42.4**	**38.5**

Source: Japan Customs

Imports

Shrimp (by product): Japan

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Live	0.0	0.0	0.0	0.0	0.0	0.0
Fresh/chilled	0.0	0.0	0.0	0.0	-	0.5
Frozen, raw	39.7	40.3	41.8	43.1	42.4	38.5
Dried/salted/in brine	0.5	1.0	0.8	0.7	0.7	0.5
Cooked, frozen	4.6	4.3	4.8	4.8	5.1	5.2
Cooked & smoked	0.0	0.0	0.0	0.1	0.2	0.6
Frozen *ebi*	0.2	0.1	0.1	0.1	0.1	0.1
Prepared/preserved*	9.8	10.6	9.4	11.4	11.6	11.3
Sushi (with rice)	0.0	0.0	0.3	0.7	0.5	0.6
Total	**54.7**	**56.3**	**57.2**	**60.8**	**60.6**	**57.3**

*(incl. tempura shrimp) Source: Japan Customs

Imports

Shrimp: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	35.1	36.3	39.1	39.1	30.5	23.9
Ecuador	15.7	16.1	14.8	15.2	19.2	17.6
Indonesia	20.7	20.6	14.6	16.7	19.4	17.5
India	3.1	4.6	3.6	7.3	10.3	17.4
Viet Nam	8.6	6.6	6.3	7.8	8.6	7.9
China	13.0	7.5	9.8	8.1	7.3	6.4
Mexico	6.5	8.0	8.2	4.2	8.2	5.8
Malaysia	7.1	2.9	4.8	5.9	6.4	5.6
Peru	1.7	2.6	2.0	2.6	2.1	2.3
Guyana	2.5	2.4	1.9	2.0	3.1	2.1
Bangladesh	2.8	2.6	1.2	1.9	1.3	0.8
Nicaragua	0.6	0.8	0.7	0.5	0.9	0.8
Others	6.9	5.3	4.1	3.9	4.4	3.3
Total	**124.3**	**116.4**	**111.0**	**115.2**	**121.7**	**111.5**

Source: NMFS

Supplies of black tiger shrimp have been lower from the traditional sources of India and Viet Nam and import prices of 16/20 counts headless shrimp are high at USD 16/per kg from Indonesia and USD 15/kg from Viet Nam and India. The rising import cost of raw frozen shrimp is making re-processing more and more difficult in Japan. Therefore many companies are changing their procurement policies and moving towards processed shrimp imports from Thailand, Viet Nam and Indonesia.

USA market remains little affected by the implementation of countervailing duties

Indications at the International Boston Seafood Show in March showed that the market was not ready to invest much in future supplies as fewer business deals were signed between importers and suppliers than expected. Even the uncertain supply of shrimp from Southeast Asia did not encourage contingency purchases.

Two factors have been prominent in the US shrimp market during the last three months.They are, firstly the decision of US Customs concerning the application of countervailing duties on frozen warmwater shrimp from seven producing and exporting countries (Ecuador, Indonesia, Thailand, Viet Nam, China, India and Malaysia) and secondly, the prevalence of the early mortality syndrome (EMS) in some Asian countries, which has caused a dramatic fall in supplies, especially in Thailand, the leading exporter to the USA.

It seems that the preliminary decision of US authorities to implement countervailing duties (CDV) has not produced much change in the shrimp market (apart from higher administrative expenses). Malaysia is the only country really affected (a 62.74% tariff was applied while the next highest was Viet Nam at 6.07%). Other countries received very low or no tariffs. The final determinations by the DOC will be made known in mid-August while those of the International Trade Commission (ITC) will be available in September. As there is a possibility of applying "retroactive tariffs" later, many buyers have stayed away from active imports.

Reactions from countries on this issue were mixed. In Viet Nam representatives of the aquaculture sector described CVD as "absolutely irrational" and maintain that if they remain, Vietnamese exporters will not be able to continue exporting shrimp to the US market. Ecuador did not receive any countervailing duties and felt that this confirmed their position that shrimp farmers did not receive government subsidies.

Imports

The USA imported nearly 2 000 tonnes less shrimp in March 2013 compared with the same period in 2012. Cumulative imports were down 8.35% because of reduced production in Thailand and supply shortfall in Ecuador, Indonesia, Viet Nam and China during that period. However, imports increased significantly from India (+70%).

Latin American countries, in particular Mexico, have also been hit by disease, in this case white spot disease, and this has contributed to the overall reduction in supplies to the US market.

Imports

Shrimp: USA

.....Jan-Mar.....

Product	2008		2009		2010		2011		2012		2013	
	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD
Peeled frozen	40.0	286.3	37.3	261.8	36.4	270.1	41.7	377.7	44.7	410.1	48.2	418.3
Other frozen	19.3	139.5	21.5	160.2	20.4	151.3	18.8	174.5	17.8	179.1	12.9	122.9
Breaded	10.5	49.6	7.8	42.5	10.3	56.4	9.8	62.6	8.7	59.2	8.0	53.1
Other preparations	0.3	1.6	0.3	1.4	0.4	1.6	0.7	3.5	0.5	3.1	0.5	2.9
Headless shell-on frozen												
All sizes	52.3	373.2	46.5	315.5	40.9	272.7	42.4	376.3	49.0	418.5	41.0	362.0
< 15	5.7	72.1	4.7	53.0	4.0	46.7	3.7	56.6	5.2	74.7	4.4	68.5
15/20	3.9	39.6	3.8	34.6	3.1	28.0	3.5	42.6	4.5	47.6	3.9	39.5
21/25	6.0	52.9	6.3	50.7	5.5	41.6	6.5	68.1	7.0	62.3	5.7	53.4
26/30	8.0	56.3	7.0	46.3	5.7	39.2	6.8	59.5	7.9	68.0	6.5	56.6
31/40	9.0	53.7	9.8	58.7	7.3	42.6	8.7	65.3	8.8	64.6	8.1	63.5
41/50	7.2	38.8	5.7	29.3	5.1	26.0	5.1	33.8	5.4	36.6	5.5	38.4
51/60	6.5	32.8	4.8	23.4	5.0	24.9	4.4	29.1	5.0	32.9	3.7	23.7
61/70	3.8	17.8	2.4	10.8	3.0	15.1	2.2	13.2	2.9	18.5	1.7	10.4
> 70	2.2	9.3	2.1	8.7	2.1	8.7	1.5	8.2	2.3	13.4	1.4	7.9
Other products	1.4	11.6	2.8	21.7	2.4	16.7	1.8	14.6	0.9	10.0	0.9	11.8
Total	**124.3**	**861.9**	**116.4**	**803.2**	**111.0**	**768.8**	**115.2**	**1 009.4**	**121.7**	**1 080.0**	**111.5**	**970.9**

Source: NMFS

Consumer demand showed some positive signs during the reporting period. According to the US Conference Board, consumer confidence rose in May. Although the gasoline price has been rising, so far it has not affected spending power.

In line with increased consumer confidence, wholesale prices went up until May for most categories and from most sources, and have remained stable since then. However, some buyers complained that the price rise was too fast and reached a point when some end users reduced shrimp purchases. This also contributes to traders' reluctance to invest heavily in large purchases. US importers were waiting for some price weakening in exporting countries as is typical at the beginning of the harvest season in June or July but this did not happen. Instead domestic wholesale prices remained relatively low compared with the price demanded by suppliers. Importers supplying the food service industry are not purchasing without previous contracts because of the prospect of increased supply during the main harvest period (likely to be late June and July this year).They prefer to wait and see what will happen with prices and instead use up the remaining stocks in coldstorage inventories.

Europe: sluggish demand continues

The shrimp market in recession-hit Europe remained generally sluggish and trading activities were limited. Few orders were received by packers in the past few months. Supply shortages and high shrimp prices have discouraged European buyers from signing big contracts and deals with smaller exporters, who offered lower prices to meet immediate demand, were preferred. The lack of demand is reflected in shrimp imports into the EU-27 (external trade), which totalled 115 500 tonnes for the first quarter this year, down by 6.9% against the same period of last year. Ecuador, the largest shrimp supplier to the EU, shipped less (-16.4%) while imports from India, Argentina and Bangladesh were up 11.8%, 40.7% and 3.9% respectively.

Among the major importing countries only France and Italy posted positive growth this year. Shrimp imports into Italy grew by 7.8% during Q1 2013 with more shipments from Spain (+33.3%) and Ecuador (+5.3%). Imports into France were slightly up by 1%, with increased supplies coming from Ecuador (+18.6%) and India (+18.2%). France emerged as the largest shrimp importer in Europe together with Spain.

Imports

Shrimp: EU-27 (by country of origin)

	2008	2009	2010	2011	2012	2013
			(1 000 tonnes)			
Ecuador	15.8	13.9	15.8	22.3	19.5	16.3
India	13.1	16.3	14.9	16.1	14.4	16.1
Greenland	12.7	15.3	14.4	17.1	14.4	15.1
Denmark	11.9	10.6	12.0	11.0	9.3	9.5
Thailand	6.8	7.9	12.1	13.4	10.8	9.0
Argentina	2.3	3.5	4.9	8.7	5.9	8.3
Bangladesh	7.3	7.0	7.4	8.8	7.7	8.0
China	9.5	7.4	8.9	11.6	9.1	7.9
Netherlands	7.9	7.7	8.1	10.1	9.3	7.9
Viet Nam	5.7	5.1	7.4	10.1	7.5	7.1
Canada	8.6	7.1	7.5	7.2	8.5	5.3
Spain	3.5	4.0	4.6	4.9	5.1	5.2
Others	57.0	51.2	50.2	50.6	43.5	38.0
Grand Total	**162.1**	**157.1**	**168.2**	**191.8**	**164.8**	**153.5**
Total Intra Imports	**41.2**	**39.6**	**43.1**	**47.9**	**40.8**	**38.0**
Total Extra Imports	**120.9**	**117.5**	**125.1**	**143.9**	**124.0**	**115.5**

Source: EUROSTAT

Imports into Spain continued to decline and dropped by 7.5% for the first quarter of 2013. Sharp supply drops were reported from China (-24%) and Ecuador (-43%), which were not compensated for by increased imports from Argentina (45.5%),the largest shrimp supplier to Spain. Spain exported more or less the same amount for the first three months of the year against last year with more sales reported to Italy.

The German market, which traditionally buys more shrimp from Asia, was hit hard by supply shortages and high prices. As a result, imports into Germany dropped by 18.2% in quantity this year with significantly lower supplies from Thailand (-25.9%), Viet Nam (-33.3%) and Bangladesh (-12.5%) while imports from India increased by 8.3%.

EMS-hit Thailand also shipped less shrimp to the UK (-7%) while British importers tried to fill the gap by importing more product from Bangladesh (+15.8%). Overall shrimp imports into the UK, however, declined by almost 5% during the review period.

The current scenarios have also squeezed profit margins both for packers and traders. As a result trading activities into and from the Netherlands and Belgium posted negative growths. Shrimp imports into the Netherlands and Belgium for Q1 2013 declined by 28.9% and 15.1% while exports also fell by 2.0% and 16% respectively against the previous year.

The volatile supply of coldwater shrimp also affected Denmark as the main processor and exporter of this product. More shipments from Greenland (+5%) and the USA (+5%) into Denmark could not offset lower supply from Canada, which fell by 38.2% this year. In contrast Denmark's exports posted positive growth (+4.4%) thanks to increasing shipments to Italy and non-European markets, which compensated for the declining sales to the traditional markets of Russia (-21.7%) and Germany (-16.7%).

Imports

Shrimp: Germany

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
			(1 000 tonnes)			
Thailand	2.0	2.2	3.1	2.5	2.7	2.0
Viet Nam	1.7	1.7	1.7	3.3	2.4	1.6
Netherlands	1.5	1.4	1.2	1.9	1.6	1.5
Bangladesh	0.6	1.2	1.2	1.0	1.6	1.4
India	1.6	1.6	1.4	1.1	1.2	1.3
Belgium	1.1	1.0	1.3	1.1	0.9	0.9
Others	3.8	3.8	3.6	4.2	3.8	3.0
Total	**12.4**	**12.8**	**13.5**	**15.1**	**14.3**	**11.7**

Source: Germany Customs

Imports

Shrimp: Spain

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
			(1 000 tonnes)			
IMPORTS						
Argentina	1.6	2.7	3.4	7.0	4.4	6.4
China	6.6	4.7	4.8	7.0	5.0	3.8
Ecuador	4.2	3.0	3.3	5.7	5.8	3.3
Senegal	0.8	0.3	0.3	0.9	1.2	1.0
Nicaragua	0.7	1.2	0.8	0.6	1.0	1.0
Belgium	0.8	0.8	0.9	1.2	0.8	0.8
Netherlands	0.9	0.7	0.7	0.9	0.6	0.8
Portugal	0.5	0.4	0.7	0.9	0.7	0.6
Morocco	1.7	1.5	1.1	0.8	0.7	0.6
Others	8.4	6.6	8.4	10.1	5.4	5.2
Total	**26.3**	**22.1**	**24.5**	**35.2**	**25.4**	**23.5**
EXPORTS						
Italy	2.0	1.9	2.2	2.8	3.0	4.3
France	0.8	2.0	1.8	1.5	2.2	1.3
Portugal	1.4	1.6	1.4	1.4	1.4	1.1
Greece	0.2	0.3	0.4	0.6	0.7	0.7
Others	0.7	0.8	0.3	0.8	1.0	0.8
Total	**5.3**	**6.6**	**6.2**	**7.1**	**8.3**	**8.3**

Source: Agencia Tributaria

Imports
Shrimp: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	3.9	3.9	5.0	4.9	3.8	4.0
Spain	1.1	1.0	1.1	1.4	1.8	2.4
Argentina	0.5	0.8	1.1	1.4	1.2	1.2
India	1.4	0.9	1.3	1.8	1.0	1.0
Denmark	1.5	0.9	1.1	1.0	0.6	0.8
Belgium	0.4	0.4	0.3	0.3	0.2	0.6
Netherlands	0.7	0.7	0.9	1.3	0.8	0.5
Others	4.0	3.2	3.5	3.3	2.2	1.9
Total	**13.3**	**11.8**	**14.3**	**15.3**	**11.6**	**12.5**

Source: ISTAT

Imports
Shrimp: France

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	4.8	3.7	5.2	6.1	5.9	7.0
India	2.3	2.9	3.1	3.1	3.3	3.9
Netherlands	1.5	1.4	1.3	1.4	1.5	1.6
Venezuela	0.8	0.6	0.6	1.0	1.1	1.3
Bangladesh	0.9	0.6	1.2	1.4	0.7	1.2
Madagascar	1.9	1.2	1.4	1.2	1.4	1.1
Viet Nam	0.9	0.8	1.2	1.1	0.9	1.1
Thailand	0.9	1.1	1.7	1.6	1.3	1.1
Belgium	1.2	0.8	1.0	1.7	1.2	0.8
Spain	0.4	0.7	1.1	1.3	1.1	0.6
Others	8.7	7.2	6.2	3.8	4.8	3.7
Total	**24.2**	**21.2**	**24.0**	**23.7**	**23.2**	**23.5**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports
Shrimp: UK

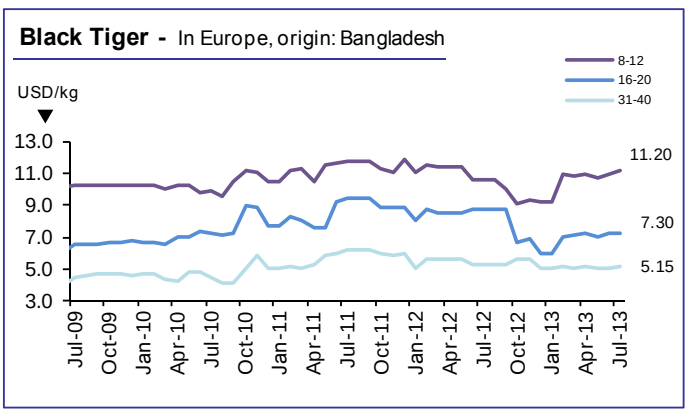
	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	1.7	2.1	2.5	4.3	4.3	4.0
Bangladesh	1.0	1.3	1.1	1.4	1.9	2.2
India	1.8	1.8	1.9	1.8	2.2	2.2
Denmark	2.1	2.1	2.2	1.9	1.7	1.8
Viet Nam	0.8	0.6	1.2	1.7	1.4	1.3
Canada	0.4	0.6	1.2	0.9	1.0	1.0
Indonesia	2.2	2.1	1.9	1.9	0.9	0.9
Iceland	1.7	1.6	1.5	1.3	1.2	0.8
China	0.3	0.2	0.4	0.7	0.8	0.7
Others	4.1	3.0	2.8	2.7	2.9	2.5
Total	**16.2**	**15.2**	**16.7**	**18.6**	**18.3**	**17.4**

Source: Her Majesty's Revenue & Customs

Imports
Shrimp: Denmark

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
IMPORTS						
Greenland	11.9	14.7	13.9	16.5	14.0	14.7
Canada	6.9	4.9	4.1	3.8	5.5	3.4
USA	0.0	0.1	0.1	0.2	0.6	0.9
Viet Nam	0.2	0.2	0.3	0.4	0.4	0.4
China	0.3	0.1	0.1	0.1	0.1	0.4
Faroe Is.	0.8	1.0	0.9	0.2	0.3	0.4
Others	4.0	2.9	2.8	2.6	1.7	2.0
Total	**24.2**	**23.9**	**22.2**	**23.8**	**22.7**	**22.1**
EXPORTS						
Russia	10.8	5.8	5.4	3.0	2.3	1.8
Sweden	4.4	4.6	5.0	5.3	5.1	5.1
United Kingdom	2.9	2.8	2.9	2.2	2.1	2.0
Germany	2.1	1.9	1.6	1.6	1.8	1.5
Norway	1.0	1.0	1.5	1.2	1.4	1.3
Italy	1.9	1.2	1.3	1.1	1.1	1.7
China	1.5	2.5	1.2	1.4	1.1	2.1
Morocco	0.0	0.9	1.0	1.0	0.2	0.9
Netherlands	1.1	1.1	0.9	1.2	0.6	0.5
Others	6.0	5.9	5.7	6.1	4.7	4.6
Total	**31.8**	**27.8**	**26.5**	**24.2**	**20.5**	**21.4**

Source: EUROSTAT



Source: European Price Report

Imports/Exports
Shrimp: Netherlands

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
IMPORTS						
India	1.7	2.6	2.7	2.0	1.7	1.4
Morocco	1.1	1.6	1.8	1.9	2.0	1.2
Belgium	0.6	0.7	1.0	1.8	1.7	1.1
Bangladesh	0.7	0.8	1.5	1.3	1.2	0.9
Viet Nam	0.6	0.3	0.4	0.7	0.7	0.8
Germany	0.9	1.7	1.6	2.0	1.5	0.6
Thailand	0.5	0.9	0.8	0.7	0.8	0.5
China	0.4	0.9	0.7	0.3	0.4	0.5
United Kingdom	0.3	0.9	0.2	0.1	0.2	0.5
Others	4.1	4.5	4.3	5.4	4.0	2.7
Total	**10.9**	**14.8**	**14.9**	**16.3**	**14.2**	**10.1**
EXPORTS						
Morocco	3.5	5.6	5.8	6.1	5.7	4.9
Belgium	3.1	3.0	3.4	3.6	2.5	2.8
Germany	2.4	2.5	3.0	2.9	2.6	2.8
France	2.4	2.9	4.2	3.9	2.2	2.2
Spain	0.6	1.1	0.6	0.5	0.5	0.6
Italy	0.5	0.4	0.6	1.0	0.5	0.4
Others	1.2	1.3	1.2	0.6	0.8	0.8
Total	**13.8**	**16.9**	**18.8**	**18.6**	**14.8**	**14.5**

Source: EUROSTAT

Imports/Exports
Shrimp: Belgium

	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
IMPORTS						
India	2.9	4.2	2.4	4.2	3.3	4.7
Netherlands	2.4	2.4	2.7	3.6	3.8	2.6
Bangladesh	3.7	2.8	1.8	3.2	1.8	1.6
Viet Nam	0.7	0.7	1.1	1.0	0.7	1.0
China	0.8	0.6	0.5	0.6	0.4	0.5
Thailand	0.6	0.6	1.5	0.9	0.9	0.5
Ecuador	1.6	2.2	1.0	3.8	2.4	0.4
Others	3.5	3.3	3.0	3.3	1.8	1.7
Total	**16.2**	**16.7**	**13.9**	**20.6**	**15.2**	**12.9**
EXPORTS						
France	4.5	5.0	3.8	7.9	4.8	2.8
Netherlands	2.1	1.4	1.3	2.2	2.1	1.6
Spain	1.5	1.2	1.2	1.6	1.4	1.5
Germany	1.6	1.3	1.8	1.4	1.2	1.2
United Kingdom	2.1	1.6	1.0	0.7	0.3	0.9
Italy	0.4	0.5	0.3	0.4	0.3	0.5
Others	1.8	1.5	1.3	1.5	1.7	1.5
Total	**13.9**	**12.4**	**10.9**	**15.6**	**11.8**	**9.9**

Source: EUROSTAT

Asia: Strong demand from China

Despite slower economic growth and the government drive against lavish official spending, demand for shrimp in China maintained strong growth as reflected in Chinese imports. During the first quarter of 2013, frozen shrimp imports increased by more than 45%. Canada remains the largest supplier and shipped +38% more during the quarter, followed by Thailand (+57%) and Ecuador (+150%). Chinese buyers are increasingly active in India and shrimp import from this source doubled during the reporting period.

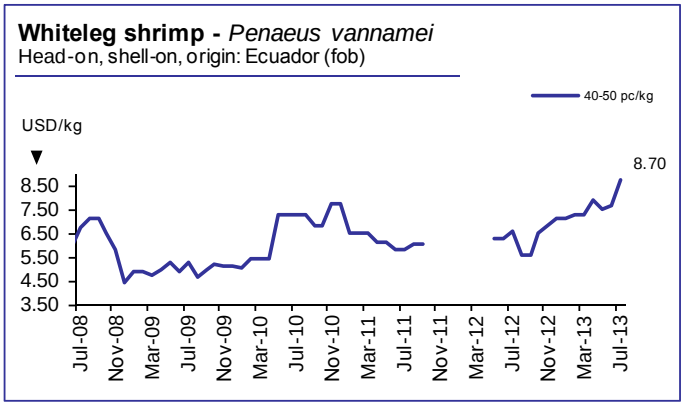
According to the Marine Product Export Development Authority (MPEDA) of India, vannamei shrimp exports increased to USD 730 million during the fiscal year 2012-2013 against USD 385 million in the previous fiscal year. In volume vannamei exports were recorded at 91 000 tonnes compared with 40 787 tonnes previously.

The drop in harvests coupled with the higher costs of labour and the strengthening Baht have dampened the Thai shrimp industry's growth this year. According to the Commerce Ministry, the value of shrimp exports in the first four months of 2013 dropped 19.3% year on year to USD 643 million.

Outlook

In Asia low production in Thailand continues to be a concern with a drop of 40-50% or more than 200 000 tonnes in 2013 a possibility. On the contrary Indian and Indonesian supplies of vannamei are expected to be higher than last year, which will fill the supply gaps to some extent, particularly in the US market. Indonesia produced around 457 000 tonnes of shrimp last year and is expected to add another 200 000 tonnes by 2014.

The forecast in the major markets does not indicate much recovery in consumer demand and overall supply will be balanced by the existing lower demand. Thus prices are expected to be generally stable. However, those markets that require black tiger shrimp will see a supply shortfall and rising prices in comparison with those that prefer vannamei shrimp.



Source: European Price Report

Imports

Frozen Shrimp: China

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Canada	2.7	3.3	3.2	2.3	2.9	4.0
Thailand	1.8	1.2	3.3	2.1	2.1	3.3
Ecuador	0.0	0.0	0.6	1.5	1.0	2.5
Greenland	1.1	1.9	3.6	0.9	0.9	1.5
India	0.5	0.5	0.6	0.8	0.7	1.4
Argentina	0.0	0.1	0.1	0.2	0.5	1.1
Denmark	0.5	0.3	0.8	1.1	0.4	1.1
Others	2.8	4.9	3.3	4.8	3.4	2.4
Total	**9.4**	**12.2**	**15.5**	**13.7**	**11.9**	**17.3**

Source: China Customs

Imports into the US may not go down much further, and the CVD status of the seven affected countries is likely to be confirmed by September. In Japan the current waning demand for raw frozen shrimp is likely to persist, but value added shrimp imports could be higher according to the current market trend. The EU shrimp market is expected to continue to be weak for the next few months as raw material shortages will maintain high shrimp prices. In-store promotional drives by major supermarkets may help to boost sales for food in general but not for shrimp.

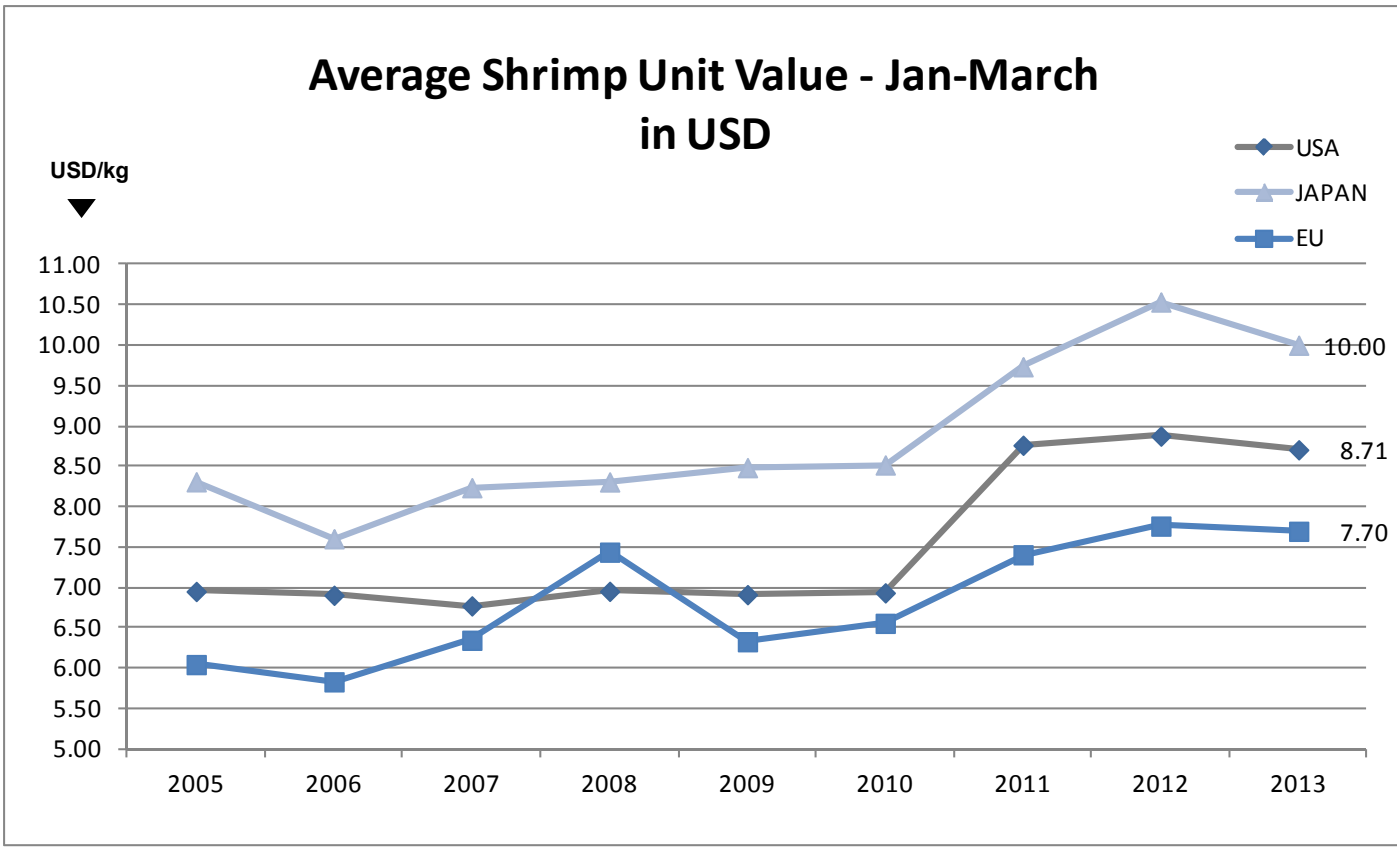
SHRIMP NEWS

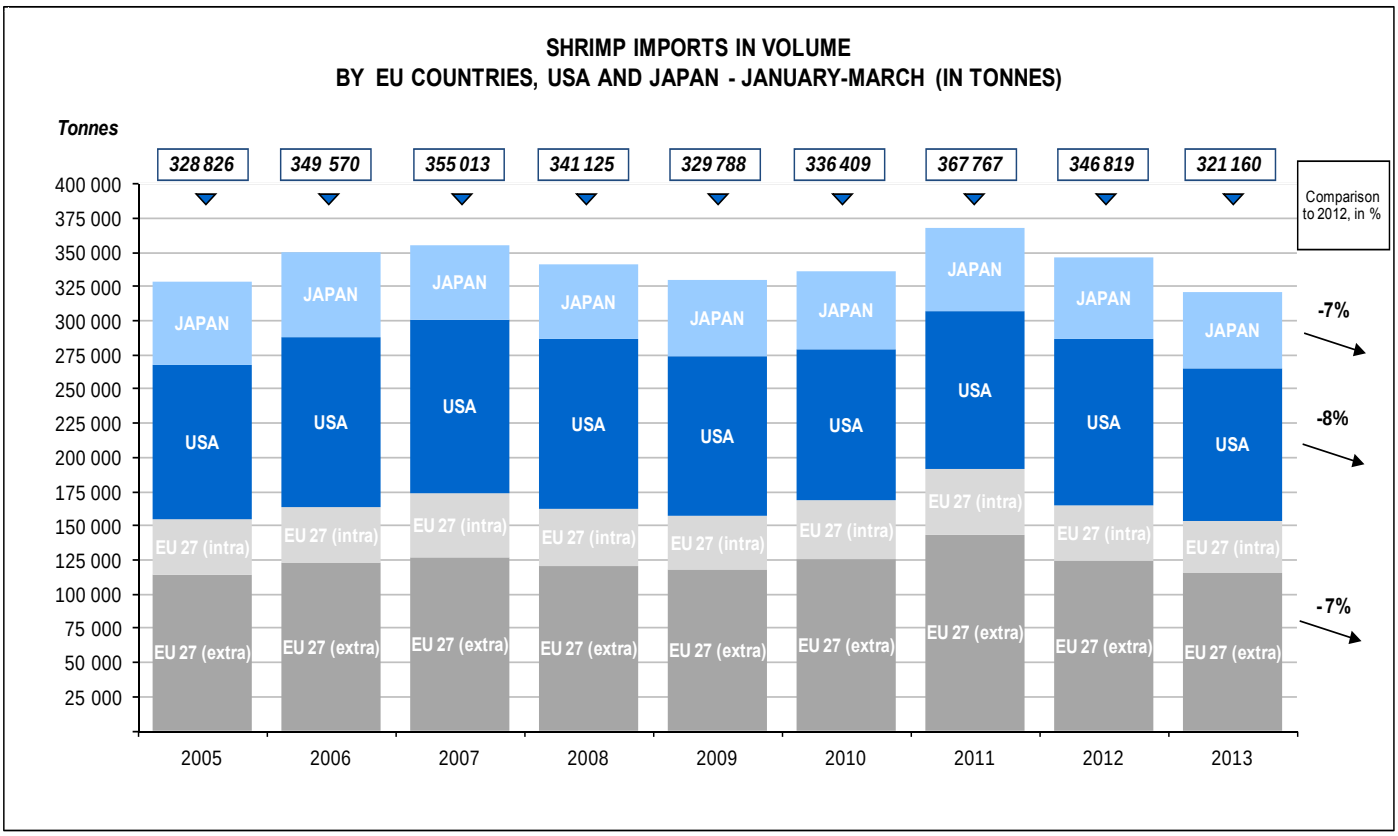
Thailand: Shrimp export might fall by 50%

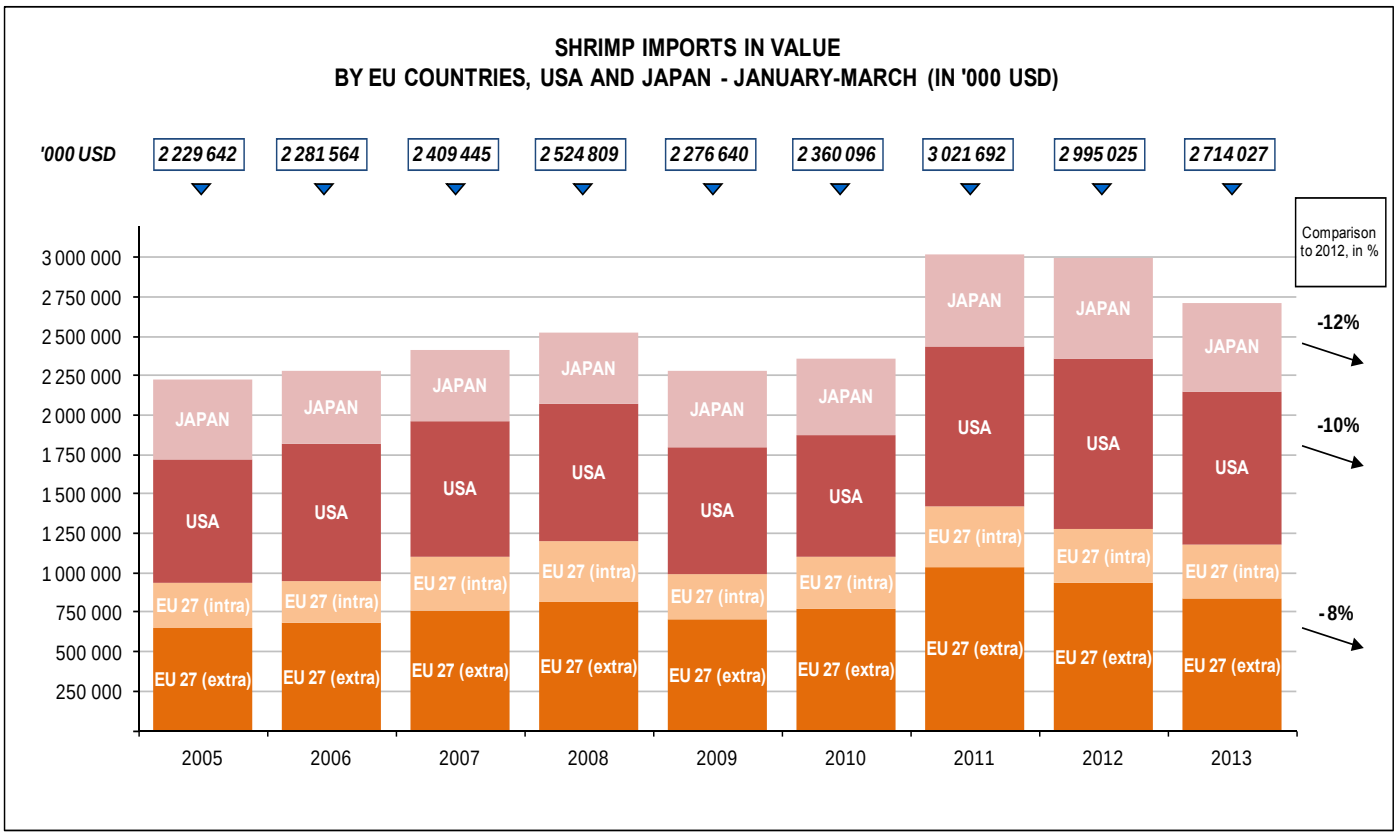
An outbreak of early mortality syndrome (EMS) is causing the Thai shrimp industry one of its worst crises and might reduce its exports by 50 per cent this year, according to Somsak Paneetatayasai, President of the Thai Shrimp Association. The EMS infection causes the death of cultivated shrimp and has devastated crops in many Asian countries where aquaculture is the main source of income of one million people. Now, as a consequence of the shrimp shortage, prices have gone through the roof. The industry is showing signs of recovery after hatcheries, farmers and the government have worked together to stop the disease from spreading, commented Somsak in a telephone interview, as it was reported by Bloomberg.

In order to meet local demand, the import of prawns and prawn-related products is seriously being considered by local companies, reported the Thai Frozen Foods Association. As a result of the dire state of the Thai shrimp industry at present, Somsak requested the EU to extend tax privileges for the country's exports to help it cope with the sharp decrease in profit. He argues that EMS combined with the cuts of the Generalised System of Preferences (GPS) in January 2014 will greatly affect the country's exports.

Thirapong Chansiri, President of Thai Union Frozen Products PCL, the country's biggest exporter said last month that shrimp business is expected to recover by the second half of the year, after this downfall. Chansiri informed of a 70% decline in profits for the first-quarter and forsees "a difficult time for the local shrimp sector through 2013," the Wall Street Journal reports. According to TUF, the EMS outbreak slashed annual Thai shrimp production to 250 000-300 000 tonnes from 550 000 tonnes. *Source: FIS*



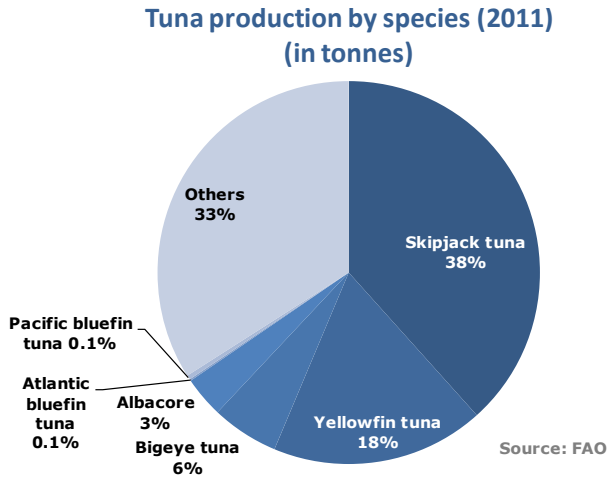

SHRIMP IMPORTS IN VOLUME
BY EU COUNTRIES, USA AND JAPAN - JANUARY-MARCH (IN TONNES)
Tonnes
328 826
349 570
355 013
341 125
329 788
336 409
367 767
346 819
321 160
Comparison to 2012, in %
-7%
-8%
-7%
JAPAN
USA
EU 27 (intra)
EU 27 (extra)
2005
2006
2007
2008
2009
2010
2011
2012
2013


SHRIMP IMPORTS IN VALUE
BY EU COUNTRIES, USA AND JAPAN - JANUARY-MARCH (IN '000 USD)
'000 USD
2 229 642
2 281 564
2 409 445
2 524 809
2 276 640
2 360 096
3 021 692
2 995 025
2 714 027
Comparison to 2012, in %
-12%
-10%
-8%
JAPAN
USA
EU 27 (intra)
EU 27 (extra)
2005
2006
2007
2008
2009
2010
2011
2012
2013

TUNA

The conventional large markets for canned tuna show some improvement this year but raw material supplies will be low till October

The frozen skipjack price remains strong at USD 2 300-2 400/tonne for delivery to Bangkok. During early June, there was a softening in the price to USD 2 150/tonne that lasted for a short period. Marketers indicate that prices have bottomed out and could possibly increase again in a short time.
In the high-end sashimi and non-canned tuna trade, demand remains low this year in the largest market, Japan. However, the positive trend continues in the US market, which could be considered as the second most important market for non-canned tuna including sashimi tuna.



Supply

Catching in the Indian Ocean is being affected by bad weather and strong currents. The situation in the Eastern Tropical Pacific is not very good either, although processors in Ecuador have enjoyed strong demand as the price of tuna raw material has been lower than in Bangkok for the past few months. This has given a clear cost advantage to the Latin American producers, especially in the EU market. With increased demand for fish, the price of skipjack has been firm at USD 2 150/tonne to USD 2 200/tonne ex vessel Manta.

Adverse environmental conditions have affected fishing efforts in the Indian Ocean. A number of vessels suffered some damage to nets and other equipment further limiting their capabilities. Therefore prices have increased, even if only slightly, to EUR 1 670/tonne for skipjack and EUR 2 400/tonne for yellowfin 10kg and up FOB Seychelles.

Catches were also lower in the Western Pacific where the 4-month FAD closure is underway from 1 July to 31 October. Several fleets are planning to perform maintenance and repair works during the closure period.

For bigeye sashimi tuna, lower supplies of Indian Ocean origin are forecast because of the shift in fishing to albacore tuna in the cooler water area of the southern Pacific Ocean.

For Atlantic bluefin tuna, the closed fishing season including purse seine and trap fishing in the Mediterranean starts from 10 June for the EU fishing nations. The 2013 quota of 7 548 tonnes fixed for the EU countries was exhausted before then.

In the Western Pacific, Kiribati has signed a fishing agreement with the European Union to replace the agreement that expired in September 2012. The new agreement will give Kiribati a fee of USD 1.71 million and allow EU fishing vessels to catch 15 000 tonnes of tuna annually in the EEZ waters. The agreement also stipulates that if the annual catch limit is exceeded, there will be an extra fee of EUR 250/tonne imposed for the first additional 2 500 tonnes and a further EUR 300/tonne for the next 2 500 tonnes.

The EU has also signed another agreement with Gabon that gives EU fishing vessels access to 20 000 tonnes of tuna in the country's territorial waters and is valid for 3 years.

Market Trend

Since the beginning of this year the sashimi market in Japan has remained unattractive to local and foreign suppliers. This situation can be directly linked with the weaker yen. High fuel prices reduced fishing efforts for coastal tuna fisheries and imports have also slowed down, even for the popular frozen loins and fillets.

In contrast, the US market for non-canned tuna, particularly frozen loins and steaks has been stable despite the rise in average import prices. For canned tuna

the market seems to have taken a positive turn as well. Compared with last year, the trend in the EU canned tuna market also looks positive.

Tuna packers in Asia seem to be able to adapt well to the high skipjack raw material price while consumers in major markets are slowly accepting the higher canned tuna price. There are positive indicators that demand for canned tuna has shown some improvement as a result of ongoing promotion and product innovations carried out by major suppliers as well as the growing popularity of private (supermarket) brands.

Japan

This year, local sashimi boats have reduced fishing efforts in the coastal waters resulting from the weakening yen and the increased cost of fuel, which is imported This factor has also affected catches in distant waters. Overall tuna landings in Japan posted a 13% decline during the first quarter of this year compared with the same quarter last year. Fresh skipjack landings, however, were 46% higher. In the sashimi market, local skipjack is a popular and cheaper substitute for other red meat tuna, such as yellowfin and bigeye.

The Spring festival season, which falls in April-May, is one of the peak consumption times for sashimi tuna in Japan. However, this year overall tuna trading at wholesale markets was much lower than the usual average in May according to the latest report released by the government. Sales of locally farmed bluefin and other imported sashimi tuna were lower than previous years during the first five months of the year. Overall supply was low from domestic and foreign sources, affected by the weaker yen against major foreign currencies. While the yen remains above JPY 100 for USD 1, import prices for all types of seafood have increased by 20-30% compared with last year.

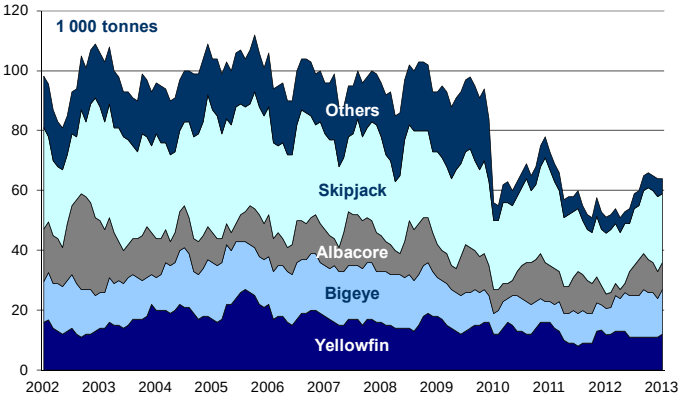
As of June, the inventory level of low quality bigeye tuna of Indian Ocean origin (caught off Somalia), was considerably lower at about 500 tonnes compared with 2

Imports
Fresh/chilled tuna: Japan

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Bigeye	3.9	4.0	3.3	2.7	3.3	2.9
Yellowfin	4.2	4.0	3.7	3.8	3.0	2.4
Bluefin	1.2	1.9	1.5	0.7	0.6	1.2
S. bluefin	0.0	0.0	0.1	0.1	0.1	0.1
Albacore	0.0	0.0	0.0	0.0	0.0	0.0
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
Total	**9.2**	**9.9**	**8.6**	**7.3**	**7.0**	**6.8**

Source: INFOFISH

Coldstorage holdings
Tuna: Japan



Source: INFOFISH Trade News

Imports
Frozen tuna: Japan

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Yellowfin	12.1	13.0	12.9	11.9	15.8	10.7
Bigeye	20.8	17.8	20.0	15.9	19.9	23.1
Skipjack	7.0	14.7	20.5	7.5	11.2	3.5
S. bluefin	0.3	0.6	0.6	4.1	0.5	0.6
Albacore	0.6	1.5	4.2	4.7	3.4	2.7
Bluefin	3.4	1.9	0.7	0.8	0.1	0.2
Total	**44.2**	**49.5**	**58.9**	**44.9**	**50.9**	**40.7**

Source: INFOFISH

Landings
Tuna*: Japan

	.....Jan-Mar.....			
	2010	2011	2012	2013
	(1 000 tonnes)			
Bluefin				
fresh	0.0	0.0	0.0	0.0
frozen	0.3	0.2	0.2	0.1
Bigeye				
fresh	1.0	0.7	1.0	0.8
frozen	3.8	3.6	5.9	5.7
Yellowfin				
fresh	1.4	1.3	1.0	0.9
frozen	1.4	1.2	9.3	5.2
Albacore				
fresh	9.3	7.7	10.6	7.6
frozen	0.7	1.3	2.6	2.7
Skipjack				
fresh	2.6	2.4	2.4	3.5
frozen	43.9	60.1	52.3	4.8
Total	**64.4**	**78.5**	**85.4**	**74.2**

Source: INFOFISH

Imports
Tuna pouches: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	5.4	5.3	6.7	5.5	4.8	6.4
Ecuador	2.7	2.0	1.6	1.8	1.9	2.2
Others	1.4	1.2	1.8	1.3	1.2	0.9
Total	**9.5**	**8.5**	**10.1**	**8.6**	**7.9**	**9.5**

Source: NFMS

500 tonnes reported during January/February. However, the stock level for Mexican farmed bluefin tuna was high at 2 500 tonnes because of slowing demand in the market.

The sluggish market demand during the hot and humid month of June is normal and consumer demand shifts towards *tataki* or grilled skipjack and other seasonal seafood such as salmon, pike mackerel and squid. Sushi restaurant chains, particularly the *kaiten* sushi restaurant operators, continue to opt for cheaper alternative species such as salmon and marinated mackerel. Supermarkets are still maintaining last year's prices, although import prices have gone up considerably. In retail trade, there is strong resistance to price rises from end consumers.

Imports of fresh and frozen tuna also declined during the first quarter of this year to 57 528 tonnes, which is 12% lower than last year.

While air-flown imports declined by 3%, the drop was sharper for frozen tuna at 20% during the first quarter of this year, compared with the same period last year. With the exception of bigeye tuna, lower supplies were registered for all other types, including a significant drop for frozen skipjack of -69% indicating lower requirements from *katsuobushi* and canned tuna processors in Japan. In order to adjust to high raw material prices, Japanese tuna packers have reduced their canned sizes from 80g to 70g per can.

Imports of frozen bluefin loins from the Mediterranean were higher than last year as more fish is being processed into frozen loins for longer storage life. However, for the first time since 2010, supplies of red meat quality frozen tuna loins fell behind that of last year, a factor that marketers link to the cheap yen.

USA

Last year the US imported more than 163 000 tonnes fresh/frozen tuna, which was 2.5% higher than the year before. This development is largely linked to improved demand for non-canned tuna, particularly frozen loins and steaks, among others. The total value of these imports was USD 1.06 billion in 2012 against USD 737.94 million in 2011.

Imports
Fresh Tuna : USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Yellowfin	4.2	3.5	3.5	4.0	3.7	3.5
Bigeye	1.5	1.3	1.4	0.6	0.9	1.0
Albacore	0.1	0.2	0.1	0.2	0.2	0.2
Bluefin	0.1	0.1	0.1	0.1	0.2	0.1
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.1	0.0	0.0	0.0	0.0	0.0
Total	**6.0**	**5.1**	**5.1**	**4.9**	**4.9**	**4.9**

Source: NFMS

Imports
Tuna loins: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	3.3	2.1	5.5	5.5	2.8	5.3
Fiji	2.5	2.6	2.7	2.1	2.4	3.8
Colombia	*	*	*	0.5	3.3	2.1
Ecuador	0.1	0.0	0.0	0.0	0.5	0.4
Trin & Tob	2.5	2.3	2.0	1.5	0.0	0.0
Others	2.4	2.8	4.9	2.4	3.7	3.7
Total	**10.8**	**9.8**	**15.1**	**12.0**	**12.7**	**15.3**

Source: NFMS ** Included under "others"*

The stable trend in the non-canned tuna market segment is continuing this year, which is reflected in January-March import data for fresh tuna as well frozen tuna loins. Import growth for the latter has been impressive, largely dominated by supplies from Southeast Asian countries, namely Indonesia, the Philippines and Thailand.

Canned tuna: signs of recovery in major markets despite high prices

USA

The US market showed signs of recovery this year thanks to the positive trend in the retail sector. According to the US Census Bureau retail and food-service sales posted positive growth this year and rose 0.6% in May to USD 421.1 billion while canned tuna imports also increased significantly. During the first quarter of 2013 imports of canned tuna were up 22% in volume and 30.9% in value year on year, amounting to 47 800 tonnes worth USD 271 million. Imports of tuna in pouch were up by 20% in quantity.

Confronted with increasing costs and the highly competitive US market, major tuna suppliers introduced

Imports
Canned tuna (excl. pouches): USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	18.4	20.1	32.6	29.0	19.2	27.9
Philippines	10.0	8.6	6.5	7.6	7.0	4.8
Indonesia	5.6	4.4	4.3	3.7	2.7	2.5
Ecuador	1.7	1.1	1.7	1.3	1.2	1.6
Others	10.7	6.8	9.4	11.4	9.1	11.0
Total	**46.4**	**41.0**	**54.5**	**53.0**	**39.2**	**47.8**

Source: NFMS

more premium products and intensified promotional activities. Bumble Bee Foods, for example, has introduced three new additions to its gourmet-style prime albacore tuna fillet. The company also introduced its new Marine Stewardship Council (MSC) certified canned albacore and light meat tuna that will be available in the market this year. Competitor Chicken of the Sea International (COS) is focussing on innovation and renovation with the emphasis on nutrition and convenience factors and is increasing its marketing and advertising budget to achieve sales growth of 8% this year.

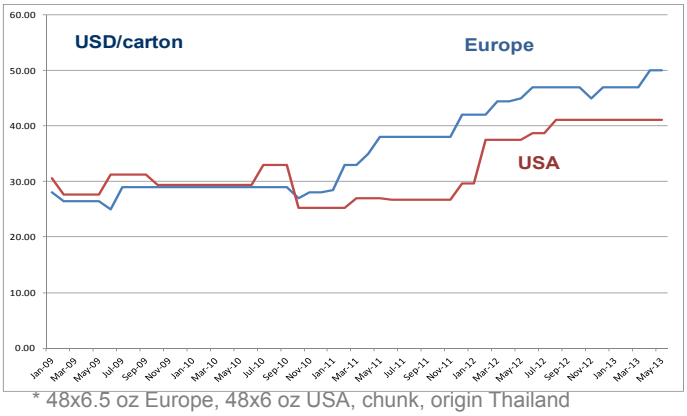
Competition in the US canned tuna market is expected to be tougher in the future when the Trans-Atlantic agreement with the EU is signed, allowing better market access for canned tuna from Europe. Negotiation between the two sides is on-going and US tuna packers have already expressed concern about the impact of the agreement on the US canned tuna industry.

Europe

The European canned tuna markets also moved in a positive direction this year. In the difficult economic climate consumers have turned to cheaper brands and as a result private labels are growing fast in some major markets such as Spain, Italy and Germany. To defend their market share, established brands are trying to stay one step ahead by aggressively promoting their new products. UK-based Princes has added a line of "deli-inspired" tuna-based products to its range of sandwich fillers to encourage more frequent purchases. Rio Mare of Italy introduced its iTuna app offering more interactive features so that consumers with mobile phones can access product information via internet.

Up to April this year imports of canned tuna into the EU increased by 15.5% in volume and 33.8% in value year on year, amounting to 128 247 tonnes worth USD 7 334 million. The issue of illegally caught tuna from West African origins entering the supply chain in the UK did not prevent more products being imported into the country. During the first quarter of 2013 canned tuna imports into the UK posted positive growth at 4% with more shipment recorded from Ghana (+19%) and Thailand

CFR Prices
Canned tuna*: USA, EUROPE



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

Source: GLOBEFISH

Imports
Canned tuna: UK

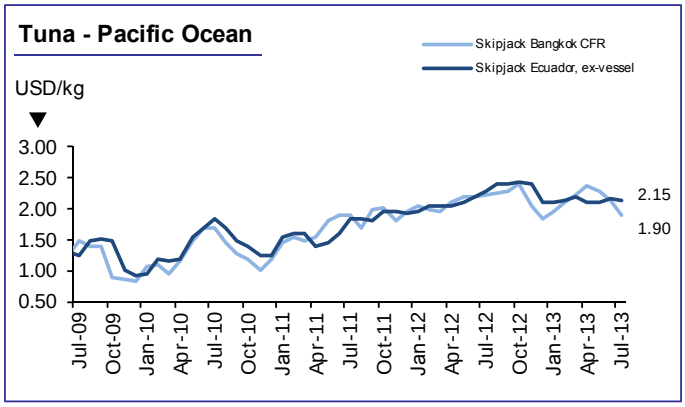
	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Mauritius	5.3	3.2	5.7	6.5	5.8	5.6
Ghana	6.6	4.6	4.6	3.3	3.2	3.8
Thailand	3.3	3.9	2.8	5.6	3.1	3.4
Seychelles	3.4	5.0	2.1	3.6	2.9	2.7
Philippines	4.3	3.0	4.4	2.6	3.2	2.2
Ecuador	2.4	1.0	1.2	2.4	1.9	2.0
Indonesia	0.4	0.2	0.3	0.5	1.4	1.9
Spain	0.6	0.7	0.3	1.1	1.7	1.3
Others	3.2	2.3	2.1	1.7	2.1	3.5
Total	**29.5**	**23.9**	**23.5**	**27.3**	**25.3**	**26.4**

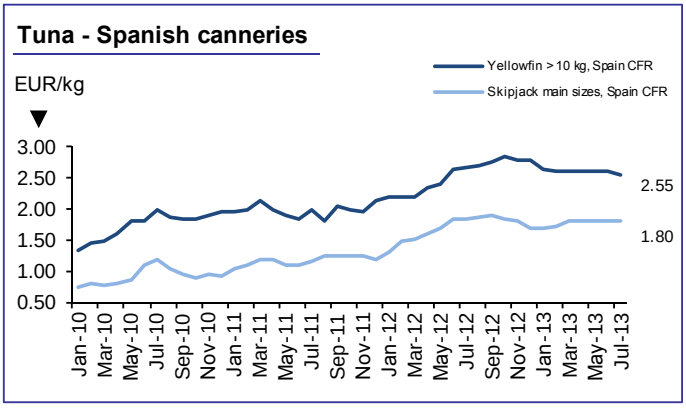
Source: Her Majesty's Revenue & Customs

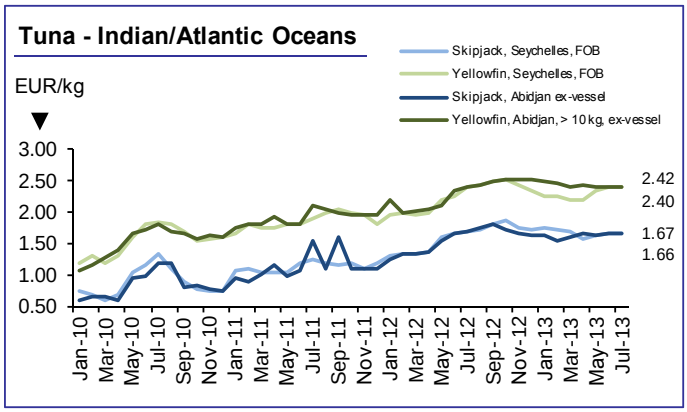
Imports
Canned tuna: France

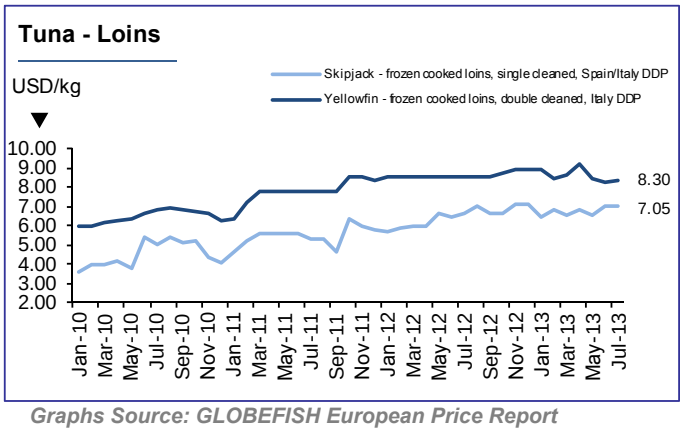
	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
C. d'Ivoire	7.7	6.8	3.0	0.6	6.1	5.5
Spain	4.1	3.7	3.6	6.8	4.9	5.1
Seychelles	2.4	1.7	2.4	3.6	5.7	4.3
Ecuador	1.6	3.4	3.2	3.0	2.5	3.0
Thalland	1.2	1.6	1.8	2.6	1.7	1.4
Ghana	1.2	1.6	1.8	2.6	1.7	1.4
Madagascar	0.0	0.0	0.5	0.0	0.0	0.2
Others	6.0	5.9	2.9	5.6	3.2	2.1
Total	**24.2**	**24.7**	**19.2**	**24.7**	**25.8**	**22.9**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE









Graphs Source: GLOBEFISH European Price Report

(+10%) compensating for lower imports from Mauritius (-3%), Seychelles (-7%) and the Philippines (-31%).

Similarly the price sensitive German market also imported 4% more this year with more supplies coming from Thailand (+67%) and Ecuador (+53%), but shipments from the Philippines, the market leader, and Papua New Guinea declined by 20% and 8% respectively.

Ecuador packers also did well in France and shipped 20% more in the first quarter but in spite of this the overall imports into the market shrank by 11%. The sharp drop in supplies from Seychelles (-25%) and Thailand (-18%) could not be offset by higher shipments from other sources.

Ecuador and the Seychelles increased supplies somewhat to Italy but overall imports into Italy declined by 23% as there was a significantly lower supply from Spain (-36%). According to Nielsen, sales volume of canned tuna decreased by 2%, from 108 000 tonnes in 2011 to 106 000 tonnes last year but sales value rose by 1.3% totalling EUR 1.03 billion. The declining sales of canned tuna also affected the imports of pre-cooked tuna loins into Italy, which fell by 12% in quantity during Q1, thanks mainly to lower supply from Thailand (-41%) and in spite of higher imports from Ecuador (+28%).

Imports
Canned tuna: Germany

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Philippines	2.6	5.2	4.7	4.6	4.1	3.3
Ecuador	5.4	4.2	2.3	1.4	1.9	2.9
Papua NG	0.4	1.2	2.0	2.5	2.5	2.3
Thailand	1.4	1.2	1.6	1.5	0.9	1.5
Netherlands	0.1	0.6	1.2	1.7	1.5	1.0
Indonesia	1.6	1.8	1.7	2.1	1.7	0.6
Seychelles	1.0	0.2	1.7	0.6	0.1	0.2
Others	1.8	2.4	1.8	3.5	3.8	5.3
Total	**14.3**	**16.8**	**17.0**	**17.9**	**16.5**	**17.1**

Source: Germany Customs

Imports
Tuna loins: Spain

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ecuador	5.1	6.4	8.2	7.6	5.3	4.3
China	1.1	0.8	1.7	1.8	1.3	3.8
Thailand	3.4	6.2	4.6	9.3	1.1	3.3
Guatemala	0.0	0.9	1.6	1.8	2.7	2.0
El Salvador	4.0	5.9	2.4	1.4	0.9	1.5
Mauritius	0.3	1.0	1.0	3.9	1.5	1.1
Others	0.6	1.5	1.6	2.0	3.1	3.8
Total	**14.5**	**22.7**	**21.1**	**27.8**	**15.9**	**19.8**

Source: Agencia Tributaria

Imports

Canned tuna: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	9.3	8.3	8.9	10.7	10.5	6.7
Cote d'Ivoire	1.8	2.8	1.2	1.7	2.0	1.9
Seychelles	1.3	1.5	1.3	1.0	1.3	1.6
Ecuador	0.4	0.8	1.6	1.3	0.9	1.4
Colombia	1.9	1.4	2.7	2.7	2.2	1.1
Mauritius	1.0	1.0	1.0	1.0	1.3	1.0
Others	3.1	3.1	1.4	2.0	2.0	1.9
Total	**18.8**	**18.9**	**18.1**	**20.4**	**20.2**	**15.6**

Source: ISTAT

Meanwhile Spain took full advantage of the EU duty free import quota rule for pre-cooked tuna loins from Asia. For Q1 2013 Spain imported 24.5% more pre-cooked tuna loins compared with the same period of 2012 with significantly increased supplies from China (+192%) and Thailand (+200%), while imports from Latin American sources declined.

Asia

ASEAN countries and China have become the main targets for market expansion by packers in the region. Thai Union (TUF) said that it is now focusing more on ASEAN markets to serve the upcoming ASEAN Economic Community. Priority target markets in the region are Indonesia, Cambodia, Laos, Myanmar and Viet Nam. Meanwhile the Republic of Korea's Dongwon has been seeking opportunities in China by signing a contract with Chinese retail giant Bright Food Group. Dongwon said the value of China's canned tuna market is estimated to be USD 45 million.

Despite increasing production costs and the strengthening baht, Thai canned tuna exports showed strong resilience and posted positive growth this year. After a sharp drop (-25%) last year, canned tuna exports grew by 3% both in quantity and value during the first quarter of 2013, totalling close to 105 000 tonnes valued at THB 14.8 billion (USD 501 million). Increasing sales to key markets as well to new emerging markets contributed to this growth. Exports to USA, Canada, UK and Saudi Arabia increased by 7%, 15%, 123% and 26% respectively in volume, which somewhat offset lower shipments to Egypt (-48%), Australia (-5%), Japan (-5%) and Libya (-3%).

Exports

Canned tuna: Thailand

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
USA	20.9	21.4	27.4	26.0	16.8	17.9
Australia	9.3	7.7	11.0	12.0	8.6	8.2
Canada	7.2	7.3	7.8	8.3	5.7	6.6
Libya	7.3	5.9	7.1	4.6	6.6	6.4
Japan	7.0	5.7	4.9	6.8	6.5	6.2
Saudi Arabia	3.6	2.4	5.1	4.4	4.9	6.2
Egypt	9.9	4.8	12.6	10.8	11.1	5.9
UK	3.5	4.6	2.9	8.1	14.0	3.1
South Africa	3.0	3.3	2.4	2.5	2.2	2.9
Others	50.8	42.8	50.0	52.5	25.0	41.2
Total	**122.5**	**105.9**	**131.2**	**136.0**	**101.4**	**104.6**

Source: Thai customs

Meanwhile the high canned tuna price in the global market coupled with the weakening yen has affected the canned tuna market in Japan as indicated by the negative trend in imports this year. During the first quarter of 2013, imports declined by 11.5% in volume, but increased by 2.2% in value terms year on year, totalling almost 9 500 tonnes worth JPY 5.3 billion (USD 54 million).

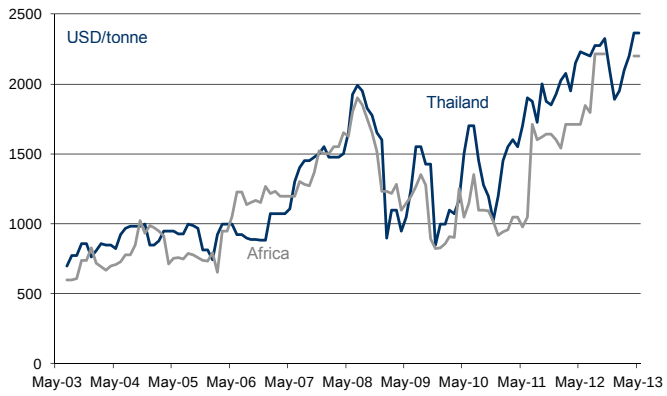
Outlook

During June and early July consumption of sashimi tuna is usually low in Japan except for fresh skipjack, which is used to make tataki or grilled tuna, a product that is in demand during summer. Demand for raw tuna is expected to pick up again once the temperature drops and school holidays begin in mid-July.

Demand for non-canned tuna in the US market is also forecast to be good this summer during the holiday season.

In the canned tuna market, prices are expected to remain high as the skipjack price is likely to strengthen further in the coming months. Some packers believe trends in major markets, particularly in the US and EU will improve during the second half of the year.

CFR Prices
Frozen Skipjack: Thailand and Africa

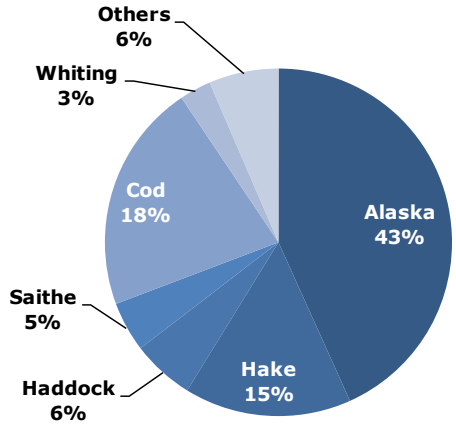


4.5-7 lbs *Source: GLOBEFISH*

Cod prices at 30-year low as supplies flood markets

Earlier concerns about an over-supply of cod are already being confirmed. Cod is flooding the markets, particularly in Europe, and prices are at a 30-year low. At the same time, Norwegian exporters are turning to fresh cod products in an effort to capture new market shares.

Groundfish production by species (2011)



Source: FAO

Supplies

While cod quotas are at record highs, and the outlook for 2014 is for a slightly higher quota yet, 2015 may see somewhat lower quotas and increasing prices, according to some observers in the industry. A quota reduction of about 10% is expected for 2015, i.e. the total Barents Sea cod quota would then be reduced to 900 000 tonnes. This is still a high quota, thus prices will consequently remain relatively low.

The other side of this coin is that, with the present low cod prices, it is possible to build new markets and capture new consumers. Asia is seen as the most promising new market for cod. If cod can be accepted into the home cooking market in Asia, prospects should indeed be good for the longer term.

The National Marine Fisheries Service (NMFS) announced a large reduction (77%) in the cod quota for the fisheries of the New England region and the Georges Bank (61%). These measures could remain until 2016. The decision was not well received by the fishing industry and generated strong protests. The decline in cod stocks was the reason for this but the causes are still a matter of debate. Some people blame overfishing, while others say it is the result of water temperature change. Yet others are unwilling to accept that changes have taken place, and say that the decline is a simply coincidence that will eventually disappear. The reality is that the cut in catches could affect 80 000 jobs and generate losses of up to two billion dollars. However, NMFS say that the measures are aimed at maintaining stocks at levels that will prevent depletion and ensure the resource in the future. Fishermen were urged to shift to other groundfish resources not under threat, such as haddock, ocean perch and hake.

While the Barents Sea cod quota was increased, the haddock quota was cut by 25% to 150 000 tonnes. This was a major setback, and in line with lower catches in 2012. However, recent research has shown that they may be in a better condition than thought earlier this year and there may be some optimism for a quota increase in 2014.

The dwindling supplies of haddock have pushed haddock prices on the US market. Prices for headed and gutted haddock in the US north-west are now around USD 2.80 -2.85 per kg (CFR China). Haddock also has loyal consumers who are willing to pay a few cents more, maybe as much as USD 3.20 per kg but how long this will last is uncertain. At some point buyers will switch to the cheaper and more available cod.

The US Alaska pollock production figures in the Bering Sea and Aleutian Islands indicate that there has been a drop in production of fillet, surimi and roe since early March. This is attributed to the smaller average size of the catch. However, by the end of March, production of fillets reportedly improved, although those of surimi and roe remained below the levels recorded in the same period last year.

Cod

During the first four months of 2013, cod has overtaken salmon as France's most popular fish. Sales were up by over 25%, thanks in large measure to low prices. An interesting point in this regard is that the average export prices from Norway to France fell by 39%

during the period, while the price to the consumer fell by only 7.5%. In other words, margins for the distributors were higher, and this probably also helped increase sales.

Large amounts of cod have been landed in Norway, and in an effort to sell this at higher prices, Norwegian exporters have unloaded fresh whole cod on the Danish and French markets in large amounts. By the end of May, exports of fresh cod to these two countries alone amounted to 20 548 tonnes, compared with 10 139 tonnes during the same period in 2012.

As a consequence, prices for fresh cod have fallen to record low levels. In the UK prices were reported to be as low as NOK 7.00 (USD 1.20) per kg. However, the average export price (FOB Norway) for fresh cod during the first five months of 2013 was NOK 16.62 (USD 2.85) per kg, compared with NOK 22.14 (USD 3.80) during the same period last year.

Imports

Cod-like groundfish: USA

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Fillets						
China	18.7	20.1	19.4	22.2	21.3	22.4
Iceland	2.5	2.9	2.4	1.6	2.1	3.1
Canada	0.6	1.4	1.0	0.9	1.1	0.9
Norway	0.3	0.4	0.3	0.2	0.1	0.9
Others	0.0	1.4	2.3	1.8	2.8	4.8
Total	**22.1**	**26.2**	**25.4**	**26.7**	**27.4**	**32.1**
Blocks/Slabs						
China	10.3	9.8	9.6	8.7	9.3	8.4
Russian Fed.	0.2	1.1	0.6	0.3	0.2	0.1
Norway	0.0	0.1	0.2	0.3	0.1	0.2
Iceland	0.1	0.5	0.2	0.2	0.3	0.5
Argentina	0.6	0.2	0.2	0.1	0.2	0.3
Canada	0.2	0.2	0.1	0.1	0.1	0.1
Others	0.8	0.3	0.6	0.4	0.6	1.1
Total	**12.2**	**12.2**	**11.5**	**10.1**	**10.8**	**10.7**
Gr. Total	**34.3**	**38.4**	**36.9**	**36.8**	**38.2**	**42.8**

Source: NMFS

Such a low price makes it quite impossible to promote farmed cod on these markets, as production costs of farmed cod are higher than the present sales prices.

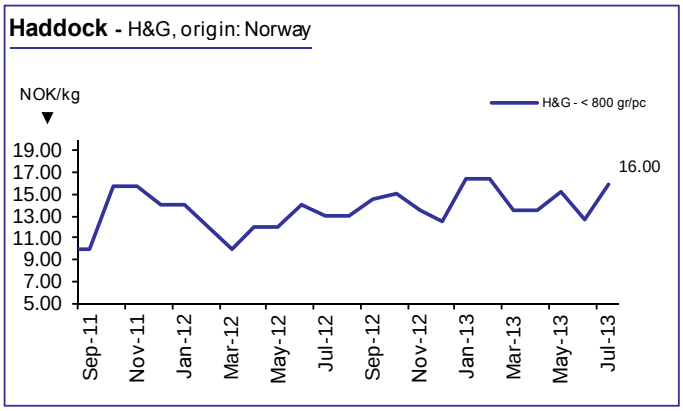
The flood of Norwegian cod is creating problems on major markets. In the UK demand is sluggish in spite of the low prices. However, it is still hoped that the expanding supplies and lower prices will have a positive effect on demand in the longer term.

Hake

More hake will be landed by Peru, as the authorities have increased the quota by 30% to 17 880 tonnes for the A season (January through June). Compared with the extreme cod quotas, this is not a large amount and it is also relatively small compared with the total global quota for hake (800 000 tonnes). However, the quota for the B season is expected to be even higher.

Peruvian operators are encouraged as it seems that European consumers of hake are willing to pay more for "sustainable hake", or that is at least what the industry now believes. Prices for Peruvian hake are up by 4-5% compared with last year, in spite of increased supplies. The resources appear to be in good shape, and to be well managed, and according to industry spokesmen, this encourages consumers to buy, and to pay a small premium for the sustainability. Thus, sustainability has become an important factor in the industry over the past few years, and now it has become a marketing rationale, at least for Peruvian hake.

In Ecuador, a significant number of trawlers, formerly involved with shrimp fishing, will be converted to operate on the hake fishery, under a pilot scheme that has been given a quota to fish for this demersal resource. Since 15 January catches have been ranging 6 and 7 tonnes on average per boat per day. The size of the hake (*Merluccius gayi*, the same species as found in Peru) caught has been around 35 cm in length and 380 grams in weight. The Undersecretary of Fishing Resources announced an annual allowable catch of approximately 25 500 tonnes. Given the current demand in international markets, it is estimated that most of the production will be directed to the export markets.



Source: European Price Report

Imports
Frozen cod fillets: Germany

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	3.8	3.0	2.1	4.2	3.1	2.9
Poland	0.6	0.2	2.6	1.0	1.0	1.1
Denmark	0.8	0.4	0.5	0.6	0.4	0.2
Russia	0.5	0.2	0.2	0.2	0.1	0.2
Norway	0.1	0.0	0.1	0.1	0.1	0.2
Iceland	0.1	0.2	0.2	0.1	0.0	0.1
Others	0.3	0.3	1.1	0.4	1.2	1.1
Total	**6.2**	**4.3**	**6.8**	**6.6**	**5.9**	**5.8**

Source: Statistisches Bundesamt

Imports
Frozen hake fillets: Germany

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Namibia	0.5	0.4	0.5	0.6	1.0	0.6
Peru	1.5	0.8	1.5	1.1	0.4	0.6
Argentina	0.8	1.4	1.2	0.1	0.3	0.4
USA	2.0	1.5	2.2	1.8	1.8	0.2
Others	0.8	1.1	0.5	0.1	0.2	0.4
Total	**5.6**	**5.2**	**5.9**	**3.7**	**3.7**	**2.2**

Source: Statistisches Bundesamt

Imports
Frozen cod: UK

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	6.3	3.0	3.9	4.2	4.6	4.8
Iceland	3.8	3.9	4.6	3.7	4.7	4.4
Russian Fed.	1.6	1.3	1.1	1.9	3.4	3.3
Denmark	2.2	1.5	1.8	1.6	1.4	2.5
Norway	2.1	2.4	2.5	3.1	2.4	2.4
Germany	0.3	0.4	0.8	1.7	1.7	2.0
Faroe Is.	1.1	0.9	1.1	1.2	1.8	1.7
Poland	0.9	0.9	0.6	0.6	0.5	0.6
Others	1.9	1.1	1.6	1.6	1.9	2.2
Total	**20.2**	**15.5**	**18.0**	**19.6**	**22.5**	**23.8**

Source: Her Majesty's Revenue & Customs

Imports
Frozen hake: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
USA	0.0	0.0	0.8	1.5	1.5	1.6
Argentina	2.3	2.2	2.5	1.7	1.7	1.5
Spain	1.3	1.4	1.9	1.9	1.3	1.3
S. Africa	1.4	1.5	1.3	1.0	1.2	1.2
Namibia	0.5	0.5	0.7	0.9	1.1	1.1
Uruguay	0.9	0.9	1.8	1.7	0.4	1.1
Peru	0.2	0.0	0.0	0.1	0.2	0.5
Chile	0.1	0.2	0.5	0.2	0.2	0.1
Others	0.5	0.5	0.5	0.3	0.9	0.7
Total	**7.2**	**7.2**	**10.0**	**9.3**	**8.5**	**9.1**

Source: ISTAT

Demand

Demand for haddock appears to be steady, even though prices have increased substantially over the past months. This may be due to the fact that haddock is a popular fish in some parts of the US and UK market.

Processing costs in China are going up, and this is affecting profitability for processors who operate in China and export to western markets. At the same time, sales of frozen whitefish, including pollock from Russian vessels processed in China, have declined in both European and US markets.

Murmansk-based seafood processors are looking to the UK for new market opportunities. Recently, a delegation from the UK seafood industry visited Murmansk to discuss the possibility of sourcing whitefish from producers in Murmansk for the UK market. Expansion into new markets is a key priority for the Murmansk fishing companies, and the UK is an interesting opportunity.

Imports
Frozen Alaska pollock fillets: Germany

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	21.2	24.8	24.7	24.9	19.1	26.4
USA	17.8	8.3	9.8	10.7	16.1	8.7
Russian.F.	4.9	8.5	4.0	1.6	2.0	2.3
Others	0.9	1.3	1.3	1.0	0.6	0.6
Total	**44.8**	**42.9**	**39.8**	**38.1**	**37.8**	**38.0**

Source: Statistisches Bundesamt

The industry is looking for new market channels for a number of whitefish products, and in South Africa, one new channel may have been found: the fish and chip shops. Retail seafood outlets are not new to South Africa, though. For years the Seafood Basket franchise has operated in the country and in neighbouring countries, offering a variety of seafoods. Now the Fish & Chips Co has been established and franchises set up around the country. The owner of the franchise, Taste Holdings, is now opening three new shops per week, and a rival operator is also expanding. Fish and chips shops are popular in South Africa mainly because they are based on a cheaper franchise model and the products appeal to the lower end of the food market.

Following poor sales and little interest from customers during Lent, McDonald's decided to remove Fish McBites (breaded fried fish nuggets) from its menu. The company said they were met very poor sales and lacked customer appeal, despite being made with the same MSC certified, wild Alaskan caught pollock that the company's uses for its extremely popular Filet-O-Fish sandwich.

Imports

Frozen Alaska pollock fillets: France

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	5.7	6.5	4.7	6.8	6.2	7.3
Russian Fed.	1.5	1.2	1.2	0.6	1.2	2.1
USA	2.3	1.4	1.1	2.3	2.3	1.4
Germany	1.1	0.8	0.9	1.7	1.4	1.3
Others	0.1	0.2	0.6	0.0	0.1	0.2
Total	**10.7**	**10.1**	**8.5**	**11.4**	**11.2**	**12.3**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

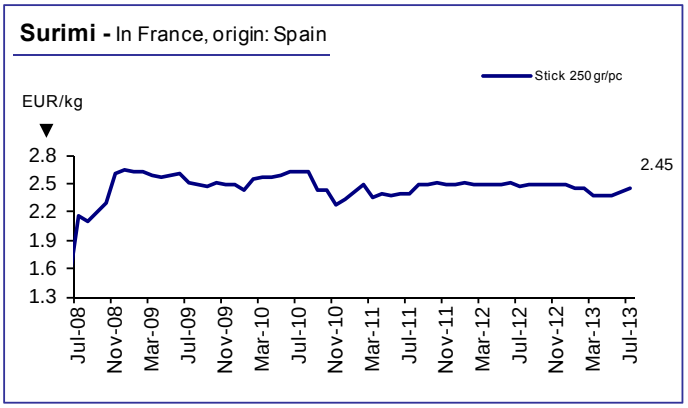
Surimi

Surimi supplies from overseas to Japan are expected to remain stable at about 320 000 tonnes in 2013. Imports of Alaska pollock surimi is expected to remain at the same level as in 2012, while imports of whiting surimi are expected to increase. Imports from China and other Asian nations are expected to fall slightly below 2012.

Surimi products are very popular among French consumers. The average French household consumption of surimi products is estimated at 2.9 kg per year, and 70% of the households buy surimi, mostly in fresh form.

However, now French consumption of surimi appears to be stagnating, or even falling slightly. Consumption dropped from 63 373 tonnes in 2011 to 60 500 tonnes in 2012 (-4.5%). The weather has been blamed for this, as the 2012 summer in France was very bad.

Russia is a very large producer of pollock and Russian producers are now producing more surimi, but also more fillets, from pollock, at the expense of headed and gutted and whole round fish. Pollock fillet production increased by over 60% during the A season, while production of mince increased by 40% during this period. Surimi production capacity in Russia has been limited in the past.



Source: European Price Report

International trade

US exports of pollock fillets went up by 30% during the first three months of 2013. Germany took over 50% of all US frozen pollock fillet exports during the period. Shipments to France also increased. The main reason for this increase seems to be low prices, particularly in Germany.

French imports of frozen Alaska pollock fillets increased moderately during the first quarter of 2013 compared with the same period in 2012. A total of 12 300 tonnes was imported. This represented an increase of 9.8%. The largest suppliers to France were China and the Russian Federation.

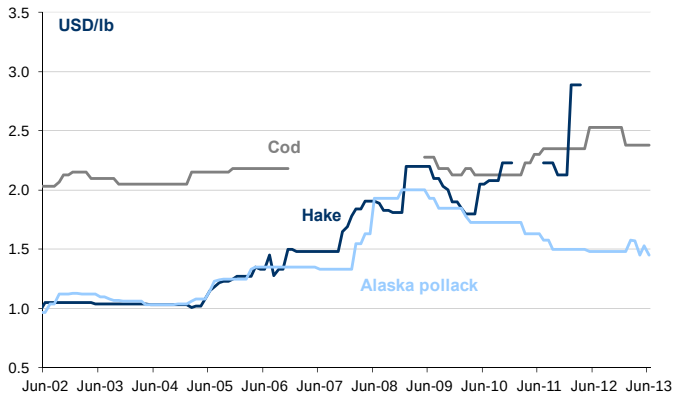
German imports of frozen Alaska pollock fillets came to a standstill during the first quarter of the year. Total imports increased marginally by 0.5%. In spite of this there were some big changes with regard to suppliers. China strengthened its position as the number 1 supplier and increased shipments by 38%, while the USA fell back

and suffered a decrease of 46% compared with the first quarter of 2012.

Shipments to all major markets increased, but Norway's exports of cod increased by 39% during the first five months of the year, to 113 274 tonnes. Most of the increase was in fresh cod. During the first quarter of 2013, Norwegian exports of fresh cod increased by 66.5%, and in the first five months by 97%, to 33 552 tonnes. Exports of frozen cod products went up by 40% to over 20 000 tonnes. The EU absorbed most of this increase. Norwegian shipments of fresh cod to the EU, for example, increased by 104% to 32 814 tonnes, with the strongest growth in exports to Poland (+392%), Spain (+237%) and UK (+237%).

Exports of more traditional products such as salted cod also went up, but not at the same rate. Exports of salted cod increased by nearly 3 000 tonnes to 18 599 tonnes, most of which went to Portugal (14 626 tonnes).

CFR prices
Groundfish blocks: USA



Source: ITN

Prices fell significantly, though. The average export price for Norwegian cod (average of all products) fell by 26% compared with the same period last year.

Prices

Pollock prices in the USA rose by 8% recently, mainly as a result of the objections by WWF and others to the certification of the Russian Sea of Okhotsk pollock fishery.

Cod prices have been going up and down for years. A number of factors have influenced prices over the years, and it has not always been easy to understand the reasons behind these changes.

While UK cod export prices fell by 17% from June 2012 to February 2013, since then they have rebounded slightly, and in spite of the fact that many expect cod prices to slide further, some UK producers are optimistic.

Traditionally, the preferred species for UK fish and chips shops have been cod and haddock, with haddock being used more in recent times because of the lack of cod. However, increased supplies and low cod prices may lead shop owners to switch back to cod in order to avoid or at least minimize price increases to the consumer. Cod prices are at a 30-year low, while the cod stocks in the Barents Sea are at a high. However, cod stocks elsewhere are not in such a good state.

Hake producers in Namibia and South Africa are also seeing prices recovering on the European market, and it is reported that demand in Europe is good. Prices have increased more for value added products, while the basic products such as headed and gutted and skin-on fillets have not increased so much. Over the past five years, Namibian producers have moved away from selling whole hake in Europe and invested in producing value added products. With the lower costs of labour that the region enjoys, value added products from this area are more competitive on the European market.

While Spain has traditionally been the main market for Namibian and South African hake, exporters are now seeing strong demand also in Italy, Portugal and France.

In Argentina the price of hake fillet (skinless, pin-bones in) in southern Patagonian ports has dropped slightly. Packers in this region suggest that the reason for this price decline is because production in the competitive Mar del Plata area has increased, giving rise to an increased supply at lower prices.

Outlook

The outlook for the whitefish sector is two-sided. On the one hand, supplies are plentiful - too plentiful in some people's view. On the other hand prices are down, at least for cod. Haddock and hake prices are expected to be more stable.

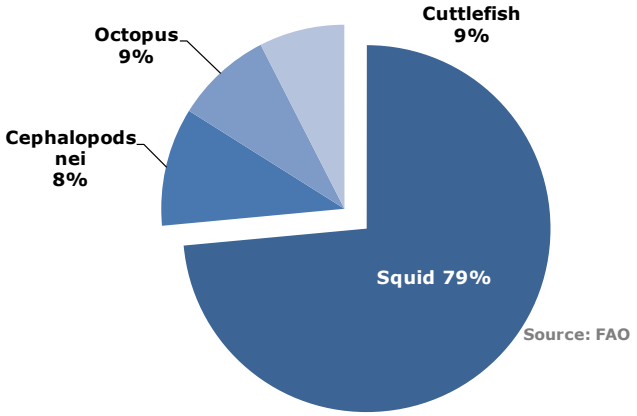
The strong growth in cod supplies may spell trouble for the cod farming industry, but it may also force a change in the market and in consumer patterns. What is hoped is that cod will be able to enter new markets and attract new consumers at these low price levels, and thus be better positioned for the future.

CEPHALOPODS

Although demand for octopus and squid is relatively weak, the species are still popular in Europe and the Japanese market is even stronger

The renewal of the fisheries agreement between the EU and Mauritania has been complicated by a lack of clarity over the status of the octopus resource off Mauritania. Earlier this year the Scientific Committee of the European Union and the Xunta de Galicia agreed about the healthy status of the octopus stocks off Mauritania. Mauritania has worked hard to protect this resource for several years, and if this resource is now in good shape, that is good news.

Cephalopods production by species (2011)



Imports

Octopus: Spain

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	6.3	5.1	6.5	4.7	3.6	7.3
Portugal	1.0	0.3	0.3	0.6	0.5	1.7
Mauritania	0.9	2.3	1.0	1.1	1.0	0.6
Viet Nam	0.3	0.4	0.3	0.3	0.4	0.1
Senegal	0.1	0.1	0.1	0.2	0.3	0.1
Italy	0.1	0.0	0.5	0.2	0.1	0.1
China	0.4	0.3	0.4	0.1	0.1	0.1
Mexico	0.8	0.0	0.4	0.7	0.3	0.0
Others	1.7	1.1	0.8	0.8	1.2	0.6
Total	**11.6**	**9.6**	**10.3**	**8.8**	**7.5**	**10.6**

Source: Agencia Tributaria

Octopus

One of the pieces of evidence supporting the healthy status of Mauritanian octopus stocks is the fact that catch rates are up. Trade statistics for the first quarter of 2013 also seem to support this. Japanese imports from Mauritania and Morocco were up during the first three months, as were Italian imports. However, it was mainly Morocco that registered increases in shipments, while the picture was more mixed for Mauritania.

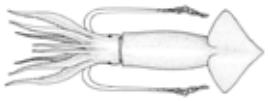
The summer fishing season for octopus in Morocco began on 1 June and will last until 10 August. Fishing conditions should be particularly favourable this season as a remarkable improvement in stocks was found following the two month generalized ban (from 1 April to 31 May) and the prevailing good bio-climatic conditions. Results of the National Institute for Fisheries Research (INRH) research survey shows an improvement of 130% in biomass compared with spring 2012, with a relatively higher rate of reproduction.

The improvement of the stock has enabled the Ministry to increase the total allowable catch (TAC) to 10 900 tonnes in the managed zone for the summer season in 2013. This is an increase of 50% compared with the same season in 2012.

In Spain the resource Management Plan for octopus for the 2013 to 2014 season has been put into action. The plan was developed in response to declining landings, which three years ago amounted to 3 200 tonnes, but declined to 2 500 tonnes in 2011 and further to 1 800 tonnes in 2012.

Meanwhile, Mauritanian authorities have announced that their planned octopus survey has been postponed until July. This caused outrage among Spanish fishers who had been operating in the waters off Mauritania until August 2012. Negotiations over the new fisheries agreement between the EU and Mauritania have not yet been completed. One of the stumbling blocks concerns the status of the octopus resource.

From time to time it is reported that aquaculture



production of cephalopods is making advances. The most recent report suggests that farmed production of the common octopus (*Octopus vulgaris*) may be possible in floating cages off the coast of Spain. The Aquaculture Station of San Pedro del Pinatar is involved in a project on this, but has offered no projections on possible production volumes or when such production would be possible.

Similar reports from Chile have also been received. The species in focus in Chile is the Patagonian red octopus (*Enteroctopus megalocyathus*), which is being studied at the Institute of Aquaculture of Universidad Austral de Chile.

Japanese octopus imports increased significantly in 2012, and this trend was strengthened during the first three months of 2013. In fact Japanese imports during this period were up by almost 87% compared with the same period last year. The main suppliers were Morocco and Mauritania, which both showed massive increases in shipments. China and Viet Nam, on the contrary, registered declines in their exports to Japan.

Imports
Octopus: Japan

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	0.5	0.5	2.5	0.3	1.0	7.9
Mauritania	4.0	4.2	2.0	2.0	3.8	5.6
China	2.3	1.0	1.7	2.0	1.8	1.3
Viet Nam	0.8	1.1	0.7	0.9	1.0	0.8
Spain	1.2	0.4	0.2	0.4	0.5	0.3
Thailand	0.3	0.4	0.2	0.3	0.4	0.3
Others	2.3	0.3	0.1	0.3	0.6	0.8
Total	**11.4**	**7.9**	**7.4**	**6.2**	**9.1**	**17.0**

Source: Japan Customs

Japanese imports of octopus increased dramatically during the first quarter of 2013 (+87%). Shipments from Morocco increased almost eightfold, while shipments from Mauritania increased by 47%. China registered a decline in shipments to Japan, while there were only minor changes for the other suppliers.

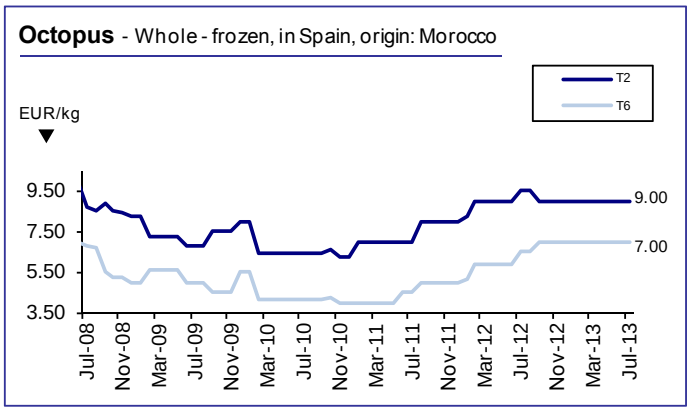
On the European markets, the octopus trade has also increased, but not as significantly the Japanese trade. Imports into Italy were up very slightly, by 9%, while Spanish imports were up by a healthy 41%. While Morocco is the dominant supplier in both of these markets, a number of suppliers, including Portugal, shipped smaller amounts.

Imports
Octopus: Italy

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	4.4	5.4	3.6	1.6	1.4	5.0
Spain	2.1	2.0	2.1	2.0	1.4	2.1
Indonesia	0.7	0.9	0.8	1.0	1.6	0.6
Senegal	0.6	0.4	0.3	0.6	0.8	0.5
Viet Nam	0.7	0.5	0.9	0.8	0.7	0.4
Mexico	1.1	0.1	0.6	1.8	0.6	0.4
India	0.3	0.6	0.4	0.4	0.5	0.4
Tunisia	0.5	0.4	0.4	1.3	1.6	0.3
Thailand	0.4	0.4	0.3	0.2	0.3	0.2
Mauritania	0.2	1.6	0.8	0.5	0.2	0.2
Others	1.6	0.8	0.7	0.9	1.0	0.9
Total	**12.6**	**13.1**	**10.9**	**11.1**	**10.1**	**11.0**

Source: ISTAT

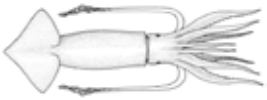
Octopus prices in Japan have been remarkably stable for many months now, in fact since August/September 2012. This may be a sign that the market is more or less balanced.



Source: European Price Report

Squid

Squid landings in India are expected to improve as the fishing ban in Tamil Nadu is ending. The lack of supply has pushed prices up, but in any case the European market



is sluggish. The general economic situation, particularly in Greece and Italy affects demand negatively. Instead Indian cephalopods are being exported to Viet Nam for reprocessing there.

Imports
Squid: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	4.3	4.3	5.0	5.5	4.1	6.4
Thailand	5.5	4.6	4.7	5.5	3.6	3.6
China	0.4	0.6	0.7	1.9	1.1	1.9
India	0.6	1.0	1.5	1.9	0.6	1.6
Peru	0.2	1.1	0.9	0.0	0.1	1.0
S. Africa	0.8	0.7	1.4	1.3	0.6	0.5
France	0.6	0.5	0.8	0.7	0.5	0.5
Others	4.5	2.9	3.0	3.8	2.9	2.7
Total	**16.9**	**15.7**	**18.0**	**20.6**	**13.5**	**18.2**

Source: ISTAT

Argentina reported good catches during the early part of the year. During the first five months of the year, a total of over 118 000 tonnes of squid were landed. This represents a 29.5% increase compared with the same period last year. This is reported as the best fishery since the 2009 season.

However, increased landings do not automatically convert into increased export value. According to the Argentine Directorate of Fisheries Economy, squid exports during the first two months of 2013 fell by 17.5% in value compared with the same period last year. However, in March exports improved and the exports of Illex squid increased in volume by just over 94%. Nevertheless, export prices were down compared with 2012.

However some US scientists are warning that the on-going acidification of the oceans may have a negative effect on squid stocks. Squid can be regarded as being at the centre of the ocean ecosystem because squid either eats or is eaten nearly all marine animals. Thus they are very vulnerable to changes in the marine environment and the present acidification process is likely to damage the squid stocks and their ability to reproduce.

Japan's squid imports during the first three months of 2013 increased from 13 700 tonnes to 15 200 tonnes

Imports
Squid: Japan

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	5.2	4.8	4.9	5.6	7.2	7.9
Peru	0.9	1.9	0.2	0.9	0.8	2.1
Thailand	1.4	1.3	1.9	1.7	1.5	1.5
Viet Nam	1.0	1.0	1.0	1.1	1.3	0.9
USA	3.5	0.5	1.5	1.2	0.4	0.6
India	0.2	0.2	0.3	0.6	0.4	0.3
Korea Rep.	0.0	0.1	0.3	0.0	0.1	0.3
Morocco	0.0	0.2	0.1	0.0	0.0	0.3
Philippines	0.1	0.2	0.2	0.2	0.3	0.3
Others	0.6	0.8	0.3	0.9	1.7	1.0
Total	**12.9**	**11.0**	**10.7**	**12.2**	**13.7**	**15.2**

Source: Japan Customs

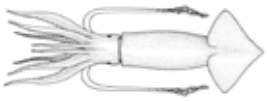
(+11%). There were no big changes in the supply picture, except that China increased its shipments to Japan slightly (+9.7%) and Peru increased shipments by 163% but from a low base.

Spanish imports increased more substantially, surprisingly. During the first three months of 2013, Spanish imports of squid increased by 20.5%, to 20 000 tonnes. This is surprising in view of the difficult economy in Spain and Europe on the whole.

Imports
Squid: Spain

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Falkland/Malv.	3.0	2.7	2.3	3.8	1.5	5.9
India	2.3	2.5	4.9	3.2	3.1	3.4
Morocco	0.9	1.2	2.1	2.1	1.5	2.8
China	1.9	2.3	2.4	2.6	3.0	2.7
Peru	0.7	1.4	1.0	1.9	1.7	2.5
South Africa	1.2	0.7	1.4	1.5	0.8	0.2
USA	1.0	0.2	0.7	1.0	2.6	0.1
Others	5.5	2.2	2.0	3.4	2.4	2.4
Total	**16.5**	**13.2**	**16.8**	**19.5**	**16.6**	**20.0**

Source: Agencia Tributaria



Falklands/Malvinas landings were good and exports from the Falklands/Malvinas increased fourfold compared with last year. Most of the other major suppliers also saw increases, while China, South Africa and USA lost market shares.

Italy also increased imports substantially, from 13 500 tonnes to 18 200 tonnes (+35%). The main suppliers were Spain, Thailand and China. While shipments from Spain and China increased, shipments from Thailand were at the same level as during the first three months of 2012. India and Peru increased their market shares in Italy.

While the main European markets increased their imports during the first quarter, the USA saw a drop in imports of squid. Imports went down from 16 500 tonnes in the first quarter of 2012 to 15 200 tonnes in 2013 (-8%). There were no major changes in the position of the main suppliers, with China clearly the most important supplier.

Exports

Squid: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	15.1	11.7	14.7	11.8	8.3	8.3
Philippines	3.5	1.2	1.1	4.6	2.1	1.0
UK	0.7	0.3	0.3	0.4	0.2	0.3
Others	9.2	6.2	9.0	11.3	9.1	2.7
Total	**28.5**	**19.4**	**25.1**	**28.1**	**19.7**	**12.3**

Source: NMFS

Imports

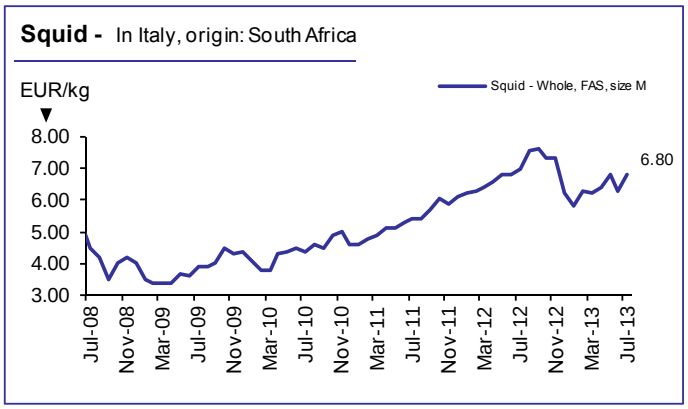
Squid: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	5.3	5.5	6.7	7.6	8.2	8.8
Thailand	2.8	1.4	1.2	0.8	1.0	1.2
Rep. Korea	0.9	1.0	3.0	0.3	0.8	1.0
India	0.9	0.9	0.8	0.8	0.6	0.9
Peru	0.4	0.7	0.5	0.6	0.9	0.9
Taiwan PC	1.4	1.5	1.5	0.6	0.8	0.7
New Zealand	0.3	0.2	0.1	0.2	0.1	0.1
Others	1.2	1.2	0.9	0.8	4.1	1.6
Total	**13.2**	**12.4**	**14.7**	**11.7**	**16.5**	**15.2**

Source: NMFS

USA squid exports also dropped during the first quarter. Total US squid exports dropped from 19 700 tonnes during the first quarter of 2012 to 12 300 tonnes in 2013 - a 38% decline. However, the USA maintained its strong exports to China at 8 300 tonnes.

Squid prices in Europe were on the rise during the first few months of 2013, but have been on a relatively steep decline since May. No doubt much of this must be attributed to the difficult economic situation in southern Europe. For those who hope for a recovery in demand and prices during the summer holidays, they may be in for a disappointment. The economy is in bad shape in Europe, and tourism is also likely to suffer. Consequently, there may not be so many visitors this summer, although those who do come to the Mediterranean may also be spending less.



Source: European Price Report

Cuttlefish

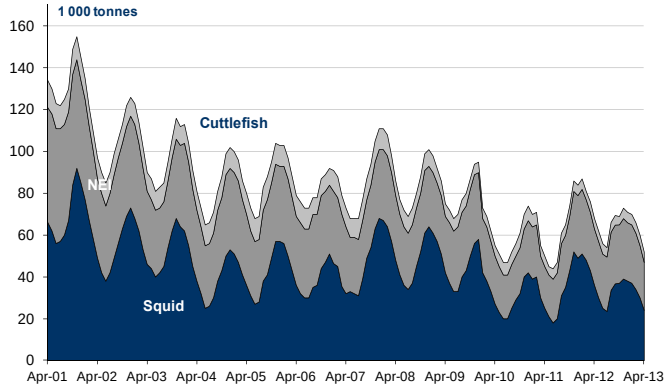
Indian catches of cuttlefish are declining, and this is the cause of some concern in India. The main reason behind the vanishing stocks is said to be the use of illegal catch methods. According to fishermen, catches have declined by about 75% over the last five years.

The cuttlefish market is less exciting, with slight declines in imports into the main markets both in Europe

and in Japan. Imports into Japan during the first quarter of 2013 were down by 16%, Italian imports declined by 9% and Spanish imports declined by 13%.

China, which imports cuttlefish from South Asia, has cut offer prices on this product lately, making it difficult for Pakistani suppliers to make a profit on this trade. It is speculated that the reason for the drop in offer prices is that China is finding it difficult to obtain profitable prices for cuttlefish in its main markets in the USA and Europe.

Coldstorage holdings
Squid and Cuttlefish: Japan



Source: Japan Fisheries Agency

Imports
Cuttlefish: Italy

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France	1.8	1.2	1.3	2.0	1.5	1.4
Spain	0.9	0.8	1.1	0.8	0.6	1.0
Tunisia	1.0	0.9	1.6	1.5	1.4	0.9
UK	0.4	0.3	0.3	0.2	0.5	0.6
Senegal	0.5	0.4	0.4	0.5	0.4	0.5
Morocco	0.1	0.2	0.4	0.4	0.1	0.3
India	0.2	0.3	0.2	0.2	0.1	0.1
Mauritania	0.0	0.1	0.3	0.1	0.0	0.1
Others	1.0	0.5	0.5	0.8	1.0	0.2
Total	**5.9**	**4.7**	**6.1**	**6.5**	**5.6**	**5.1**

Source: ISTAT

Imports
Cuttlefish: Japan

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Thailand	1.8	1.5	1.5	1.3	1.4	1.0
Morocco	0.3	0.2	0.6	0.3	0.4	0.8
Viet Nam	0.9	0.9	0.7	0.7	0.9	0.5
Malaysia	0.3	0.4	0.3	0.3	0.3	0.2
Others	0.7	0.8	0.6	0.5	0.7	0.6
Total	**4.0**	**3.8**	**3.7**	**3.1**	**3.7**	**3.1**

Source: Japan Customs

Imports
Cuttlefish: Spain

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	2.4	2.1	3.2	3.0	3.2	5.6
India	2.7	2.8	3.5	3.0	3.0	0.8
France	1.0	0.6	0.7	0.8	0.9	0.7
China	0.8	1.1	0.6	0.3	0.5	0.5
Mauritania	0.8	0.2	0.5	0.3	0.6	0.1
Ghana	0.3	0.4	0.5	0.3	0.4	0.1
Others	2.2	1.2	1.5	2.0	1.3	0.8
Total	**10.2**	**8.4**	**10.5**	**9.7**	**9.9**	**8.6**

Source: Agencia Tributaria

Outlook

With economic recession in major markets in Europe, a rapid recovery of the market is very unlikely. Although European imports of squid increased during the first quarter of the year, this trend is not likely to continue.

As landings in South America are relatively good, the supply situation will improve, and prices will no doubt suffer. This may be beneficial as the purchasing power of the consumer is weak, so demand may get a boost from

TILAPIA

Firm demand and growing supplies balance the market

In 2013 supplies for tilapia will increase from major producers, other than China, such as Egypt, Indonesia, Philippines, Thailand and Brazil. Domestic markets will increasingly be the focus of producing countries with appreciation of currencies against the US dollar and euro. This is a continuation of the trend from last year as production in 2012 is estimated to be higher than the 2011 global production of 3.58 million tonnes.

Global supply and trade

The top ten tilapia producers together supplied 88% of global tilapia production in 2011, which totalled 3.585 million tonnes. Indonesia and Brazil experienced the fastest growth over a period of one year from 2010 by 31% and 63% respectively. Chinese tilapia production in 2012 was lower as a result of severe weather and disease problems.

During the first three months of 2013, close to 30 countries reported fresh and frozen tilapia imports valued at USD 200 million for some 55 000 tonnes. While the USA imported less frozen fillet, higher imports entered other markets, namely Russia, Iran and Hong Kong SAR.

China

Tilapia production is likely to show a moderate increase this year. According to FAO, production grew to slightly over 1 million tonnes in 2011. A larger amount of Chinese grown tilapia will enter the domestic market, where demand continues to grow.

Chinese tilapia exports increased marginally during the first quarter of 2013 to 67 000 tonnes at a value of USD 223 million. Frozen fillet made up the largest share of exports. However, positive growth was seen in whole frozen and prepared categories as well.

The frozen fillet category registered a 9% decline, primarily because of lower exports to the USA, which is the major market. Although new and emerging markets took a larger share of these exports, they did not compensate for lower exports to the US market. In the whole frozen and breaded fillet categories, African countries are taking an increasingly large share of the exports as well as the Middle Eastern markets.

USA

Total tilapia imports declined marginally during the January - March 2013 period, mainly because of the drop in imports of whole frozen and frozen fillets. The fresh fillet category showed recovery to the levels seen prior to 2012 with 7 223 tonnes. Supplies increased from Honduras, Ecuador and Costa Rica, which together took an 80% share of the imports. Colombia supplied 100% more to the market, possibly as a result of the free trade agreement (FTA) signed with the USA in May 2011. The overall increase in fresh tilapia imports supplied much of the Lent demand that was seen during the first quarter of the year.

EU

In a turnabout of events, EU imports of frozen tilapia fillets during the first quarter of 2013 was 14% higher than the same period of 2012 with 4 560 tonnes with a value of USD 16 million. Nearly 85% of the import share came from China while Indonesia supplied almost 100% more than in

Exports

Tilapia: China

	Jan-Mar				
	2009	2010	2011	2012	2013
	(1 000 tonnes)				
frozen whole	2.3	3.5	11.7	24.4	21.2	23.1
frozen fillets	1.3	12.7	35.4	32.7	33.6	30.7
other tilapia	41.0	30.4	12.0	14.7	11.7	13.3
Total	**44.5**	**46.7**	**59.1**	**72.0**	**66.5**	**67.1**
	(million USD)				
frozen whole	3.0	5.2	17.3	45.8	40.3	48.3
frozen fillets	4.0	50.4	119.9	141.4	139.1	125.5
preserved	97.2	92.1	27.5	51.6	45.8	48.5
Total	**104.2**	**147.8**	**164.9**	**238.8**	**225.2**	**222.5**

Source: China Customs

Imports

Fresh Tilapia Fillets: USA

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Honduras	1.5	1.5	1.6	1.9	0.5	2.3
Ecuador	2.6	2.6	2.5	2.3	1.5	1.9
Costa Rica	2.2	1.6	1.7	1.7	0.0	1.6
Taiwan PC	0.1	0.0	0.0	0.1	0.1	0.5
El Salvador	0.1	0.0	0.1	0.1	0.0	0.1
Others	1.1	0.7	0.8	0.6	0.5	0.8
Total	**7.6**	**6.4**	**6.7**	**6.7**	**2.6**	**7.2**

Source: NMFS

Imports
Tilapia (by product form): USA

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Whole frozen	12.7	9.9	9.0	9.5	10.0	9.1
Frozen fillets	26.5	27.9	32.9	35.1	40.5	36.3
Fresh fillets	7.6	6.4	6.7	6.7	2.6	7.2
Total	**46.8**	**44.2**	**48.6**	**51.3**	**53.1**	**52.6**

Source: NMFS

Imports
Whole Frozen Tilapia: USA

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	7.7	5.2	5.6	5.9	6.6	5.3
Taiwan PC	3.8	4.0	3.0	3.3	2.8	3.5
Thailand	0.0	0.5	0.3	0.1	0.2	0.1
Others	1.2	0.2	0.1	0.2	0.4	0.2
Total	**12.7**	**9.9**	**9.0**	**9.5**	**10.0**	**9.1**

Source: NMFS

2012 at 571 tonnes. Viet Nam, Thailand and Bangladesh also supplied more.

Products from Indonesia, Thailand, Malaysia and Ecuador fetched better prices, ranging between USD 6 - 7/kg. High prices offered for tilapia fillets from Malaysia are ASC certified products from the Malaysian producer Trapia Malaysia supplied early this year. Trapia Malaysia uses GenoMar Supreme Tilapia fingerlings from its onsite hatchery next to Lake Temenggor in the north part of the peninsula of Malaysia. Each fingerling is categorized, traceable and verifiable throughout the value chain. The fish are then cage-raised in the lake and are sold as frozen fillets and loins. Products are sold to North America, Europe, Asia and domestically.

Average import prices for products from China were USD 3.15/kg.

Taiwan Province of China

The Aquaculture Stewardship Council (ASC) hosted a joint ceremony with the Taiwan Frozen Seafood Industries Association and the Taiwan Tilapia Alliance (T2A) to celebrate the ASC certification of 11 Taiwanese tilapia farms at the European Seafood Exposition in Brussels this year.

During the first three months of 2013, Taiwan PC exported nearly 8 000 tonnes of whole frozen tilapia, of which about 50% entered the USA market. Other leading destinations are the Middle Eastern countries of Saudi Arabia, Kuwait, UAE and Bahrain. Australia and Canada are also taking increasing shares of Taiwanese tilapia exports.

Frozen fillet from Taiwan PC usually fetches better prices because of its high quality. During the review period, a total of 1 035 tonnes of frozen fillet were exported, mostly to the Republic of Korea, the USA and Japan at an average export price of USD 8.35/kg. Products to the Japanese market, which are sashimi quality, fetched an average USD 10.20/kg.

Imports
Frozen Tilapia Fillets: USA

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	23.2	24.4	29.6	31.5	36.1	32.8
Indonesia	2.3	2.3	2.0	2.2	2.9	2.4
Taiwan PC	0.6	0.6	0.4	0.5	0.4	0.3
Thailand	0.0	0.0	0.3	0.3	0.5	0.3
Others	0.4	0.6	0.6	0.6	0.6	0.5
Total	**26.5**	**27.9**	**32.9**	**35.1**	**40.5**	**36.3**

Source: NMFS

Brazil

The Ministry of Fisheries and Aquaculture (MPA) has announced that all imported fish must be analysed and subjected to an Import Risk Analysis (IRA). This is aimed at assessing the potential risk of introducing microorganisms capable of causing disease in the country. The MPA requires farmers at the origin adopt internationally accepted production practices. Health specialists from both ministries participated in a mission to Viet Nam to assess the Local Official Veterinary Service (OVS) and collect data to support the import risk analysis of pangasius (*Pangasius* spp.), tilapia (*Oreochromis niloticus*) and barramundi or Asian sea bass (*Lates calcarifer*) fillets intended for human consumption. Brazil does not authorize the import of fish from aquaculture in China because of the lack of recognition of equivalence between the official veterinary services, a prerequisite for the import of any aquaculture native fish.

Outlook

Other producers, besides China are making their presence felt in some of the traditional markets by supplying more tilapia products. Production is also increasing in other producing countries at a slow but steady pace, much of which is targeted at their domestic markets. This trend will continue.

PANGASIUS

Mixed trends in pangasius production and trade keep the market firm

With a forecast of lower production in 2013, Viet Nam is struggling to address the many problems facing the industry. Production from Indonesia is increasing rapidly. The EU imported more during the first quarter 2013 while imports to the USA, the single largest market, experienced a decline in the first quarter of 2013. Meanwhile the United States Department of Commerce (DoC) recently announced their decision to increase anti-dumping duties on pangasius imported from Viet Nam.

Global supply and trade

Latest FAO data reports world pangasius production at 1.43 million tonnes in 2011, up 235% from 2004, driven primarily by the growth in production in Viet Nam. In 2011, Viet Nam, the leading producer, reported a production of 1.15 million tonnes. Other producers in Asia are Indonesia, Malaysia, Cambodia, Thailand and Myanmar. Indonesia is the second largest producer and is actively increasing production. In 2012, its production stood at 651 000 tonnes.

During the first quarter of 2013, a total of 58 000 tonnes of frozen pangasius fillet valued at USD 144 million entered 33 countries. More products entered Asian and Latin American markets while the US imported a smaller amount. Imports into Russia went up by 122%.

Viet Nam

Farmers continue to experience losses because of high production costs resulting from rising feed prices and low ex-farm prices. The current average ex-farm price is VND 21 000/kg (USD 1.01/kg). As a result of the persisting problems faced by the industry, production in 2013 is forecast to be below one million tonnes, the Viet Nam Association of Seafood Exporters and Producers (VASEP) reports.

In the first quarter of 2013, Viet Nam exported USD 389 million worth of pangasius, down 8.7% from a year ago. Exports to the major markets of the EU and the USA fell but higher exports went to Southeast Asia, the Middle East and Latin America.

Among ASEAN countries, Singapore emerged as the largest importer with nearly 3 700 tonnes of pangasius valued at USD 7.7 million. Thailand, Malaysia and the Philippines imported between 18% and 100% more than a year ago. Pangasius is popularly marketed as “dory” in most Southeast Asian countries. Consumption of fillet in this region has increased significantly since the product was introduced nearly a decade ago. In their efforts to diversify markets, Viet Nam has also increased its exports to India, the Middle East and parts of Latin America.

USA

Frozen pangasius imports dropped during the first quarter of 2013 by 12% to 20 006 tonnes from the same time in 2012, while the severe drop in prices of pangasius led to a 28% decline in import value. Supplies fell not only from the main source, Viet Nam, but from all other sources as well.

Imports

Frozen Catfish: USA

	Jan-Mar.					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Viet Nam	5.1	6.8	8.9	15.7	23.0	20.1
China	4.7	2.6	1.3	0.6	0.2	0.0
Thailand	1.3	1.5	0.8	0.0	0.0	0.0
Malaysia	0.4	0.0	0.3	0.0	0.0	0.0
Others	0.8	0.6	0.5	0.1	0.0	0.0
Total	**12.3**	**11.5**	**11.8**	**16.4**	**23.2**	**20.1**

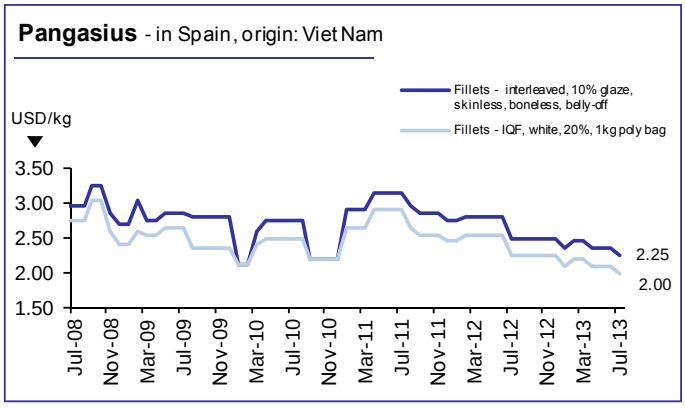
Source: NMFS

Meanwhile, the United States Department of Commerce (DoC) has decided to increase anti-dumping duties on pangasius imported from Viet Nam. The anti-dumping tax will be increased by an additional USD 0.52-1.29 per kilo. The tax hike was announced after the USA found errors in the calculation of the previous tax, saying that the increase was consistent with the calculated data. In March, the US imposed a high tax rate of USD 0.77 per kilo on Vietnamese pangasius. It chose Indonesia as the sole benchmark country to calculate the anti-dumping rate.

US Domestic catfish

The United States Department of Agriculture’s

(USDA) Agricultural Marketing Service has recently announced plans to purchase frozen US farm-raised catfish up to a value of USD 10 million for federal food nutrition assistance programs, including charitable institutions. The Catfish Farmers of America (CFA) welcomed the move saying that the USDA's purchase will provide tremendous economic benefit to the US catfish industry whilst also encouraging domestic consumption. The USDA's Section 32 program allows the federal agency to purchase and donate fish, meats, poultry, fruits and vegetables to domestic nutrition programs for low-income Americans.



Source: European Price Report

EU

Contrary to the declining trends throughout 2012, the EU imported 2% more frozen pangasius fillet during the first three months of 2013. The lower average import price from USD 2.79/kg to USD 2.25/kg resulted in a 14% decline in the import value, which amounted to USD 79.1 million. Spain, the largest market for pangasius within the EU, imported 6 023 tonnes, which was higher than in the same period of 2012. Other major markets, namely the Netherlands, Germany and Poland, imported lower quantities while Lithuania, Hungary, Estonia, Croatia, Denmark, Czech Republic and Greece imported more.

Indonesia

The Ministry of Maritime Affairs and Fisheries (MMAF) continues to encourage increased production of pangasius catfish, known locally as 'patin', with the national production target in 2013 of 1.1 million tonnes. This is in line with MMAF's policy that has selected pangasius as one of the key commodities for the aquaculture industrialisation. The development of patin farming has shown a significant increase over the past 5 years with production increasing from 31 490 tonnes in 2006 to 651 000 tonnes last year. In addition to meeting the needs of the domestic market, catfish are also targeted for export and to reduce imports.

The ministry has identified centres of catfish farming to be spread over 10 provinces, including the island of Sumatra, Java and Kalimantan. Currently there are eight plants processing pangasius fillet and these are located in Jakarta, Surabaya, Jambi and Banjarmasin. The development of pangasius farming is also aimed at reducing imports of pangasius fillet, which comes mainly from Viet Nam. Imported pangasius fillet is mainly absorbed by the catering sector, which needs around 100 tonnes per month, according the ministry. In 2012, Indonesia imported about 1 300 tonnes of pangasius fillet from Viet Nam.

Brazil

In a move to to ensure the quality of fishery imports, the Ministry of Fisheries and Aquaculture (MPA) has announced that all imported fish must be analysed and subjected to an Import Risk Analysis (IRA). This is aimed at assessing the potential risk of introducing microorganisms capable of causing disease in the country. The MPA requires farmers to adopt internationally accepted production practices at the origin.

As noted is the section on tilapia, Brazil is concerned about possible negative effects that consuming foreign aquatic products could have on the Brazilian population. After the mission to Viet Nam to assess their Official Veterinary Service, already mentioned in the tilapia section, the mission report was sent to the Brazilian Ministry of Agriculture, Livestock and Supply (MAPA), who will liaise further with the Vietnamese authorities.

Brazil imported more than 7 000 tonnes of frozen pangasius fillet from Viet Nam during the January – March 2013 period.

Outlook

Higher supplies are expected to come from producers other than Viet Nam, in particular Indonesia, who is actively increasing production. The anti-dumping duties on Vietnamese products entering the US market are likely to have an impact but the extent of this impact remains to be seen.

EUROPEAN SEABASS AND GILTHEAD SEABREAM

Some nervousness in the market as supply may be larger than expected

Despite contracting consumer demand in many markets and tight access to finance making difficulties for importers and distributors, import volumes for bass and bream still remain stable and in some cases are even growing. UK and USA imports were up again, and so were French, German and even Spanish imports of the two species. The explanation in Spain is that imports are generally less expensive than the domestic product and smaller sizes are often imported, making them even more competitive.

Producers have been struggling with higher costs however, especially for feed, with some major farming groups reporting 20% higher feed costs this year. This will eat into margins and probably result in more consolidation within the sector, both in Greece, Turkey and Spain.

Production

Seabream (*Sparus aurata*): World

	2008	2009	2010	2011	2012*	2013*
	(1 000 tonnes)					
Greece	52.2	60.7	57.4	71.1	66.0	62.0
Turkey	33.2	29.5	29.3	33.0	31.0	30.0
Spain	23.5	24.4	21.4	16.4	16.0	18.0
Egypt	7.2	8.1	17.1	15.9	9.0	10.0
Italy	5.8	5.7	6.6	6.7	5.0	5.0
Tunisia	1.8	2.0	2.8	4.6	5.0	4.0
Cyprus	1.9	2.6	2.8	3.1	4.0	3.0
France	1.7	1.5	2.6	2.4	2.0	2.0
Others	12.3	11.7	12.0	11.0	11.0	14.0
Total	**137.8**	**144.1**	**150.9**	**162.2**	**149.0**	**144.0**

Source: FAO (until 2011) (*) Estimate

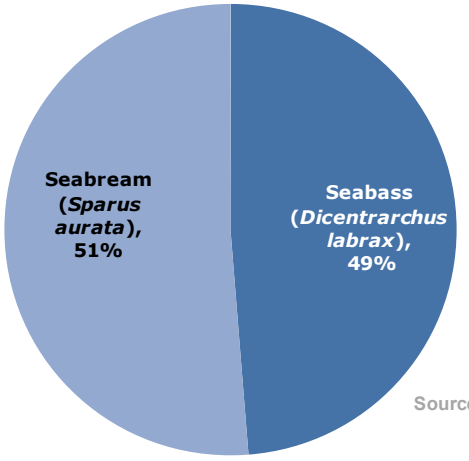
Production

Seabass (*Dicentrarchus labrax*): World

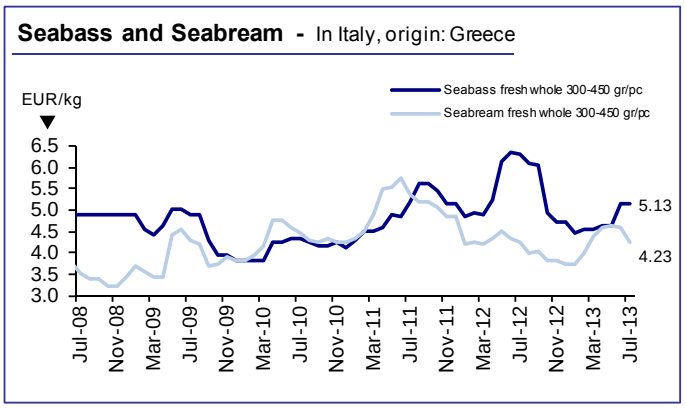
	2008	2009	2010	2011	2012*	2013*
	(1 000 tonnes)					
Turkey	49.3	46.6	50.8	47.0	65.0	78.0
Greece	35.5	33.9	40.2	44.4	35.0	32.0
Spain	10.3	13.3	12.2	18.4	8.0	7.0
Italy	7.0	6.9	7.0	7.0	7.0	6.0
Egypt	5.5	6.7	17.6	18.7	20.0	20.0
France	7.4	9.6	8.0	6.0	6.0	6.0
Others	8.2	5.3	9.7	12.2	15.0	19.0
Total	**123.2**	**122.2**	**145.6**	**153.7**	**156.0**	**168.0**

Source: FAO (until 2011) (*) Estimate

Seabass and seabream production (2011) (in 1 000 tonnes)



Source: FAO



Source: European Price Report

Prices

Seabass quotations strengthened during the early summer months, whereas those for bream dropped by around 10% in July. The different price development is

surprising, given that both species are reaching market size at the same time. Bass however continues to benefit from a somewhat broader market, including in northern Europe and the USA.

Supply

Although overall production in 2013 of the two species is expected to decline somewhat, there is still much uncertainty concerning the actual output of the major players, Greece and Turkey. Greece has seen production drop off for some years now, and the industry is consolidating and focusing more on increased efficiency and margins, rather than boosting output. In Turkey, with a more stable banking situation than in Greece and strong domestic demand supporting industry growth, many producers are reportedly scaling up output.

When analyzing the export statistics for the first quarter, this scenario seems to hold, at least for the beginning of the year. Greece saw exports fall 7% to 17 400 tonnes whereas Turkish shipments registered an increase of a massive 70% to reach 7 500 tonnes.

Markets

Italy: flat sales in Europe's largest market for bass and bream

Despite a struggling economy and falling purchasing power, Italy's imports during the first quarter were mostly unchanged from last year, both measured in volume and value. This underlines the important role that these species now play in Italian distribution and consumption and how well placed they are in the mind of buyers and consumers alike. Greece is the largest supplier but Turkey is taking market share in both market segments.

France: rebound after weak 2012

Imports during the first quarter increased, albeit compared with a weak first quarter the previous year. Bream is the preferred imported species with Greece and Spain the major suppliers. France of course has a traditional capture fishery of seabass as well; this is often line-caught and marketed to high-end segments paying prices much above the imported farmed product.

Spain: higher imports but growing exports as well

As in the case of France, Spain registered higher imports during the first quarter compared with the same period in 2012, although volumes remain far below those of earlier years, with a reduction of 20% compared with 2008. Imports from Greece rose significantly, up 45% compared with the average import volume growth of

Imports
Fresh Seabream and Seabass: Italy (quantity)

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Seabream						
(dentex/pagellus)						
Greece	0.4	0.3	0.4	0.2	0.3	0.1
Total	0.6	0.4	0.5	0.3	0.4	0.2
Seabream						
(gilthead)						
Greece	3.3	3.2	3.5	4.0	4.5	4.2
Turkey	0.4	0.4	0.6	0.6	0.4	0.7
Total	4.4	4.2	4.6	5.2	5.7	5.8
Seabass						
Greece	2.5	2.2	3.4	3.7	3.4	3.3
Turkey	0.6	1.1	0.6	0.5	0.4	0.7
Total	**4.0**	**4.1**	**4.7**	**5.0**	**4.7**	**4.8**
Gr.Total	**9.0**	**8.8**	**9.9**	**10.6**	**10.9**	**10.8**

Source: ISTAT

Imports
Fresh Seabream and Seabass: Italy (value)

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(million EUR)					
Seabream						
(dentex/pagellus)						
Greece	1.8	1.1	1.7	0.9	1.4	0.4
Total	3.3	3.0	3.4	2.6	2.9	1.8
Seabream						
(gilthead)						
Greece	11.3	10.9	13.9	18.0	19.2	17.5
Turkey	1.1	1.2	1.9	2.4	1.7	2.5
Total	14.6	14.7	19.1	24.7	25.3	25.1
Seabass						
Greece	11.2	9.8	14.2	17.1	17.6	16.6
France	4.4	3.7	3.1	3.2	2.7	2.8
Turkey	2.7	3.8	2.0	1.8	1.9	2.5
Total	**20.2**	**19.2**	**21.0**	**24.9**	**25.5**	**25.1**
Gr.Total	**38.2**	**37.0**	**43.5**	**52.2**	**53.7**	**52.0**

Source: ISTAT

Imports
Seabream and Seabass: France
(value)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(million EUR)					
Seabream						
(dentex/pagellus)						
Greece	0.5	0.6	0.4	1.1	0.8	0.1
Total	**1.0**	**1.1**	**1.0**	**2.2**	**1.4**	**0.4**
Seabream						
(gilthead)						
Greece	3.3	4.0	4.0	4.5	3.4	4.7
Spain	1.2	1.1	1.3	0.0	1.9	2.7
Total	**4.8**	**5.3**	**5.9**	**5.8**	**6.0**	**8.3**
Seabass						
Greece	2.9	2.6	2.9	3.8	3.1	2.7
Spain	0.0	0.0	0.0	0.0	0.0	1.5
Total	**4.6**	**4.5**	**4.5**	**5.7**	**5.4**	**5.8**
Gr. Total	**10.4**	**10.9**	**11.4**	**13.7**	**12.8**	**14.5**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports
Seabream and Seabass: France
(quantity)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Seabream						
(dentex/pagellus)						
Greece	0.2	0.2	0.1	0.2	0.2	0.0
Spain	0.1	0.1	0.1	0.1	0.1	0.1
Total	**0.3**	**0.3**	**0.3**	**0.5**	**0.3**	**0.1**
Seabream						
(gilthead)						
Greece	0.9	1.4	1.2	1.1	0.7	1.1
Spain	0.4	0.3	0.3	0.2	0.4	0.6
Total	**1.3**	**1.7**	**1.7**	**1.3**	**1.2**	**2.0**
Seabass						
Greece	0.6	0.7	0.7	0.8	0.6	0.5
Spain	0.0	0.0	0.1	0.1	0.2	0.2
Total	**0.9**	**0.0**	**1.0**	**0.0**	**1.0**	**1.0**
Gr. Total	**2.6**	**2.0**	**3.0**	**1.8**	**2.5**	**3.1**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports
Seabream and Seabass: Spain
(value)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(million EUR)					
Seabream						
(all species)						
Greece	7.5	7.6	7.8	9.4	5.6	7.7
Total	**10.4**	**9.6**	**9.4**	**12.9**	**9.4**	**11.0**
Seabass						
France	1.6	1.4	1.3	1.1	0.0	1.0
Greece	5.3	3.3	4.4	4.7	3.6	5.8
Turkey	3.3	3.1	1.5	2.4	0.0	1.5
Total	**11.3**	**8.3**	**7.8**	**8.5**	**5.3**	**8.7**
Gr. Total	**21.7**	**17.8**	**17.2**	**21.4**	**14.7**	**19.8**

Source: Agencia Tributaria

Imports
Seabream and Seabass: Spain
(quantity)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Seabream						
(all species)						
Greece	2.2	2.4	2.0	2.1	1.3	1.7
Total	**2.9**	**2.8**	**2.4**	**2.7**	**2.1**	**2.3**
Seabass						
Greece	1.2	0.8	1.2	0.9	0.7	1.2
Turkey	0.8	0.8	0.4	0.6	0.2	0.4
Total	**2.3**	**1.9**	**1.8**	**1.7**	**1.0**	**1.8**
Gr. Total	**5.2**	**4.7**	**4.2**	**4.4**	**3.1**	**4.1**

Source: Agencia Tributaria

32%. The imported product for the most part consists of the smaller sizes, the most common being the 300-400 gram size, which cost less per kilo than the traditional Spanish product of 500-600gr. Spanish producers however have intensified their efforts in other markets, seeing higher shipments to France in particular.

UK: market expands as consumers warm to Mediterranean fish

The UK market has shown steady growth for years with import volumes now having overtaken those of the French market. The reason is constant product development in the retail sector and good acceptance in the restaurant segment. The UK also has a number of small domestic fish farmers that target special segments of the bass and bream market with success. At the high end, line-caught bass is supplied by French and domestic fishermen.

Germany: new bounce in imports

The German market continues to grow showing a significant bounce in volumes during the first quarter of 49%. With this most recent positive development, the market has doubled over the last five years. It is imports from Turkey in particular that have risen over the last few years.

Imports
Seabream: UK

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Greece	0.2	0.2	0.2	0.3	0.3	0.7
Netherlands	0.0	0.2	0.1	0.2	0.1	0.2
France	0.1	0.1	0.1	0.1	0.1	0.1
Others	0.1	0.1	0.1	0.1	0.2	0.0
Total	**0.4**	**0.6**	**0.5**	**0.6**	**0.7**	**1.0**

Source : Her Majesty's Revenue & Customs

Imports
Seabass: UK

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Greece	0.7	0.5	0.7	1.1	0.8	1.4
Netherlands	0.1	0.4	0.3	0.4	0.3	0.5
France	0.3	0.2	0.1	0.1	0.2	0.1
Others	0.2	0.4	0.1	0.0	0.3	0.5
Total	**1.3**	**1.4**	**1.3**	**1.6**	**1.6**	**2.6**

Source : Her Majesty's Revenue & Customs

Imports
Seabream and Seabass: Germany

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(tonnes)					
Seabream						
(dentex/pagellus)						
Greece	103	91	138	79	80	65
Total	**168**	**151**	**178**	**104**	**101**	**72**
Seabream						
(gilthead)						
Greece	200	145	266	228	241	282
Italy	38	30	23	41	23	43
France	14	80	30	19	11	13
Turkey	17	18	22	47	129	424
Total	**328**	**315**	**361**	**360**	**430**	**901**
Seabass						
Greece	84	69	125	132	128	127
France	60	42	58	61	58	68
Italy	12	14	58	104	23	21
Total	**225**	**178**	**289**	**346**	**476**	**526**
Gr.Total	**721**	**644**	**828**	**810**	**1 007**	**1 499**

Source: Germany Customs

USA: steady growth

Although the US market is small, it continues to show good growth. 1 500 tonnes of bass and 200 tonnes of bream were imported in the first five months of the year, most of it fresh product from Greece followed at a distance by Turkey. Volumes were up 35% and 60% respectively. Values were up by similar levels, 37% and 60% as import prices were fairly similar to those of last year.

Middle East: Lebanon on the rise

For years Turkish and Greek producers have also targeted the Middle East with their products and this is now appearing in statistics. In particular for Turkey, Lebanon has become its largest seabream market with 900 tonnes shipped during the first quarter alone.

Turkey

In Turkey, domestic prices have declined to a level in which wholesale prices have become dangerously close to production costs or around TRY 8 a kilo (or EUR 3.17/kg). A number of producers would have liked to see some

Exports
Seabass : Turkey

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Italy	0.6	1.1	0.6	0.5	0.4	0.7
Greece	1.3	0.8	0.5	0.2	0.3	0.0
Netherlands	0.5	0.6	0.5	0.5	0.2	0.6
Spain	0.6	0.8	0.5	0.6	0.2	0.5
Lebanon	0.1	0.3	0.3	0.3	0.1	0.3
Others	0.1	0.2	0.3	0.6	0.7	1.1
Total	**3.2**	**3.7**	**2.7**	**2.7**	**1.9**	**3.3**

Source : State Institute of Statistics

Exports
Seabass : Greece

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Italy	4.0	3.1	4.5	4.1	3.9	3.2
Spain	1.3	0.7	1.4	1.0	0.7	1.0
France	0.7	0.6	0.7	0.8	0.7	0.6
Portugal	0.5	0.5	0.5	0.7	0.4	0.6
UK	0.8	0.4	0.8	0.9	0.7	0.5
Others	0.8	0.6	1.1	1.1	1.0	0.8
Total	**8.1**	**5.9**	**9.0**	**8.6**	**7.4**	**6.7**

Source : Eurostat

voluntary agreement on production growth in order to stabilize prices but this is not an easy task, neither in Turkey, nor elsewhere.

The outlook is uncertain as Turkish production this year is reportedly much higher than last year, in particular for bass whereas the output of bream is closer to last year's levels.

Morocco: produces for domestic consumption only

A few decades ago, a number of farmers in Morocco started producing for export, in particular for the Italian and Spanish markets. The industry however never really took off, having to depend on imported fingerlings and feed, and would sell off most of the production during a few intense months. As a result, most farms ceased operations in the mid 2000s and the remaining producers concentrated on the domestic market. Annual production is estimated at around 250 to 300 tonnes.

Outlook

The traditional markets in southern Europe for bass and bream have proven surprisingly resilient during the crisis and volumes are expected to remain stable or even slightly up after a weak 2012. The newer markets in northern Europe, in Russia, the USA and also the Middle East are all showing promising growth enabling the major producers to lower their dependence on the slower moving markets of southern Europe. Supply is expected to increase in Turkey during the year and this could lead to lower prices in the second half of the year, reinforcing the traditional market weakness in this period but now arising from production coming to market from mid-summer onwards.

Exports
Seabream: Greece

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Italy	6.3	7.0	7.8	4.9	5.0	4.4
Spain	2.4	2.8	2.1	2.0	2.0	2.0
France	1.4	1.4	1.4	1.5	1.3	1.3
Portugal	0.6	0.9	0.6	1.2	1.0	1.2
Germany	0.5	0.6	0.6	0.5	0.6	0.5
Others	1.3	1.2	1.2	1.3	1.3	1.3
Total	**12.5**	**13.9**	**13.7**	**11.4**	**11.2**	**10.7**

Source : Eurostat

Exports
Seabream : Turkey

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Lebanon	0.3	0.6	0.5	0.5	0.3	0.9
Italy	0.3	0.4	0.6	0.6	0.5	0.7
Netherlands	0.3	0.3	0.2	0.3	0.3	0.7
Russian Fed	0.1	0.0	0.1	0.3	0.4	0.5
Spain	0.2	0.2	0.1	0.5	0.5	0.4
Others	0.3	0.2	0.3	0.5	0.6	1.0
Total	**1.4**	**1.6**	**1.8**	**2.8**	**2.5**	**4.2**

Source : State Institute of Statistics

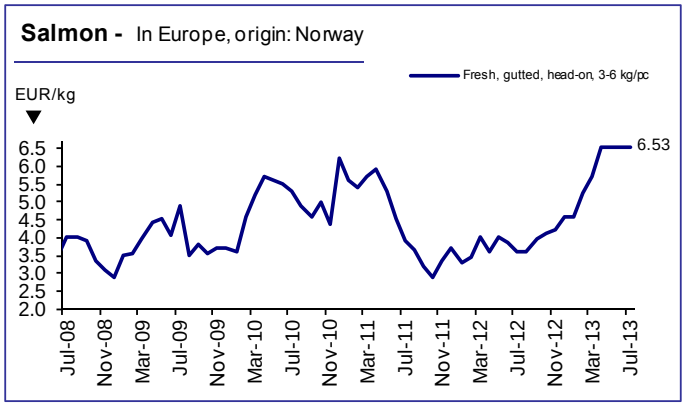
SALMON

Industry sees record export revenues as resilient demand and tight supply drives soaring prices

Norwegian salmon producers in particular have benefitted enormously from impressive export price performance on EU markets, where the foreseeable future looks positive. Chilean farmers have not fared quite so well, and many are facing losses for the first quarter of 2013 as the improved market situation in the USA failed to compensate for weaker prices and unfavourable trade conditions in Japan. The persistent threat of disease in Chile and much higher feed costs this year present additional challenges for producers, while widespread industry consolidation continues.

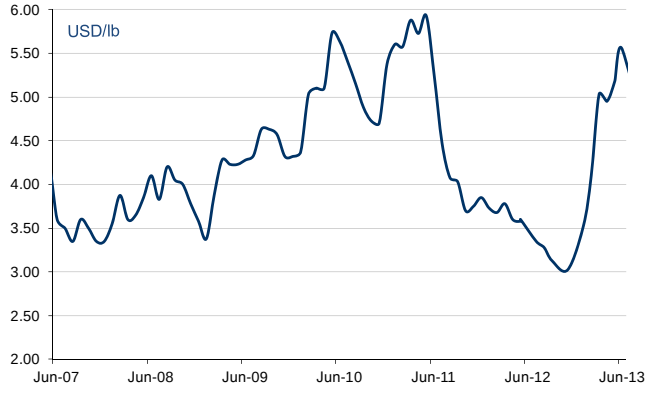
Prices

The strong upward price trend that began in late 2012 continued unabated throughout the first five months of 2013, defying industry expectations and approaching record levels on EU markets in late May. For Chilean producers, low frozen coho prices in the first few months were beginning to pick up in Japan in May, and the positive trend continues in the USA. The delayed consumer response to more expensive raw material prices, together with a rise in harvest volumes, is predicted to see prices fall back again somewhat in many markets in the second half of the year. However, with the present market balance, analysts are not predicting a major decline, and most put average 2013 NOK/kg export prices in the mid-30s.



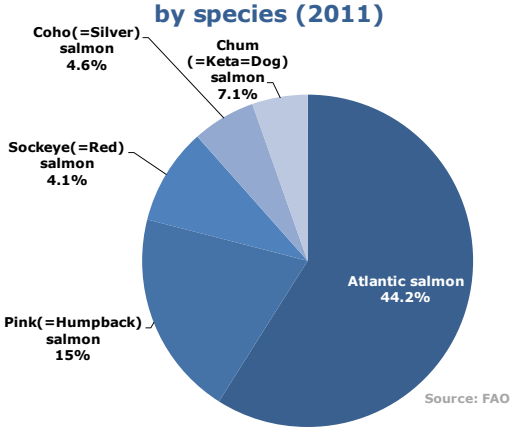
Source: European Price Report

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



Source: EPR

Salmon (farmed and wild) production by species (2011)



Supply

Norway

Although export prices for farmed salmon rose steadily throughout the first quarter and broke through the NOK 40/kg mark in April for the first time in 2 years, importers were seemingly undeterred. Norwegian salmon producers posted a record export value of NOK 8.2 billion from January to March, representing a 22% increase compared with the first quarter of 2012, even though a year-on-year reduction in total export volume of 4% to 217 000 tonnes (product weight) was recorded for the same period. The drop in supply is primarily the result of lower water temperatures in 2013 together with maximum biomass restrictions.

The biggest market for Norwegian salmon is the EU, which imported 147 422 tonnes in the first quarter at NOK 5.51 billion, increases of 3% and 32% respectively

Production

Farmed salmon: World

	2008	2009	2010	2011	2012*	2013*
	(1 000 tonnes)					
ATLANTIC SALMON						
Norway	738	863	928	1060	1075	1050
Chile	389	233	123	264	310	330
UK	129	133	155	158	160	155
Canada	104	100	101	102	120	115
Faeroe Is.	38	51	45	60	60	60
Australia	26	30	32	35	31	31
Ireland	10	12	15	15	15	15
USA	17	14	20	19	16	15
Others	1	5	2	2	3	3
Total	**1451**	**1440**	**1426**	**1721**	**1790**	**1774**
PACIFIC SALMON						
Japan	13	16	15	0	8	8
Chile	92	158	123	161	195	210
New Zealand	9	12	13	14	12	12
Total	**114**	**186**	**151**	**175**	**215**	**230**
Gr. Total	**1566**	**1626**	**1577**	**1896**	**2005**	**2004**

Source: FAO (until 2011) (*) Estimate

compared with 2012. Poland is now the top destination for Norwegian exports, where a growing domestic market competes with a large processing industry exporting smoked product. Norwegian exports to France, the biggest consumer market in the EU (mainly whole fresh Atlantics), were flat in terms of volume versus 2012, but higher prices saw the total value increase to NOK 1.14 billion, 27% more than last year. Demand for Norwegian salmon is also strong on the UK market: first quarter results were 12 050 tonnes at NOK 403 million, increases of 36% and 44% respectively.

It was mainly on the non-EU markets where the reduced supply saw export volumes drop. Exports to Asia were down by 5 520 tonnes, mainly attributable to a decline in exports to Japan, Viet Nam and Taiwan PC. Meanwhile, Norway posted lower first quarter export volumes to Russia for the first time since 2006, with 26 321 tonnes representing a 19% decrease. Total value, however, was up 11% to NOK 922 million. Like the majority of non-EU markets, firm underlying demand meant that the lower volumes were absorbed at sufficiently high prices for increased revenues.

As the positive market performance continued into April, Norwegian exporters were again setting new records for export revenues, which totaled NOK 3 billion for the month. This is an increase of 38% over April 2012.

Fjord trout export values also reached record levels in the first quarter of 2013, to a total of NOK 482 million,

Exports (value)

Salmon and Trout: Norway

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(bill. NOK)					
Salmon	3.9	4.6	6.2	7.3	6.7	8.3
Fresh	3.1	3.6	4.6	5.6	5.3	6.8
Frozen	0.2	0.2	0.3	0.4	0.2	0.2
Fresh fill.	0.4	0.5	0.8	0.8	0.7	0.8
Froz. fill.	0.2	0.3	0.5	0.5	0.5	0.5
Trout	0.4	0.5	0.4	0.4	0.4	0.5

Source: Norwegian Seafood Council

Exports (quantity)

Salmon and Trout: Norway

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Salmon	139.0	146.0	172.6	167.4	227.4	217.1
Fresh	120.0	124.1	139.0	139.0	194.9	187.9
Frozen	7.3	6.3	8.5	8.3	8.9	6.1
Fresh fill.	8.6	10.7	17.0	13.3	15.1	15.5
Froz. fill.	3.1	4.9	8.1	6.8	8.5	7.6
Trout	16.3	16.3	11.6	7.8	12.8	13.3

Source: Norwegian Seafood Council

a 20% increase compared with last year. Again, it is a case of higher prices rather than greater volumes, with only a 4% rise in total export quantity to 13 000 tonnes for the first quarter. Export volumes to the two biggest markets, Russia and Japan, were down by 4% and 9% respectively. The export figures for April were 4 535 tonnes (2% down) at NOK 194 million (37% up), with an average export price of NOK 44.29 for fresh whole fjord trout, NOK 14.82 more than April 2012.

Chile

According to SalmonEx, the price of Chilean fresh salmon sold in the USA continues to rise. So far this year, the price for the 2-3 Trim D category has risen by 45%, reaching USD 5.25 in mid-May, while in early January the price was USD 3.62. On the Brazilian market the most popular category was HG 10-12, with a price that has stabilized at USD 7.3 per kilo. As for frozen salmon exports to the Japanese market, different products are performing in different ways. While trout prices have stabilized and the product is sold at JPY 600 per kilo at present, coho salmon prices continue to recover from low levels in the first quarter, reaching JPY 550 per kilo.

During the period from January to March 2013, total exports of salmonids came to 180 400 tonnes, which

means an 18% rise when compared with the same time in 2012. Average FOB prices for salmonid exports went down by 23% in relation to the same period of 2012, scoring a very low USD 4 650/tonne.

Exports (quantity)
Salmon and Trout: Chile

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1000 tonnes)					
Japan	68	69	51	70	87	78
USA	29	25	10	13	23	31
EU (25)	11	8	2	2	3	9
Lat.America	13	16	14	14	19	24
Others	18	18	13	24	21	39
Total	**139**	**137**	**90**	**123**	**154**	**180**

Source: Boletín de Exportaciones del IFOP

Exports (value)
Salmon and Trout: Chile

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(million USD)					
Japan	227	328	279	450	546	297
USA	198	188	92	149	192	232
EU (25)	68	50	18	19	23	48
Lat.America	67	68	79	107	105	126
Others	68	69	69	154	116	160
Total	**629**	**702**	**537**	**879**	**982**	**862**

Source: Boletín de Exportaciones del IFOP

Exports (quantity)
Salmon and Trout: Chile

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Salmon	**106.8**	**106.9**	**61.1**	**79.8**	**112.3**	**141.6**
Frozen	78.0	83.2	46.9	63.7	80.0	102.0
Fresh	26.6	21.9	11.7	15.0	29.5	37.7
Canned	1.2	1.0	0.5	0.3	0.1	0.1
Salted	0.1	0.2	1.4	0.0	1.8	1.2
Smoked	0.7	0.7	0.6	0.7	0.9	0.6
Trout	**32.1**	**30.2**	**28.7**	**44.0**	**41**	**38.8**
Frozen	28.8	27.8	24.7	39.3	37.0	35.2
Fresh	2.3	1.6	2.8	3.4	2.0	1.9
Canned	0.1	0.0	0.0	0.0	0.0	0.0
Salted	0.0	0.0	0.6	0.0	0.9	0.7
Smoked	0.9	0.8	0.5	1.0	1.2	1.0
Total	**138.7**	**137.1**	**89.8**	**123.8**	**153.4**	**180.4**

Source: Boletín de Exportaciones del IFOP

Atlantic salmon was the most exported species throughout the first quarter with 73 480 tonnes for a total of USD 438 million, with an average FOB price of USD 5 960/tonne. In terms of quantity, a significant increase of 57% was generated. Overall an increase of 36% in total value was registered. Coho salmon was the second most important species exported, with 68 670 tonnes (5% increase in relation to 2012) traded for USD 220 million (a decline of 39%) with an average FOB price of USD 3 210/tonne. In the first quarter last year, more coho salmon was exported than Atlantic salmon. Total harvests of Atlantic salmon in the first quarter of 2013 were 52%

Exports (unit value)
Salmon and Trout: Chile

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(in USD/kg)					
Salmon	**4.67**	**5.06**	**5.76**	**6.81**	**6.07**	**4.65**
Frozen	4.11	4.70	5.22	6.05	5.82	4.05
Fresh	6.24	6.09	7.42	9.54	6.41	6.15
Canned	5.92	6.55	7.03	10.21	10.99	9.48
Salted	6.00	7.86	6.00	6.72	6.73	3.24
Smoked	12.71	12.35	12.78	15.49	14.71	14.03
Trout	**4.07**	**5.36**	**6.45**	**7.67**	**7.27**	**5.24**
Frozen	3.77	5.11	6.25	7.44	6.95	4.91
Fresh	5.35	6.60	7.25	8.53	8.51	7.22
Canned	6.00	6.41	8.25	9.90	0.00	-
Salted	-	2.80	6.06	6.63	7.12	4.84
Smoked	10.44	11.38	12.11	14.00	15.28	12.99
Average	**4.53**	**5.12**	**5.98**	**7.12**	**6.39**	**4.78**

Source: Boletín de Exportaciones del IFOP

Exports (value)
Salmon and Trout: Chile

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(million USD)					
Salmon	**498**	**541**	**352**	**543**	**682**	**658**
Frozen	321	391	245	379	466	412
Fresh	161	133	87	144	189	232
Canned	7	7	3	2	1	1
Salted	1	1	8	7	12	4
Smoked	9	8	8	11	13	10
Trout	**131**	**162**	**185**	**336**	**300**	**204**
Frozen	109	142	155	288	257	173
Fresh	12	10	20	29	17	14
Canned	1	0	0	0	0	0
Salted	0	0	4	5	7	3
Smoked	9	9	6	14	18	13
Total	**629**	**702**	**537**	**879**	**982**	**862**

Source: Boletín de Exportaciones del IFOP

higher than in the same period of 2012. In the case of the rainbow trout, exports during the quarter reached 38 870 tonnes, a decrease of almost 6% in comparison with 2012. In terms of value, a 31% decrease was registered, a consequence of the low international prices.

Frozen salmon and trout were the main production lines exported in the first quarter of 2013, followed by fresh and chilled products. The cumulative exports for frozen salmon and trout between January and March were 137 100 tonnes (a 17% rise in comparison with 2012) for a total value of USD 585 million (19% decline) with an average FOB price of USD 4 270/tonne (FOB price for 2012 was USD 6 180/tonne). Fresh and chilled salmon and trout registered exports of 39 670 tonnes for USD 245 million, with the average FOB price being USD 6 200/tonne. This production line shows a 26% increase in terms of quantity and a 19% improvement in value compared with the same period in 2012.

Japan was the main destination during the first quarter for Chilean salmon and trout, importing approximately 77 000 tonnes for a total value of USD 297 million. USA followed with 32 000 tonnes worth USD 232 million.

Chilean salmon producers are confident that prices in the international markets will remain firm, while some sanitary problems still have to be addressed. However, according to recent reports, less than 1% of the biomass of Chilean salmon is affected by the infectious anemia virus. The president of the union, Maria Eugenia Wagner, said that the presence of the virus is normal in the aquaculture industry and that it is something that producers will have to learn to cope with. Chilean farmers are fighting the virus through the development of vaccines, drugs and management of crops, although salmon mortality remains stable at present.

UK

The total value of UK salmon exports in the first quarter was USD 179 million, on a par with the figures for the same period in 2012 and 2011. Volumes were down 12% to 22 175 tonnes. UK exporters are steadily shifting their focus from traditional markets in the EU and the US to East Asia, particularly China and Taiwan PC. First quarter export volumes to these two countries have tripled since 2011, up to 3 191 tonnes in 2013 at a total value of USD 23.6 million. Meanwhile exports to the EU decreased by 19% in quantity terms (18% by value) over the same period, to 8 117 tonnes worth USD 63.5 million. The UK is exploiting the competitive advantage it has over Norway, which has an uneasy trading relationship with China, and over Japanese seafood suppliers who have had to contend with health concerns related to the Fukushima nuclear disaster.

The UK domestic market is showing strong growth,

Exports

Salmon: UK (by product and country)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
FRESH	-	-	-	-	-	-
USA	3.3	4.2	6.1	9.7	9.2	7.9
France	5.5	4.1	5.6	4.2	4.2	3.0
Poland	0.1	0.1	0.4	1.4	2.2	1.2
Ireland	1.2	1.2	0.9	1.1	1.3	1.2
Germany	0.6	0.4	0.5	0.5	0.4	0.3
Others	1.7	1.3	2.0	2.7	4.1	5.8
Total	**12.4**	**11.3**	**15.6**	**19.5**	**21.4**	**19.4**
FROZEN	-	-	-	-	-	-
France	1.1	0.2	0.6	0.6	0.5	0.4
USA	0.0	0.0	0.1	0.5	0.2	0.2
Russian Fed.	0.0	0.1	0.4	0.4	0.8	0.1
Others	0.8	1.0	0.5	1.0	1.0	1.1
Total	**2.0**	**1.2**	**1.5**	**2.5**	**2.6**	**1.8**
CANNED			-	-	-	
Ireland	0.1	0.1	0.3	0.2	0.2	0.2
Others	0.2	0.2	0.1	-0.0	0.2	0.1
Total	**0.3**	**0.3**	0.4	0.2	0.4	0.3
Gr. Total	**14.7**	**12.9**	**17.4**	**22.2**	**24.3**	**21.5**

Source: Her Majesty's Revenue & Customs

and import volume in Q1 2013 was 19% higher than last year at 21 614 tonnes worth USD 168 million (34% higher). The major exporter to the UK is the Faroe Islands, with a 40% share (whole fresh Atlantics) of first quarter import volume.

Markets

Demand in most markets has shown considerable resilience in the face of rapidly rising prices, with the EU and the US posting increased year-on-year volumes in the first quarter. France, Germany and the UK in particular are performing well, as are key emerging markets such as Brazil and China. This is at least partly due to the similarly high prices of meat, forecast to persist in the medium term, which mean limited availability of cheaper basket alternatives for the consumer. However, the full impact of the high raw material prices that processors are paying is only just beginning to be felt at the consumer end, and demand is likely to suffer. Nevertheless, this could also be an important opportunity for Chilean producers, who are now trying to use the relatively more attractive prices of frozen, valued-added product to increase their market share in the EU.

France

The inflated price levels slowed salmon import

Imports
Salmon: France

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Fresh whole	21.2	23.1	24.2	21.6	25.6	22.9
Norway	15.1	16.2	17.2	15.0	17.6	17.1
UK	4.3	3.9	4.4	4.4	4.6	3.5
Frozen Pac	1.0	1.0	1.1	0.9	1.1	1.2
USA	0.6	0.8	0.9	0.9	1.1	0.9
Frozen Atl	0.7	0.5	0.7	1.0	0.4	0.3
Smoked	1.2	1.2	1.4	1.5	1.9	2.0
Poland	0.7	0.8	1.1	1.1	1.5	1.6
Fresh fillets	1.3	2.2	2.7	2.5	3.8	5.0
Norway	1.2	1.9	2.4	2.3	3.4	4.2
Frozen fillets	4.8	5.4	5.8	5.7	4.9	5.5
Chile	2.1	5.6	1.9	1.2	1.4	2.0
China	1.2	1.3	2.2	2.5	1.8	1.4
Total	**30.2**	**33.4**	**36.0**	**33.2**	**37.7**	**36.9**

Source: DNSCE

growth in France, and first quarter volumes were more or less flat compared with Q1 2012 at 36 283 tonnes, with total import value up 16% to USD 272 million. Product and supplier composition have shifted somewhat, however, and imports of frozen Pacific fillets were up 12% to 5 508 tonnes, with Chile as the major supplier. Overall in Q1 2013, France imported 55% more Chilean salmon by volume, and 19% more by value, at 1 954 tonnes worth USD 13.4 million. Meanwhile imports of fresh Pacific fillets, mainly from Norway, were up 30% to 5 003 tonnes.

Germany

Germany imported 29 887 tonnes in the first 3 months of 2013, 4% more than last year. Total import value was up to USD 28.2 million, an 11% increase. Imports of whole fresh Atlantics from Norway were down 6% to 9 597 tonnes, while smoked and frozen fillet imports were up 10% and 11% to 9 475 tonnes and 7 581 tonnes respectively. These figures reflect the large growth in imports from Chile, Germany's main supplier of frozen fillets. Chilean-origin import volumes have tripled compared with Q1 2012, and, although the relative share is still small at 4.6%, it seems that Chilean producers are taking advantage of high Norwegian prices and the greater quantities they have available. Poland, Germany's major supplier, also saw increased first quarter volumes of 8 900 tonnes (23% up) at USD 121 million (28% up), almost entirely smoked salmon.

Japan

In terms of volume, Japan imported 3% less salmon (85 331 tonnes) in the first 4 months of 2013 than in

Imports
Salmon: Germany (by origin)

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Norway	10.0	11.6	13.6	12.9	12.2	11.3
Poland	6.3	7.8	7.1	8.2	7.9	9.0
China	3.1	2.8	4.9	4.4	3.8	2.9
Denmark	2.0	1.7	1.6	1.3	2.1	1.8
Chile	3.0	3.5	0.9	0.6	0.5	1.4
Lithuania	0.5	0.6	0.7	1.5	1.3	1.1
Sweden	0.5	0.6	0.5	0.3	0.1	0.6
Others	1.7	1.5	1.8	1.2	1.6	2.2
Total	**27.2**	**30.2**	**31.0**	**30.3**	**29.4**	**30.1**

Source: Germany Customs

Imports
Salmon: Germany (by product)

	Jan-Mar				
	2009	2010	2011	2012	
	(1 000 tonnes)				
Fresh salm.	10.5	12.4	12.6	12.1	10.7	9.9
Frozen salm.	0.6	0.8	1.3	0.7	0.5	0.8
Smoked salm.	0.0	0.0	0.0	0.0	0.0	0.0
Fresh fillets	1.7	1.9	2.2	1.9	1.9	1.8
Frozen fillets	8.8	8.3	9.3	8.1	6.9	7.6
Salted salm.	0.0	0.0	0.0	0.0	0.0	0.0
Total	**27.2**	**30.2**	**31.0**	**30.3**	**29.4**	**30.1**

Source: Germany Customs

Imports
Salmon: Japan

	Fresh			Frozen		
	2010	2011	2012	2010	2011	2012
	(1 000 tonnes)			(1 000 tonnes)		
Atlantic	**20.0**	**22.2**	**28.6**	**1.1**	**1.8**	**1.8**
Norway	18.0	19.7	26.4	0.5	0.9	0.6
UK	0.4	0.6	0.6	0.0	0.0	0.0
Chile	-	-	0.0	0.2	0.0	0.7
Australia	1.3	1.7	1.1	0.0	0.0	0.0
Denmark	-	-	0.1	0.4	0.3	0.3
Pacific	**0.8**	**0.8**	0.7	**127.2**	**141.3**	**147.1**
Canada	0.1	0.1	0.1	6.7	1.4	0.8
USA	0.0	0.0	0.0	24.0	16.5	9.6
N. Zealand	0.7	0.7	0.6	1.6	1.5	0.8
Chile	-	-	-	71.1	93.5	110.9
Russ. Fed.	-	-	-	25.0	28.3	24.9
Total	**20.8**	**23.0**	**29.3**	**128.3**	**143.1**	**148.9**

Source: Japanese national import statistics

Imports
Salmon: Germany

	2007	2008	2009	2010	2011	2012
			(1 000 tonnes)			
Norway	46.3	39.3	50.7	53.8	53.9	49.4
Poland	16.0	20.3	28.5	27.1	28.6	29.4
China	10.9	12.4	13.8	17.1	14.4	11.9
Denmark	6.5	8.1	6.6	5.8	7.5	8.0
Lithuania	0.8	2.2	3.5	5.2	5.9	5.5
Netherlands	1.2	1.7	1.0	0.6	0.9	4.2
UK	1.6	1.4	2.3	2.4	2.6	2.8
Chile	14.4	13.3	8.0	2.0	3.3	2.6
Others	6.4	6.5	7.3	5.3	4.1	4.3
Total	**104.1**	**105.2**	**121.7**	**119.3**	**121.2**	**118.1**

Source: National statistics

Imports
Salmon: Germany

	2008	2009	2010	2011	2012
		(1 000 tonnes)			
Fresh salmon	41.0	51.7	50.0	51.7	43.5
Frozen salmon	5.6	4.9	4.3	3.2	3.5
Smoked salmon	24.0	32.8	32.8	35.7	38.1
Fresh fillets salmon	6.4	8.2	8.2	6.9	7.1
Frozen fillets salmon	35.6	32.3	32.3	30.6	25.9
Salted salmon	0.0	0.0	0.0	0.0	3.9
Total	**105.2**	**121.7**	**119.3**	**121.2**	**118.1**

Source: National statistics

2012, but the decrease in value was 36% (USD 343 million). The large drop is mainly the result of weaker early-year prices – now recovering somewhat – for frozen Pacific salmon from Chile, which is meeting with lukewarm demand this year. This is partly due to poor trade conditions, specifically a weak yen and high freight costs, as well as left over inventories from 2012. Chile still supplies the vast majority of Japan's salmon imports, although the 2013 January to April volume of 69 502 tonnes represents an 8% drop compared with last year. Meanwhile, Norwegian-origin imports dropped by 27% to 5 373 tonnes over the same period, further evidence that overall demand in Japan is not robust enough to absorb large volumes at current prices. In response to the high prices of Norwegian and Chilean farmed, Japan imported five times more salmon from Russia, New Zealand and Canada, to a total of 7 803 tonnes.

USA

The USA imported salmon during this period mainly from Chile with 30 269 tonnes for a total value of USD 256 million and Canada with 22 364 tonnes worth USD 142 million. Overall the market situation has improved since

Imports
Salmon: USA

			.....Jan-Mar.....			
	2008	2009	2010	2011	2012	2013
			(1 000 tonnes)			
Fresh fillets						
Chile	19.9	16.5	5.1	7.7	11.1	22.0
Norway	0.6	2.3	6.8	2.8	0.8	0.9
Canada	1.3	1.0	2.0	1.6	0.7	1.6
Other	1.0	1.3	2.2	2.8	2.2	2.7
Total fresh fill	**22.8**	**21.1**	**16.1**	**14.9**	**14.8**	**27.2**
Frozen fillets	**5.7**	**8.1**	**6.5**	**5.7**	**13.4**	**18.8**
Smoked	**0.7**	**0.9**	**0.9**	**0.9**	**1.4**	**1.2**
Salted	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total	**29.2**	**30.1**	**23.5**	**21.5**	**29.6**	**47.2**
All salmon	**60.0**	**61.7**	**59.4**	**54.6**	**67.6**	**77.1**

Source: NMFS

last year, and in the first quarter of 2013 USA imported 77 000 tonnes of salmon products, representing an increase of 14% compared with the same period in 2012. The total value of exports between January and March rose by 15% totalling over USD 578 million.

In terms of exports, there was a 5.2% decrease in quantity and a 2% drop in the value of total exports, in comparison with the same period in 2012.

Brazil

Brazil is one of the world's fastest growing markets for salmon, importing almost 9 times more salmon products in 2012 (63 300 tonnes) than in 2000 (7 300 tonnes). The total value of these imports in 2012 was USD 296.5 million. Continued economic growth, only briefly slowed by the financial crisis, combined with an increasing population, has seen a rapid expansion of the target middle class demographic seeking higher quality seafood products. This trend should see sustained growth in salmon demand over the coming years, and it is Chilean producers that will be able to take advantage. Chile supplies 100% of Brazilian salmon imports, of which 78% were fresh whole Atlantics in 2012. Frozen whole salmon made up 9% of the total volume, while frozen fillets accounted for 11%. Export prices to the Brazilian market generally follow the US market trend but are lower overall - average FOB price for fresh Atlantics in 2012 was USD 5.46 per kg. This is compensated for, to an extent, by lower transport costs and logistical conveniences resulting from the geographic proximity of the two countries.

Chilean trout competes with salmon for market share, with import volumes peaking in 2010 at 6 630 tonnes when Chilean salmon farmers were hit by the ISA outbreak. By 2012, volumes had declined to 4 270 tonnes

for the year, worth approximately USD 17 million. Frozen whole trout made up 64% of these imports by volume, while frozen fillets took a 28% share.

In the first 5 months of 2013, the Brazilian salmon market continued on its upward trajectory, importing 31 600 tonnes of salmon worth USD 170.7 million, increases of 32% and 41% respectively. Prices are also rising, recovering from significantly lower levels in 2012. Meanwhile, trout imports fell by 35% to only 963 tonnes compared with the same 5 months last year.

Outlook

Although still strong in most markets, underlying demand is not expected to sustain prices at current levels once intermediaries in the value chain begin to pass costs onto the consumer. Supply is still likely to be inadequate to push prices very far down, however, particularly if wild harvests are low or disease spreads. If the supply pressure persists for too long, the high cost of salmon may result in a loss of some of the valuable ground gained last year in terms of market penetration. Chile can take advantage of the price situation, however, in order to gain a foothold in traditionally Norwegian markets, while wild salmon producers are now in a good position to expand supply to farmed-dominated markets. Meanwhile, feed prices will continue to put pressure on margins.

RUSSIAN MARKET

Catch

At the beginning of July, the catch of Pacific salmon in the Far East fishery basin had reached 11 000 tonnes, 2 000 tonnes more than in the odd-number year 2011. Kamchatsky Krai is the main area where 10 400 tonnes was registered. Sockeye salmon made up most of the catch in the Petropavlovsk-Komandornaya zone.

Export

The Asian market is the main destination for exports of wild salmon species from Russia. Between January and April exports of frozen Pacific salmon to China amounted to over 17 000 tonnes (104% increase compared with January-April 2012). The average export price went down by 16% to USD 1.9 per kg.

Aquaculture

Production of farmed Atlantic salmon from the national aquaculture sector in the Murmansk region is increasing. The major players in this sector are Russian Salmon and the Russian Sea Group. Created in 2005, Russian Salmon was the first company in Russia to engage in industrial farming of Atlantic salmon in the Bays of Pechenga and Ambarnaya in the Barents Sea. In 2011, the company's production of farmed salmon was 8 500 tonnes. By the end of this year this figure is expected to increase to 21 000 tonnes.

The Russian Sea Group is ready to launch its second salmon farm in June 2013 on Shalim site in Ura Bay, Barents Sea, where around 1.6 million of smolts of Atlantic salmon are expected to be put into the water. The first salmon harvest is planned for 2014 and sales are expected of more than 3 000 tonnes. In addition, two more new sites will follow in 2014. The national production of farmed Atlantic salmon is entirely targeted at the domestic market for partial substitution of imported Atlantic salmon.

Import

Historically Norway has been is the largest supplier of Atlantic salmon to the Russian market. In the first five months of 2013, Norway exported 42 179 tonnes of Atlantic salmon to Russia. This is 19% less in terms of volume compared with the same period in the past year, while the export value increased by 11%. About 95% of the volume is made up of fresh and chilled salmon. The average export price of Norwegian salmon to Russia went up by 37% reaching EUR 4.8 (NOK 37.32) per kg compared with EUR 3.5 (NOK 27.25) per kg in the previous year.

In May 2013, Norwegian exports of salmon to the Russian market went down by 12% reaching 7 833 tonnes compared with the same period last year. At the same time, the value of the exports grew by 24% as a result of the increased export price per kg by 41%.

Domestic prices

On the domestic market in Moscow in mid-July, the price of Atlantic salmon from Norway is still high as a result of a shortage of supply from Norway while demand from Russia has increased. The main reasons for the lack of deliveries of salmon are the closure of several plants for technical reasons and also because of fish diseases. On the wholesale market in Moscow the prices for Atlantic salmon 4-5, 5-6 of Norwegian origin range from RUB 330 (EUR 7.67) to RUB 340 (EUR 7.9) per kg, while the prices for Atlantic salmon 6-7 are in the range of RUB 340 (EUR 7.9) to RUB 345 (EUR 8) per kg. Prices are likely to increase for all sizes.

Quota disputes still dominate the supply of mackerel and herring

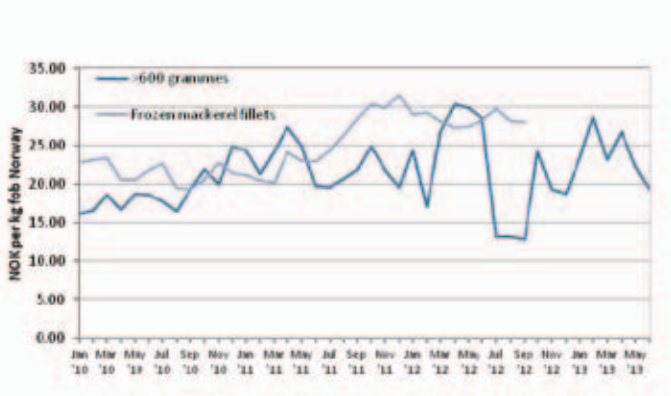
The on-going quota dispute between the Faroe Islands and Iceland on the one side and EU and Norway on the other side has grown to include herring as well as mackerel. Now the EU is threatening to impose trade restrictions on the Faroes. Meanwhile, the summer mackerel season has started well with good demand but low prices. The longer term outlook for the resources is uncertain. In the short term the mackerel stock may grow, but at the expense of herring.

Mackerel

While the mackerel quota is down from last year, researchers have reason to be optimistic about the future. According to their findings, mackerel along the Norwegian coast as far north as North Cape are feeding on large amounts of herring juveniles. Thus the mackerel stock could grow well over the next few years.

On the contrary, this could affect herring stocks negatively, although it is too early to predict, according to the researchers. Mackerel has penetrated deeper into the Norwegian fjords, and a good summer season is foreseen.

Norwegian frozen mackerel export prices



Source: NSC/Central Bureau of Statistics, Norway

While there is mackerel all along the Norwegian coast at the moment, it is widely dispersed and difficult to catch. There are many small shoals of mackerel, but it takes considerable effort to catch large amounts. Consequently, catches in June were few and small, although some ports reported good catches. In addition large shoals of mackerel have been observed migrating eastward along the north coast of Norway, according to Norwegian fishermen.

The Faroe Is started the mackerel season early this year; instead of waiting until July, fishing this year started in May. Lower quotas were cited as the main reason.

This year the Faroes set their own mackerel quota unilaterally, contributing to the on-going controversy regarding quotas. The EU and Norway have criticised the Faroes (and Iceland) for this action, and now the EU is threatening to impose a trade embargo on the Faroes.

Imports

Frozen Mackerel: Germany

	.....Jan-Mar.....					
	2007	2008	2010	2011	2012	2013
	(1 000 tonnes)					
UK	0.8	0.4	0.6	1.9	3.4	2.7
Ireland	1.2	1.4	1.6	1.7	1.5	0.9
Netherlands	0.8	1.2	1.1	0.8	2.4	0.8
Denamrk	1.5	1.4	0.9	1.1	0.4	0.3
Poland	0.9	0.8	0.8	1.0	0.1	0.3
Norway	0.0	0.3	0.9	0.2	0.1	0.3
Others	0.6	0.3	0.5	0.9	0.7	0.4
Total	**5.9**	**5.9**	**6.4**	**7.5**	**8.5**	**5.7**

Source: Germany Customs

As a result of the unilateral quotas for mackerel set by the Faroes and Iceland, the Marine Conservation Society (MCS) removed mackerel from its list of Fish to Eat in January this year. However, Scottish fishermen argue that fish caught by them, as well as the rest of EU and Norway, are caught sustainably and come from a well-managed stock and therefore should remain on the MCS list of Fish to Eat.

There is good market demand at the moment, but supplies are tight. Cold storage holdings in Norway as well as Ireland and the Faroes are low, and this is likely to

push the prices up. Mackerel prices have been declining since the beginning of the year.

Demand for smaller sizes (300 – 500g) was strong at the beginning of the summer but all sizes are in demand at the moment.

On the Japanese market, suppliers and buyers are bargaining hard to find agreement on prices. Norwegian export prices for frozen mackerel to Japan were 22.5% below prices a year ago, in spite of a significant decline in shipped volumes. A further decline in prices on this market is likely.

Norwegian mackerel exports are declining in terms of volume this year. During the first three months, exports of whole frozen mackerel were down by 19%. During the second quarter, this trend strengthened, and for the first half of the year, Norwegian frozen mackerel exports were down by 23% compared with the first half of 2012. The average export prices were also down. The main reasons given for the decline in Norwegian export value were lower quotas and lower prices.

Exports

Frozen Mackerel: Norway

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	6.6	4.1	6.2	7.5	13.2	8.0
Russ. Fed.	1.0	6.5	3.0	5.9	7.4	6.7
Turkey	4.0	4.9	7.5	7.1	7.3	4.9
Japan	5.0	4.8	8.5	8.4	7.5	4.6
Ukraine	1.9	3.5	2.7	3.1	2.4	4.5
Lithuania	*	*	*	*	2.7	2.5
Korea Rep.	0.1	3.4	2.8	3.2	1.7	1.4
Nethelands	*	*	*	1.7	4.1	1.4
Others	6.7	11.2	8.1	14.8	11.0	12.6
Total	**25.3**	**38.4**	**38.8**	**51.7**	**57.3**	**46.6**

Source: Norwegian Seafood Council

* included under others

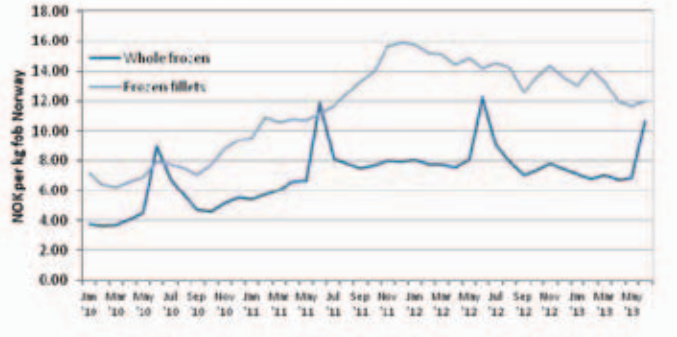
China is still Norway's largest market for frozen mackerel, but a major decline in shipments was registered for the first quarter. During this period, shipments amounted to 8 000 tonnes, down from 13 200 tonnes during the same period in 2012. There were notable declines for other markets too; exports to Turkey and Japan were down significantly, while exports to Russia registered only a minor decline and exports to Ukraine increased by 87.5% but from a low base.

Herring

The dispute between the EU and the Faroes over herring quotas is getting more serious. In June, the EU threatened to impose trade restrictions on products from the Faroes. This could effectively bar Faroese herring from entering the EU market.

The EU argues that the herring fishery operated by the Faroes is unsustainable and not well-managed because of the Faroes' unilateral decision to increase its own quota. At the same time, the herring fishery operated by the EU and Norway is sustainable, argues the EU. This is something of a contradiction as the stock is the same in both cases, just fished by different nations.

Norwegian frozen herring export prices



Source: NSC/Central Bureau of Statistics, Norway

Catches of North Sea herring were good in June, and prices were acceptable. For the matjes season large catches were landed from the North Sea, and good prices were paid for this herring. According to reports, more matjes quality herring is needed, as demand for this product is good.

At the beginning of July, some observers were expecting that the herring season would soon draw to a close. In anticipation of this, several processing plants in northern Norway had already closed down for the holidays at the end of June, in spite of the fact that further volumes of matjes herring were needed to satisfy the market. As of the end of June, about 100 000 tonnes of the total North Sea herring quota of 145 033 tonnes had been caught. Fishing in June was especially active:

64 000 tonnes were landed during this month alone.

The Alaskans are having problems negotiating with the Japanese over herring prices. In June, the price negotiations for Togiak herring were underway, and Japanese buyers were insisting that prices should come down because of the weak yen, higher supplies than last year, and weakening demand. North American suppliers are looking for USD 900 per short ton while the Japanese buyers have offered as low as USD 500 per tonne. In 2012, prices were settled at USD 1 450 per short ton.

Imports
Frozen Herring: Germany

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Norway	2.7	6.1	7.2	5.9	7.6	4.4
Denmark	1.0	1.3	1.7	0.6	1.9	2.1
Ireland	0.6	0.3	0.2	0.2	0.3	1.4
UK	0.4	0.0	0.1	1.6	0.6	1.3
Netherlands	0.8	0.8	1.1	0.6	0.5	1.0
Others	0.2	1.4	0.9	1.1	0.9	0.6
Total	**5.8**	**9.8**	**11.2**	**9.9**	**11.7**	**10.8**

Source: Germany Customs

Imports
Frozen herring : France

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(tonnes)					
Norway	1 141	1 877	1 413	1 269	2 204	512
Iceland	1 263	702	460	2 133	1 301	107
Netherlands	192	83	225	261	179	164
Belgium	0	27	33	0	0	0
Others	281	105	16	5	24	2
Total	**2 877**	**2 794**	**2 147**	**3 668**	**3 708**	**785**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

As a result of lower landings and quotas, Norwegian herring exports declined during the first quarter of the year. The export volume went down by -40%, and the value by slightly more (-61%). Russia was the largest market, but exports to Russia were drastically reduced (-47%), and exports to the second largest market, Ukraine, declined by -44%. In fact, there were reduced shipments to all major markets except the Netherlands.

Whole frozen herring prices are influenced by the season, with relatively stable prices from July till May, and a notable peak in June. This pattern is seen also in 2013 Norwegian exports prices. However, the peak June prices did not reach the same levels as in the previous two years.

Horse mackerel

In Chile, the horse mackerel sector has expressed concerns that the quota will be filled early, thus closing down the activity for the fleet. By mid-May, over 105 000 tonnes of the total quota of 161 600 tonnes had been landed. The South American horse mackerel landings have been seriously reduced over the years. In 2012, the Chilean horse mackerel quota was the lowest in history, at 12% lower than the 2011 quota, but in 2013 the quota allocated to Chile was reduced further to 250 000 tonnes, 12.8% lower than the previously announced quota of 282 000 tonnes for the year.

Chile blames Peru for this development. Chile claims that Peru has overexploited this resource for years. In 1990 Chile caught 2.4 million tonnes of horse mackerel. In 2012, this had been reduced to just 229 000 tonnes. The Chilean fleet has been reduced accordingly, from 150 vessels in 1990 to 50 vessels in 2012.

Peru and China are both fishing on this resource, but neither country is a member of the Regional Fisheries Management Organization of the South West Pacific. Consequently, they do not feel bound by the decisions of the Commission, and therefore rebuilding the horse mackerel resource in the region will be very difficult, according to Chilean fisheries executives.

The market for horse mackerel is reported to be good, with relatively high prices and good demand, especially in African markets.

Anchovies

Peruvian authorities opened the northern anchovy fishery again in June. Initially the fishery was opened for ten days from 14 June but later extended until the maximum catch limit per vessels was reached or 31 July.

In Spain anchovy fishing is also the subject of debate over control measures. The Ministry of Agriculture, Food and Environment was questioned about problems in the Bay of Biscay anchovy fishery and said that the government is making great efforts to have appropriate controls for the anchovy fishery, thus ensuring its sustainability and

profitability. Stricter control and inspection measures are being introduced, according to the Ministry spokesman.

Imports
Canned sardine: Germany

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	2.4	2.2	2.0	1.2	1.2	1.4
Peru	0.1	0.1	0.2	0.3	0.3	0.3
Others	0.8	0.3	0.3	0.4	0.3	0.2
Total	**3.4**	**2.6**	**2.5**	**1.8**	**1.8**	**1.9**

Source: Germany Customs

Canned sardines

Morocco's exports of sardines went up by 29% by volume in 2012. The main target markets were traditional markets in Europe of Spain, Italy, the UK and Germany.

The European canned sardine market is relatively quiet at the moment. Imports into major markets show little change. Imports into Germany increased very slightly during the first quarter of 2013, to 1 900 tonnes. Morocco took a bigger market share, reflecting the increase in Morocco's exports of canned sardines.

Imports into the UK were also stable. During the first quarter of 2013, UK imports of canned sardines increased by only 3%. Main suppliers Portugal and Morocco saw slight increases, while imports from Thailand declined.

Imports
Canned sardine: UK

	.....Jan-Mar.....					
	2007	2008	2010	2011	2012	2013
	(1 000 tonnes)					
Portugal	1.6	0.8	1.3	1.3	1.3	1.4
Morocco	1.4	1.2	1.4	0.8	0.8	1.0
Thailand	0.9	0.2	0.8	0.1	1.2	0.9
Others	0.2	0.4	0.4	0.2	0.0	0.2
Total	**4.0**	**2.6**	**3.8**	**2.5**	**3.4**	**3.5**

Source: Her Majesty's Revenue & Customs

France, in contrast, increased imports of canned sardines during the first quarter by 43%. Again, Morocco registered a healthy increase in shipments, as did Portugal.

Prices for canned sardines on the European market were mixed over the past few months. Italian prices went up for domestic product, while they went down for imported products from France. Thus average prices were fairly flat.

The general price trend in Europe is one of slow but steady decline, though. The decline may flatten in coming months, based on performance in the last few months.

Prices of canned fish in China have increased over the past year. Prices of canned fish, including canned sardines rose by as much as 18% during the year. This is well above the average rise in the consumer price index, which rose by 4.1% during the same period. Among the reasons given for this steep price rise is the change in exchange rates for the yuan, which makes food imports more expensive.

Imports
Canned sardines: France

	.....Jan-Mar.....					
	2007	2008	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	3.7	3.2	2.3	2.1	2.3	3.4
Portugal	0.8	1.0	0.9	1.1	1.0	1.3
Spain	0.4	0.2	0.2	0.2	0.0	0.1
Others	0.5	0.1	0.1	0.1	0.2	0.2
Total	**5.5**	**4.4**	**3.5**	**3.4**	**3.5**	**5.0**

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Outlook

The outlook is still one of reduced supplies because of quota reductions. However the unilateral quota increases by Iceland and the Faroes may balance that. Nevertheless the Faroes may find it difficult to sell the extra volumes because of trade restrictions, which could be imposed by the EU.

Mackerel prices are declining for the moment, but it is expected that they will level off as demand improves. For herring prices, the summer price peak was achieved in June, and it must be expected that prices will decline again in July and August. Prices for the rest of the year may well be under last year's level, but the tight supplies could counteract that.

FISHMEAL

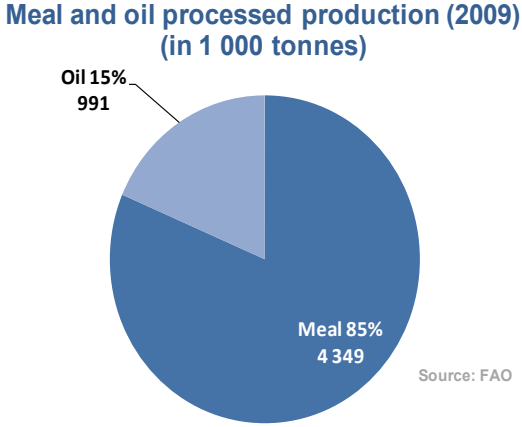
Record high prices expected throughout the year

Derived demand for fishmeal by the aquaculture sector is expected to remain strong through the next quarter because of high prices for salmon. These are well above the salmon prices prevailing in 2012 and have not yet deterred consumer demand for salmon. Modest growth in terrestrial meat production such as pig and poultry continues to add pressure to fishmeal supplies and stocks. As a result, fishmeal prices are expected to hold throughout the year. Anchovy fishing in the northern part of Peru has reopened in mid-June for specified areas in the north, having been closed between May and June for resource evaluation. The additional fishing days are expected to boost supplies of fishmeal from this fast growth species to make up for the significantly lower Latin American production in the first quarter of 2013 compared with last year.

Production

In Latin America, Peruvian anchovy fishing constraints imposed earlier in the year were relaxed slightly with the announcement of 10 additional fishing days in mid-June by the Peruvian government. This has now been extended to the maximum catch limit per vessel or until the 31 July. The northern fishing grounds had been closed from May to June while a resource assessment was underway. The quota of 2.05 million tonnes set earlier in the year based on the lower limits of the biomass estimate to ensure adequate biomass recovery were not achieved prior to the May closure. Fishing in the south remains negligible compared with the anchovy catch last year. Combined Peru/Chile fishmeal production from January to March 2013 was more than 100% lower than the same period in 2012. According to forecasts there is little chance of either an El Niño or a La Niña this year, giving rise to the hope that stocks could begin to recover somewhat towards the end of the year.

Danish and Norwegian first quarter 2013 production was up quite substantially compared with last year, while Icelandic/North Atlantic production was slightly down. The Icelandic fleet has yet to start fishing for mackerel and herring. The season usually begins at the end of June.



Production

Fishmeal: 5 major producing countries

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Peru/Chile	352	256	131	215	201	85
Denmark/Norway	135	80	82	56	41	79
Iceland/North Atlantic	35	35	39	49	115	92
Total	**522**	**371**	**252**	**320**	**388**	**261**

Source: IFFO

* these figures refer only to IFFO member countries

Exports

Peru continues to dominate Latin American fishmeal exports, although exports are less than a third of the volume exported in the first quarter last year. With the relaxation of the fishing moratorium in June and poor performance by Chile, Peru's position will remain unchallenged. China remains the largest market for Latin American fishmeal exports because of strong domestic demand for aquaculture products. For the first quarter of 2013 Japan has overtaken the EU as the second biggest market for Latin American fishmeal exports. Exports to Japan registered 10 900 tonnes while exports to Germany and the UK totalled 7 100 tonnes.

Markets

The average wholesale fishmeal price of USD 1 901.5/ tonne (CIF, Hamburg) achieved in first quarter 2013 is significantly higher than the average price of USD 1 563/ tonnes in 2012 [figures from IFFO]. Despite record high fishmeal prices in 2013, orders for fishmeal continue to be received by producers and stocks are depleting. Demand for fishmeal has been primarily driven by strong consumer demand for carnivorous farmed fish and terrestrial meat products. A falling yen in early 2013 is reducing Japanese consumer buying power, which may impact on Japanese demand for most high-value seafood imports, including farmed salmon. This would have repercussions for future

fishmeal demand as salmon producers respond to market signals.

Exports
Fishmeal: Chile

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	39	66	35	26	17	38
Japan	8	1	2	59	3	8
Germany	7	4	2	7	n	a
Spain	5	5	8	4	n	a
Rep. Korea	6	5	4	3	1	1
Italy	8	6	3	3	2	3
Others	19	19	14	27	9	10.4
Total	**92**	**117**	**71**	**79**	**32**	**64**

Source: IFOP

Imports
Fishmeal: UK

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Ireland	3.7	6.9	0.4	0.8	1.9	4.8
Germany	3.8	0.9	3.1	2.8	1.7	3.6
Denmark	1.1	1.1	8.1	7.0	0.0	2.4
Iceland	2.3	0.0	0.0	1.4	1.3	2.3
Peru	3.1	7.3	8.9	7.2	8.0	1.2
Norway	1.7	1.1	2.4	0.0	0.0	1.1
Chile	0.0	0.0	0.1	0.3	0.0	0.6
Others	4.2	0.6	2.6	1.2	1.5	1.3
Total	**19.9**	**17.9**	**25.6**	**20.6**	**14.4**	**17.3**

Source: Her Majesty's Revenue & Customs

Imports
Fishmeal: Germany

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Morocco	0.0	0.0	12.9	17.9	4.6	15.5
Peru	18.4	62.9	38.1	14.0	35.0	14.6
Iceland	6.1	0.0	0.0	1.5	0.0	7.1
Denmark	0.8	0.4	3.0	6.4	1.4	6.2
Mauritania	0.0	0.0	0.0	0.0	0.1	5.0
Panama	0.9	0.5	0.0	0.0	3.7	0.9
France	0.5	1.1	0.6	0.8	1.2	0.6
Norway	0.1	0.1	0.1	0.1	0.2	0.6
Chile	1.2	2.4	0.0	2.0	5.4	0.0
Others	0.9	0.2	4.0	1.1	2.9	2.2
Total	**28.9**	**67.6**	**58.7**	**43.8**	**54.5**	**52.7**

Source: Statistisches Bundesamt

Outlook

Prices are expected to remain high through 2013 on low fishmeal supplies. In addition, consumer demand for carnivorous fish, poultry and pork remained strong in the first quarter 2013, which in turn will support demand for fishmeal by fish and meat producers.

Imports
Fishmeal*: USA

a	.....Jan-Mar.....					
3	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Chile	1.3	1.8	4.7	2.9	3.5	4.5
Mexico	4.7	5.7	3.6	1.6	2.9	3.6
Canada	1.0	0.7	1.3	0.8	1.3	0.8
Peru	0.1	0.2	0.3	0.0	0.1	0.2
Others	1.3	2.1	0.6	0.7	0.7	1.1
Total	**8.4**	**10.5**	**10.4**	**6.0**	**8.5**	**10.2**

Source: NMFS

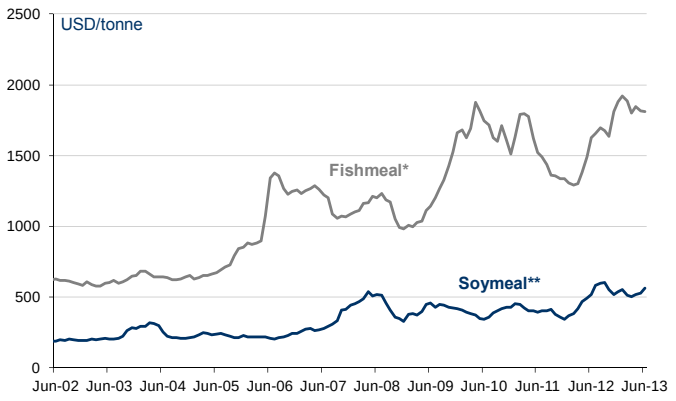
Exports
Fishmeal: Peru

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
China	239.5	231.8	197.2	107.6	263.1	116.2
Germany	48.1	54.9	51.9	16.4	40.5	6.8
Japan	37.9	36.3	23.9	12.2	31.8	10.9
UK	3.0	7.4	10.7	6.0	6.0	0.3
Taiwan PC	na	na	na	8.9	19.8	2.7
Vietnam	na	na	na	5.8	18.9	2.2
Others	113.6	96.9	69.0	135.1	78.6	0.2
Total	**441.9**	**427.4**	**352.7**	**292.0**	**458.7**	**139.3**

Source: Peruvian Ministry of Production

Prices
Fishmeal and Soymeal

** all origins, 64-65% cif Hamburg; 44% cif Rotterdam*



Source: Oil World, GLOBEFISH

FISH OIL

Lower catches in South America to keep prices up in coming months

The Peruvian North/Central summer quota has been set almost 700 000 tonnes lower than last year at 2.05 million tonnes, while fishing in Chile has been poor so far this year. Restricted supply and sustained worldwide demand for feed kept prices up around the USD 2 300 level in the first quarter.

Production

In April, with the Peruvian anchoveta season yet to open and reduced catches in Chile, total raw material production in the first 4 months was down 26% to 2 million tonnes compared with last year. Total fish oil production in the first quarter was down 23% to 86 000 tonnes over the same period, primarily the result of a combined 48% drop in Chile and Peru.

Exports

Peruvian fish oil export volumes from January to March were 78% lower this year at 19 400 tonnes, and exports to all major markets were down significantly. Denmark still took the largest share at 53% of volume but imported 45% less, while almost all other major importers also saw large declines. Chilean exports in the same period rose by 70% to 20 200 tonnes over 2012.

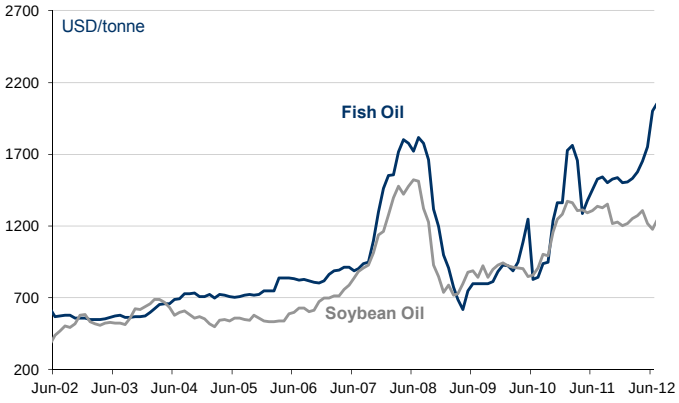
Traditionally supplied mainly by Norway, Turkey has also started importing large quantities of fish oil from Chile to use in feed for its growing aquaculture sector and took the second largest share at 12% (2 500 tonnes).

During the quarter, US exports of oil doubled overall with menhaden-based oil exports growing twenty times to 6 400 tonnes.

Outlook

Reduced availability of raw material, particularly in South America, should see prices stay up for some time to come. Demand continues to grow, driven by high-value aquaculture sectors and to a lesser but growing extent fish oil for human consumption. However, with fish oil prices now diverging from rape seed and soybean oil prices, fish feed producers are under pressure to reduce fish oil proportions in their product.

Prices
Fish oil and Soybean oil



Source: Oil World

Production
Fish oil: 5 major producing countries

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Peru/Chile	54	45	21	49	48	25
Denmark/Norway	23	20	22	18	21	29
Iceland	7	6	11	17	41	33
Total	**92**	**76**	**54**	**84**	**112**	**86**

Source: IFFO

* these figures refer only to IFFO member countries

Exports
Fishoil: Peru

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Belgium	12.8	21.9	3.7	14.8	6.4	
Chile	6.0	10.8	8.0	19.2	2.3	
Denmark	8.6	1.7	6.4	18.6	10.3	
Norway	4.7	7.2	1.2	8.6	0.2	
Canada	5.8	7.2	4.9	3.8	0.0	
Australia	4.2	3.8	0.0	4.1	0.0	
Others	10.4	5.3	3.2	17.6	0.2	
Total	**52.5**	**57.9**	**27.4**	**86.7**	**19.4**	

Source: Produce

Exports
Fishoil: Chile

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Japan	1.8	2.0	1.9	2.4	2.1	1.3
Vietnam	1.4	1.0	1.0	1.4	0.9	0.9
China	2.0	3.4	2.1	0.9	0.9	1.2
Perú	na	na	na	1.4	1.3	2.7
Indonesia	na	na	na	0.8	0.6	0.6
Others	8.8	5.4	8.6	4.3	6.1	8.8
Total	**14.0**	**11.8**	**13.6**	**11.2**	**11.9**	**20.2**

Source: Boletín de Exportaciones del IFOP

BIVALVES

Creative promotions and new markets make bivalve molluscs attractive to consumers

With difficult economic times still affecting countries in Europe in particular, producers are looking at a variety of ways to bring the main bivalve species such as mussels, scallops and oysters to the attention of consumers. European imports have declined this year but the Russian market for mussels is opening up. Scallops in Europe are maintaining their popularity but quotas in the USA are down, while demand in Asian markets, especially China, for scallops continues to grow.

Mussels

Europe

Mussel imports into the European Union dropped from 52 900 tonnes to 49 900 tonnes or 6% between January and March 2013 compared with last year. This is the lowest value since 2009 when imports reached just 45 900 tonnes. The drop is mainly explained by lower demand in Germany, where imports decreased from 7 000 tonnes to 2 700 tonnes during Q1 2013. France continued to be the country with the highest demand for mussels in the EU with 13 700 tonnes, followed by Italy (11 800 tonnes), Holland (8 400 tonnes) and Spain (5 000 tonnes), although imports by France and the Netherlands dropped slightly, imports by Italy and Spain were positive. Both Spain and Italy's imports of mussels reached record highs for the first quarter.

At the 21st European Seafood Exhibition in Brussels in April, ready-to-eat products based on molluscs were prominent, especially in the pavilions of Ireland and Holland. Organically produced mussels distinguish the products of both these countries.

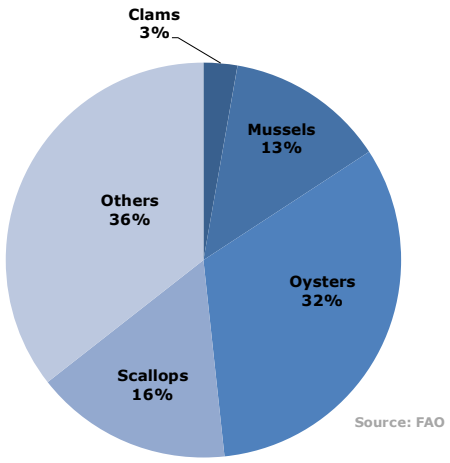
Imports

Mussels: EU

	.....Jan-Mar.....					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France*	16.3	14.4	18.5	16.9	14.9	13.7
Italy*	9.3	10.0	11.5	10.5	10.2	11.8
Netherlands	9.5	4.7	7.2	6.3	8.9	8.4
Spain*	3.5	2.5	4.5	4.8	3.5	5.0
Belgium	5.3	4.7	4.1	4.7	4.4	4.4
Germany*	5.2	4.0	2.9	4.5	7.0	2.7
UK*	1.7	1.2	1.1	1.6	1.4	1.2
Portugal	1.0	0.6	0.7	0.6	0.5	0.8
Others	2.8	3.8	2.4	2.4	2.1	1.9
Total	**54.5**	**45.9**	**52.8**	**52.2**	**52.9**	**49.9**

Source: EUROSTAT and Customs*

Bivalves production (2011) (in tonnes)



Russia – a new market for mussels

During the first semester of 2013 Russian imports of mussels went up by 110% to 331 400 tonnes, according to Russian federal fisheries agency Rosrybolovstvo. This led to a corresponding drop in prices of 22% to USD 3.25 per kilogram.

According to Rosrybolovstvo, it is estimated that Russian people consume about 21kg per capita of seafood products in a year. As a result of increased travel and awareness of alternative food choices, Russian consumers are prepared to try new products, which could be one of the reasons why mussels have grown so much in popularity in recent years.

At the end of 2010, Chilean producers initiated a campaign to sell Patagonian mussels to Russia. According to the Russian Agama Group import volume has been increasing since then. Prior to that the company had imported mussels from China but became aware that the quality of the product from Chile was much better for much the same price. The company was the first to introduce mussels in shell to the retail market in Russia.

Imports
Mussels: France

	Jan-Mar					
	2008	2009	2010	2001	2012	2013
	(1 000 tonnes)					
Netherlands	4.4	4.0	5.2	5.6	5.0	4.2
Spain	4.0	3.3	3.5	3.3	3.4	2.9
UK	0.9	1.3	1.4	1.1	1.3	2.1
Chile	2.4	1.6	2.5	2.2	1.7	2.0
Ireland	2.5	2.0	3.7	2.9	2.0	1.0
Italy	0.9	0.8	1.1	1.3	1.0	0.5
Denmark	0.5	0.4	0.6	0.1	0.1	0.5
Germany	0.1	0.1	0.1	0.1	0.1	0.2
Others	0.6	0.9	0.4	0.3	0.3	0.3
Total	**16.3**	**14.4**	**18.5**	**16.9**	**14.9**	**13.7**

Imports
Mussels: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Spain	6.3	7.7	7.9	6.4	8.9	9.1
Chile	1.5	0.8	2.0	2.5	0.9	1.7
Ireland	0.2	0.3	0.5	0.4	0.1	0.2
Greece	0.2	0.2	0.1	0.3	0.1	0.2
Others	1.1	1.0	1.0	0.9	0.2	0.6
Total	**9.3**	**10.0**	**11.5**	**10.5**	**10.2**	**11.8**

Source: ISTAT

Imports
Mussels: Spain

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Chile	2.2	1.5	3.0	3.4	2.4	3.6
France	0.5	0.3	0.5	0.4	0.3	0.5
Italy	0.0	0.0	0.0	0.1	0.3	0.4
New Zealand	0.4	0.5	0.3	0.7	0.4	0.3
Portugal	0.1	0.1	0.2	0.1	0.0	0.1
Others	0.3	0.1	0.5	0.1	0.1	0.1
Total	**3.5**	**2.5**	**4.5**	**4.8**	**3.5**	**5.0**

Source: Agencia Tributaria

Chile

Chilean mussel production has been struggling with the lack of seeds for some time and some companies have had to declare bankruptcy or change their line of business in order to keep afloat. However, figures are positive for bigger companies and, according to InfoTrade, during the first quarter of 2013 Chilean mussel exports were valued at USD 48 million, 37% higher than USD 35 million in the same period the year before. In terms of volume exports reached 16 800 tonnes up to March, 23% higher than the 13 608 tonnes registered in the same month in 2012.

Average prices reached USD 2.90/kg, while in March 2012 it was USD 2.59/kg.

Regarding the markets, shipments to the EU amounted to USD 33 million in value, while to the USA they were worth USD 5 million, to Latin America USD 3.3 million, to Asia USD 2.9 million and to other countries USD 4.2 million. Mussel imports by specific EU countries from Chile were up for France, Italy and Spain, at 2 000 tonnes, 1.7 tonnes and 3.6 tonnes respectively.

Novel approaches to marketing mussels and mussel products

Some innovative market promotion campaigns for mussel products have been developed in Spain, Brazil and Canada.

In Spain in 2012 because of the economic crisis the consumption of mussels in Galicia decreased 14% from the total 279 000 tonnes produced. It is concerning that, according to a report by Kantar Worldpanel, fish and seafood demand in Spain is more or less static and has increased by just 1.1% in the last 10 years.

Therefore producers were happy to learn that the Galician mussel will be the official image of the next edition of the cycling Tour of Spain (La Vuelta a España´13). This will enable the mussel's healthy image to be promoted at this important cycling and sporting event. The certificate of origin of Galicia's farmed mussel will also receive good advertising as it is the only marine product with this certification in Spain. Mussels represent 80% of all aquatic production in Spain. It is farmed on over 3 000 rafts belonging to 2 400 owners, generating about 11 500 direct jobs and annual incomes between EUR 90 and 120 million for Galicia.

According to a report published in May 2013 by Prochile that looks at the market potential for the Chilean mussel in Brazil, imports in 2012 were valued at USD 1.2 million, somewhat down on the previous year. However, live and canned mussels coming from Chile and Spain are preferred by Brazil, as well as Greenshell mussels from New Zealand but these are in smaller quantities. Spain and New Zealand have to pay a fee of 10% in taxes for their exports but Chile has zero taxes for mussel products. However, Prochile also notes the growth in demand in Brazil for certified products that are safe and of high quality. Consumption of seafood has increased remarkably in the last few years and projections are that this will increase further in future. As current local production does not meet present demand, seafood products will have to be imported to satisfy this demand, providing a good

opportunity for Chile to capitalise on this situation with mussel exports.

In June this year the mussel industry in Newfoundland and Labrador announced that it was ready to launch a campaign to promote the sale of mussels both locally in Canada and in the USA and China. Funding of CAD 86 000 will be available and will be used to coordinate marketing plans. Promotional material will also be developed, emphasising that the mussels are organically and sustainably produced with full traceability. Tastings will be organised and international seafood trade shows targeted. The government has already invested CAD 1 million in the mussel industry, which produced its highest production volume in 2012 (source: FIS.com).

Future possibilities in Asia

In Asia, mussels are just being introduced to the Republic of Korea, where there is considerable interest in importing them. It has been reported that in 2011 annual consumption per capita of sea products increased to 53.5 kg.

India is another country that is attractive for the bivalve mollusc market. Prochile's Commercial attaché in India said that the first shipment of about 700 kg of mussels was sent to India in May. Problems of high tariffs and distribution systems, particularly with the cold chain, have made India a difficult destination up to now. However big supermarkets and chains such as Walmart are now allowed to enter the market and the government expects them to contribute substantially to upgrading infrastructure to facilitate the transport and distribution of frozen products. Mussels and other bivalve products could be beneficiaries of improved storage and refrigeration.

Scallops

Although the scallop fishing season in the USA started in March, NOAA only announced the final quota in May. For 2013 this will be just more than 42 million pounds, an amount 35% lower than last year. A number of other measures were announced at the same time that, while giving more flexibility to some management measures, will lead to more precautionary catch limits being set for 2014 (source: Seafood.com).

During the first semester of 2013 scallop imports reached 12 500 tonnes in the EU, with France leading with 4 500 tonnes, Spain at 2 300 tonnes and Italy at 1 500 tonnes.

In France the volume of scallop imports decreased from 4 800 to 4 500 tonnes during the first quarter of 2013. However, the drop is more significant when compared with the same period in 2010, when the import volume of scallops reached 6 500 tonnes.

Imports
Scallops EU

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
France*	5.8	6.3	6.5	6.1	4.8	4.5
Spain*	2.0	2.5	1.8	1.9	1.1	2.3
Italy*	1.5	1.4	1.6	1.7	1.6	1.5
Belgium	0.8	0.7	1.1	1.2	0.9	1.0
Netherlands	0.6	0.7	1.1	0.5	0.8	1.0
Denmark	0.2	0.2	0.2	0.8	0.8	1.0
Others	1.6	1.4	1.9	1.4	1.5	1.3
Total	**12.6**	**13.1**	**14.2**	**13.6**	**11.5**	**12.5**

Source : EUROSTAT and Customs*

Imports
Scallops: Italy

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(tonnes)					
UK	556	764	755	756	835	783
France	392	272	348	441	364	317
Peru	130	77	109	192	69	105
Denmark	26	10	34	54	44	102
Spain	118	57	76	99	53	48
Others	249	230	265	174	229	149
Total	**1 471**	**1 410**	**1 587**	**1 716**	**1 594**	**1 504**

Source: ISTAT

Imports
Scallops: Spain

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(tonnes)					
France	358	205	393	226	212	1558
UK	400	163	265	160	227	211
Italy	586	1958	921	963	434	210
Others	643	181	249	563	245	281
Total	**1 987**	**2 507**	**1 828**	**1 912**	**1 118**	**2 260**

Source: Agencia Tributaria

While the increased demand from China is not a new phenomenon, Peruvian scallop producers have seen exports of scallops to China increase more than 300% in 2012 compared with 2011. In the first quarter of 2013 scallop exports from Peru to China were 6 228 tonnes. This is equal to almost 60% of the total exported to China in 2012. China has also increased imports of scallops from Viet Nam. Imports rose 180% in value in 2012, an increase of 600% since 2008, according to the Viet Nam Association of Seafood Exporters and Producers.

The scallop harvest in the USA has been low so far

Imports

Scallops: France

	Jan-Mar					
	2008	2009	2010	2011	2012	2013
	(1 000 tonnes)					
Peru	1.1	1.1	1.8	1.9	1.1	1.0
UK	0.8	1.3	0.8	1.0	1.0	1.0
Argentina	1.0	1.6	1.4	1.2	0.9	0.9
USA	0.7	1.0	0.6	0.6	0.5	0.9
Canada	0.4	0.2	0.3	0.2	0.1	0.2
Viet Nam	0.2	0.1	0.4	0.1	0.2	0.1
Nethelands	0.1	0.1	0.1	0.1	0.2	0.1
Chile	0.7	0.6	0.5	0.2	0.2	0.0
Others	0.8	0.3	0.6	0.8	0.7	0.3
Total	**5.8**	**6.3**	**6.5**	**6.1**	**4.8**	**4.5**

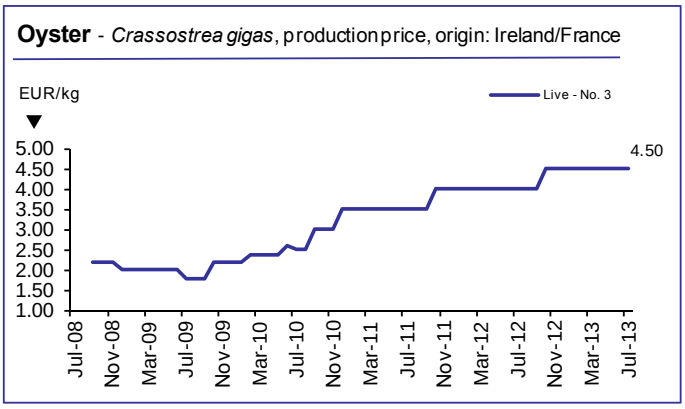
Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

this year and this is having the effect of pushing prices up for Peruvian scallops. It is likely to keep prices in the US high as well. In Peru the price of roe-off scallops (30/40) is about USD 17.70 per pound. At present Peru is exporting mainly to the USA as exports to Europe have been brought to a standstill since October last year because buyers from Europe's main markets of Italy, France and Spain have not been prepared to commit themselves to contracts because of Europe's economic difficulties. In Europe, scallop prices are 40%-50% lower with the price of 30/40 roe-on scallops (preferred in Europe) at USD 12.

Oysters

Oyster production in the Netherlands received a boost earlier this year with the award of MSC certification for two fisheries belonging to the Dutch Oyster Association. The 30 companies and individuals involved in the fisheries control nearly all of the supply of Dutch oysters, catching about 700 000 native oysters and 35 million Pacific oyster each year. They are mostly sold to other EU countries, where there is a growing demand for certified seafood products.

The Centro Tecnológico del Mar (CETMAR) in Galicia recently issued a report on progress in the European project aimed at the recovery of the flat oyster (*Ostrea edulis*). One of the main focal points is directed at the disease bonamiosis, caused by the parasite Bonamia. If the initiative is successful, it could increase the competiveness of the European shellfish industry though the introduction of greater diversification, according to supporters of the initiative.



Source: European Price Report

Outlook

At the beginning of April 42 out of 53 mussel platform polygons were closed because of toxicity from red tides exceeding levels for safe harvesting. This is an annual occurrence off the Galician coast and is monitored and controlled to ensure consumer safety.

In spite of hopes raised towards the end of last year that the problem of sufficient mussel seed in Chile would be resolved by this year, the problem is continuing and will give rise to greatly increased costs of production, which could have negative effects on Chilean companies. However, exports have increased this year and prices are improving.

The shortage in scallop production in the USA will provide an opportunity for Peru to increase exports to the US in 2013. Prices in the USA and Canada are likely to remain high this year and increased demand by China will

BIVALVES NEWS

World: Public comment sought for BAP mussel farm standards

A draft of the Best Aquaculture Practices (BAP) standards for mussel farms is now available for public comment for 60 days. The deadline to submit comments is 8 June 2013. The BAP mussel farm standards address social and environmental responsibility, food safety, animal welfare and traceability. They encompass all production systems for mussels, including cultivation on the seabed or on poles and suspended cultures such as long-line culture and raft-and-rack culture. They also encompass various mussel species, including blue mussels, Chilean mussels, Mediterranean mussels, New Zealand Greenshell mussels and Asian green mussels. The addition of BAP mussel farm standards represents an important advancement for the BAP program, as it expands the number of species covered by the third-party certification program. The mussel farm standards will be used as a template for broader mollusk farm standards that cover other commercially important species, including clams, oysters, scallops and abalone. The draft of the BAP mussel farm standards represents the outcome of an exhaustive process that addresses marketplace expectations and existing BAP elements while recognizing that mussel production systems differ significantly from the finfish and crustacean systems that the BAP program already targets. The technical content of the BAP mussel farm standards was honed by a technical committee under the direction of Dr. Andrea Alfaro of Auckland University of Technology in New Zealand. The BAP Standards Oversight Committee (SOC) -- whose members represent a balance of stakeholders from industry, NGOs and academia -- recommended refinements to the mussel farm standards before approving them for release. The BAP program currently certifies shrimp farms and hatcheries; salmon, tilapia, channel catfish and Pangasius farms; seafood processing plants and feed mills. New BAP standards for additional finfish and crustacean species will be implemented soon. *Source: GAA Press Release*

SPECIAL FEATURE

Fisheries and the multilateral trading system: a short history[1]

Since the beginnings of the multilateral trading system fish and fish products have been recognized as particularly important. They are vital sources of protein, widely traded for thousands of years and as some suggest, is a forerunner to globalization. When the multilateral trading rules were established, fisheries received special mention so that countries could protect the resource without contravening the rules against prohibition or restrictions of trade as set out in Article XI of the GATT. With many fish stocks becoming low or even depleted it had become evident that some disciplines needed to be negotiated and established with respect to fishing practices but it took many years before countries could agree to what was the problem. The Doha Round was the first to try to come to grips with what experts thought was a big part of the problem, namely subsidies that enhance overcapacity and overfishing.

Introduction

Fish and fish products have been traded for hundreds, if not thousands of years, a trade speeded up by the old Vikings in Medieval times with *inter alia* the cod fisheries in the waters off Lofoten, Iceland and Newfoundland. The early traders depended on fish, dried, salted and smoked on their long trips on the high seas between nations, both to consume on board and to sell at their destination. Fresh fish was consumed locally and considered a luxury when exported beyond the immediate landing sites[2]. Because of the perishability of fresh seafood, quantities were low until more recent times with improved conservation and storage. According to Kurien[3] fish "played an indispensable role in the first phase of the emergence of a global economy -- much before it became an internationally traded commodity in its own right!"

Since at least the 19th century, bilateral agreements concerned with the protection of fisheries resources have become more and more common. Although mostly considered as a renewable resource, overfishing occurred threatening the viability of certain fisheries. Countries not only resorted to management measures but also to trade measures to come to grips with overfishing. These were often unilateral measures but figured in bilateral treaties as well, and included restrictions and/or prohibitions on both imports and exports.

Fisheries and multilateral trade agreements:

The International Convention for the Abolition of import and Export Prohibitions and Restrictions (ICAIEPR)

As extensive trade restrictions and prohibitions became frequent in the 1920s/1930s and tariffs skyrocketed as a result of the "Great Depression", countries considered it necessary to try to come to grips with the problems and functioning of world merchandise trade by negotiating a multilateral trade agreement. Thus, the ICAIEPR was one of the very first multilateral trade treaties, negotiated within the League of Nations, the predecessor of the United Nations, and signed in Geneva in 1927. This Convention did not enter into force but it did contain provisions aimed at the elimination of import and export prohibitions. These provisions were later taken up in the Havana Charter and in the General Agreement on Tariffs and Trade (GATT). Had it come into force, it would also have applied to fisheries and fisheries products[4].

The Havana Charter

While the idea had been suggested as far back as 1916 by a US congressman[5] it was not until after the Second World War that negotiations initiated by the

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2. See for instance "European Fisheries History: Pre-industrial Origins of Overfishing", by Carolyn Scearce, 2009 Pro Quest, Released August 2009

3. "International Fish Trade and Food Security: Issues and Perspectives" John Kurien ,2006, Centre for Development Studies Trivandrum, Kerala State, India

4. For details see" Exploring the environmental Exceptions in GATT Article XX" by Steve Charnovitz (Journal of World Trade, Oct 1991)

5. See "Developing Multilateralism The Havana Charter and the Fight for the International Trade Organization", by Richard Toye. The International History Review, Vol. 25, No. 2 (June 2003).

Economic and Social Council of the United Nations in 1946, took place on the creation of a multilateral trade agreement. This was also the first time fisheries were specifically mentioned in such an agreement, which become known as "the Havana Charter"[6]. In view of the weight of the fisheries trade worldwide, the importance of fish products to a large proportion of the world's population, the vulnerability of the resource, and the concerns expressed since the first World War as to the state of the fishery resources, it is scarcely surprising that fisheries, together with agriculture, received special attention. Indeed, fisheries (and agriculture) are specifically mentioned in two different Articles, first in Article 20[7], which dealt with the General Elimination of Quantitative Restrictions, and secondly in Article 45, which provided for General Exceptions to Chapter IV[8].

Although it was signed by 47 countries in 1948, the Charter did not enter into force, as some major trading countries refused to ratify the agreement, most prominently among them the United States of America, one of the main, if not the, driving force behind the negotiations. The Havana Charter was intended to set up the International Trade Organization, thus becoming the third component of the Breton Woods institutions negotiated after the Second World War, the other two being the World Bank and the International Monetary Fund. The Havana Charter was a comprehensive draft agreement of trade and employment rules, in many ways the forerunner to the 1995 World Trade Organization. The trade disciplines of the Havana Charter would have applied to traded goods, including fisheries and fish products. As mentioned above, fisheries and agricultural products were also singled out (as later in the General Agreement on Tariffs and Trade) for special treatment. Indeed, Article 20 (see footnote 7 below) provided for the possibility, in certain circumstances, of an exception from the general ban of prohibitions and restrictions of imported or exported goods. Furthermore, but with an important caveat, Article 45 allowed for measures to protect fisheries resources, migratory birds or wild animals taken for conservation purposes. This particular provision is not taken up in the GATT.

General Agreement on Tariffs and Trade (GATT)

The GATT was negotiated in parallel with the Havana Charter and at the same time as the first multilateral tariff negotiations[9] took place in 1947[10]. It was signed by 23 countries in October 1947 and entered into force on 1 January 1948. It was intended as a temporary agreement until the Havana Charter was approved and the International Trade Organization was set up but as that did not happen, it became a "treaty with a Secretariat" until the creation of the WTO in 1995. Much of the text of the GATT was taken from the Havana Charter with, in particular, the same exceptions from prohibitions and restrictions for fisheries as set out in Article 20 of the Charter, now provided in Article XI of the GATT. However, the rules in Article 45 of the Charter (see footnote 7 above) were not transposed into the GATT but the conservation concerns expressed in Article 45 of the Charter were taken up in Article XX of the GATT.

Even though fisheries are only mentioned specifically in Article XI of the GATT, fish and fish products are clearly subject to most provisions of the Agreement including its dispute settlement provisions. Indeed, one of the first disputes in the GATT concerned fish products[11] and many more have followed since[12].

Until the mid-sixties, the contracting parties (i.e.

6. Full title "United Nations Conference on Trade and Employment"

7. Article 20: "No prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licences or other measures, shall be instituted or maintained by any Member on the importation of any product of any other Member country or on the exportation or sale for export of any product destined for any other Member country.

8. Article 45: "Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between Member countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Chapter shall be construed to prevent the adoption or enforcement by any Member of measures: (x) taken in pursuance of any inter-governmental agreement which relates solely to the conservation of Fisheries resources, migratory birds or wild animals and which is subject to the requirements of paragraph 1(d) of Article 70."

9. "Talks" started already 1945 among 15 countries but the negotiations as such got under way only in 1947.

10. This first round of negotiations, on a request/offer bilateral basis, resulted in a package of trade rules, i.e. the General Agreement on Tariffs and Trade as mentioned above, and 45 000 tariff concessions affecting USD 10 billion of trade, about one fifth of the world's total at that time. Unfortunately there is no known consolidated list of the overall results by product but tariffs on some fisheries products were indeed reduced. Average of tariffs on non-agricultural commodities in developed countries before 1948 have been estimated at some 40 percent compared with an average of less than 4 percent more recently. For more details, see "Understanding the WTO: Basics, The GATT years: from Havana to Marrakesh" on the WTO website

11. Panel on "Treatment by Germany of imports of Sardines", Report adopted by the CONTRACTING PARTIES on 31 October 1952 (G/26 - 1S/53). A second panel, the Tuna-Dolphin panel, also took place during the GATT years whereas more than 20 disputes involving fisheries issues have been brought to the WTO.

12. An article entirely devoted to dispute settlement and fisheries will follow shortly.

Members) concentrated their efforts on the reduction or elimination of tariffs, among them tariffs on fish and fish products.

Trade Negotiating Rounds

Between 1947 and 1995 eight trade negotiations were held under the auspices of the GATT. Until the "Kennedy Round" (1964-1969), negotiators were concerned mainly with reducing or eliminating tariffs. Thus the first negotiating round yielded a package of trade rules (the GATT) and 45 000 tariff concessions affecting trade of a value of USD 10 billion, estimated at 20 percent of world trade. There are no estimates as to how much of that concerns fish and fish products some of which did indeed benefit from reductions in the tariff levels. In the almost 60 years since the first multilateral trade round, tariffs have been reduced on average, for non-agricultural goods in developed countries, from around 40 percent to 4 percent. The average end-figure for fish and fish products is slightly higher at 4.5 percent currently, down from 6.1 percent prior to the Uruguay Round (1986-1994). It may be noted that substantially higher tariffs exist in certain developed countries for processed products as well as zero tariff for all or part of fish products in other developed countries. Tariffs are generally higher in developing countries. With substantially lower tariffs, countries from the Kennedy Round onwards became concerned with other barriers to trade such as technical barriers to trade (TBT) and sanitary and phyto-sanitary (SPS) measures as well as trade distortions caused by subsidies and anti-dumping. All these measures have given rise to trade disputes involving fisheries.

Ministerial meeting 1982

After many successful years with decreasing tariffs and reductions in trade barriers and big increases in trade in general[13], including for fish and fish products[14], as a result of the various trade negotiating rounds held since 1948, the world economy took a turn for the worse starting with the 1973 oil crisis. This resulted in a serious and drawn out downturn of the world economy with severely depressed levels of production and trade. To counter protectionist pressures, the 1982 Ministerial meeting of the GATT CONTRACTING PARTIES, put together an ambitious work programme, which covered areas such as safeguards, agriculture, tariffs and subsidies as well as "natural resource-based products including fish and fish products". The Ministerial Declaration[15] thus called for the establishment of various working-groups, one of which was to examine problems relating to trade in (a) non-ferrous metals and minerals (b) forestry products (c) fish and fisheries products. In order to facilitate the work of the sub-group for fisheries, the GATT Council requested the Secretariat to undertake a background study on problems of trade in fish and fisheries products relating to tariffs, non-tariff measures, and other factors affecting trade[16]. The sub-group on fisheries reported back to the Council in October 1985 with a recommendation that any future multilateral negotiating round include a negotiating group on fisheries problems as identified by the sub-group. The negotiating mandate should include *inter alia* tariff and non-tariff barriers, tariff escalation, quantitative restrictions, licensing systems, reference price systems, the administration of certain fiscal compensatory taxes, health and sanitary regulations and packaging and labelling requirements as well as export and production subsidies. Some contracting parties also wanted the question of access to resources to be discussed whereas others said that such access fell outside the purview of GATT[17].

The Uruguay Round (1986-1994)

Talks about initiating a new multilateral trade negotiating round started already at the 1982 Ministerial conference but failed on that occasion because of disagreement, in particular with respect to agriculture. Four years later after much exploring and clarification the Uruguay Round got underway with 15 initial issues on the table, many of them new issues such as services and intellectual property as well as natural resource based products. One of the three items of Negotiating Group 3 (NG3), which was to discuss natural resource based products, concerned fish and fish products[18]; this was allocated its own sub-group, the other two being forestry products and metals and minerals, respectively. The mandate for the negotiations in Natural Resource Based Products (NRBPs) was "to achieve the fullest liberalization of

13. Between 1950 and 2008 it is estimated that global trade rose 14 times whereas at the same time GDP increased 6 times , see "Special Studies 4: Trade and Environment", WTO 1999.

14. USD 8 billion in 1976, USD$ 58 billion in 2002, USD 78 billion in 2005 and USD 100 billion in 2008.

15. For details see Ministerial Declaration, Adopted on 29 November 1982 (L/5424).

16. See "Problems of Trade in Fish and Fisheries Products", Revised Draft Decision, C/W/412/Rev.1, April 1983.

17. « Problems of Trade in Certain Natural Resource Products, Fish and Fisheries Products » Report by the Working Party, L/5895, 25 October 1985.

18. It may be noted that fish and fish products are considered industrialized products, not agricultural ones.

trade in natural resource based products, including in their processed and semi-processed forms", the aim being the reduction or elimination of "tariff and non-tariff measures, including tariff escalation."[19] Unfortunately, little progress was made and after several years of fruitless discussions, the negotiating group was merged in 1990 with others in a market access group, which also included tariffs and tropical products, among others. Thus there were no specific results on fish and fish products emanating from NG3. The request and offer procedure in the Market Access Group also included these natural resource based products, where the main result for fish and fish products, as mentioned above, was a tariff reduction from an average 6.1 percent before the Round to 4.2 percent for developed countries after the Round. There remained, however, higher tariff rates on semi-processed and processed fish products as well as higher tariffs generally in developing countries. The level of bound tariffs went up substantially and in some developed countries all tariffs on fish and fish products were bound, for instance in Norway.

The Group on Trade and Environment

The Group on Trade and Environment was set up or rather activated in 1991. Initially it was established in 1971 with the name of "Group on Environmental Measures and International Trade" but it took 20 years for it to meet.[21] The mandate of the 1971 Group, however, was limited to pollution and protection of the human environment with a view to contribute to the first environmental conference held in Stockholm in 1972 and was set up as "standby machinery". Although the terms of reference were somewhat "ambiguous"[22] the agenda that the 1991 Group agreed on at its first meeting was wider and included issues of interest to the fisheries sector such as eco-labelling and fisheries subsidies. With the Tuna-Dolphin dispute, environmental issues became more prominent in the discussions. At the end of the Uruguay Round, the Group was labelled the Committee on Trade and Environment (CTE). Over the years the CTE has carried out numerous studies on fisheries, in particular on fisheries subsidies, but also on eco-labelling.

Doha Development Agenda (Doha Round) (2001 - ?)

a) Fisheries subsidies

Fisheries figure even more prominently in the multilateral trade negotiating round[23] started in 2001, which is the first one in the World Trade Organization. Indeed, after several years of discussion in various international fora, particularly in the FAO and OECD, but also in the GATT/WTO and other bodies, of the increasing deterioration of fish stocks, WTO members agreed to include fisheries in the new negotiating agenda decided upon in Doha in late 2001.

The Doha Round was launched to deal with "unfinished" business and to revise agreements reached in the Uruguay Round, such as agriculture and services. By now, Members were more or less agreed that certain subsidies may pose problems to the fisheries sector. The Doha mandate therefore provided that "participants shall also aim to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries." (Paragraph 28 of the Doha Ministerial Declaration) The terms of paragraph 28 were sufficiently vague for all members to agree to start discussions but, as became apparent later, not sufficiently clear to make substantial progress. Thus, the Ministerial Declaration in Hong Kong in 2005 amended the mandate for fisheries subsidies negotiations by providing that the negotiating Group "should strengthen disciplines on subsidies in the fisheries sector, including through the prohibition of certain forms of fisheries subsidies that *contribute to overcapacity and over-fishing*[24], and *call on* Participants promptly to undertake further detailed work to, *inter alia*, establish the nature and extent of those disciplines, including transparency and enforceability."[25] Negotiations took place in a sub-group to the Rules negotiations. Although divergence still existed, after an impressive number of contributions by Members, the Chairman was able to put together the first and so far the only draft of a fisheries subsidies agreement (2007). The draft consists of eight articles, the "operational" ones

19. Ministerial Declaration on the Uruguay Round, MIN(86)/W/19, 20 September 1986.

20. A "bound" tariff cannot be changed without a re-negotiation. It is usually higher than the "applied" rate which can be changed up to the bound rate without renegotiation.

21. For details see for instance "Trade and Environment", factual note by the Secretariat, L/6896, 18 September 1991.

22. Terms of reference: 1. To examine upon request any specific matters relevant to the trade policy aspects of measures to control pollution and protect human environment especially with regard to the application of the provisions of the General Agreement taking into account the particular problems of developing countries; 2. to report on its activities to the Council.

23. Ninth negotiating round counting those under the General Agreement of Tariffs and Trade (GATT), the predecessor of the WTO.

24. Emphasis added

25. Annex D, paragraph 9 of the Hong Kong Ministerial Declaration, 22 December 2005

dealing, respectively, with the prohibition of certain fisheries subsidies, general exceptions, special and differential treatment for developing countries, general disciplines and fisheries management provisions.[26] In addition, there are provisions for notification and surveillance, transitional rules as well as dispute settlement provisions. To date, there has been no agreement on the current text although Members do seem to consider that the general outline is a workable scenario. It was long believed that the draft fisheries agreement could be part of a "light" package in anticipation of a final agreement on all or almost all issues included in the Doha Round. It seems that possibility is no longer part of the Bali agenda at the December 2013 WTO Ministerial meeting. Some observers are of the view that the negotiations on a fisheries subsidies agreement will not resume until sometime in 2014.

b) Market Access negotiations

Another centre of interest for fisheries in the current negotiations is the market access negotiations, which take place in NAMA (Non Agriculture Market Access), and that deal with tariff and non-tariff barriers. Further reduction or elimination of tariffs for fish and fish products will undoubtedly be achieved. The market access negotiations also include a "sector approach", which would mean reduction/elimination plus binding of tariffs of a number of fish and fish products. This is a voluntary approach to reduction of certain tariffs in sectors where it is believed that tariffs could be reduced to zero. It requires a "critical mass" (ca 90 percent) of countries participating and would possibly be a means of balancing the overall ambition. There is no agreement so far on the sector approach for fish and fish products.

c) Multilateral environmental agreements

Issues of interest to the fisheries sector are also discussed in the Special Session of the Committee on Trade and Environment (SSCTE). The Doha Development Agenda mandated the SSCTE[27] to examine *inter alia* multilateral environmental agreements (MEAs) and how WTO rules were to apply to WTO Members, which were parties to environmental agreements having provisions that may affect trade. Twenty such agreements were uncovered, some of which are relevant for fish and fish products, for instance the agreement with respect to the International Commission for the Conservation of Atlantic Tuna (ICCAT) and the United Nations Convention on the Law of the Sea (UNCLOS). The complexities of the relationship between MEAs and WTO rules were highlighted in the Chile-Swordfish case[28] but there has been no dispute directly related to a MEA. The main purpose of this discussion is to develop an exchange of information.

Other WTO issues of interest

Although the fisheries subsidies negotiations and the NAMA negotiations are the primary areas of interest to the fisheries sector, it may be noted that the "regular" work outside the negotiations may also be of potential interest to the fisheries sector, such as the work being undertaken over the last several years in the WTO Sanitary and Phytosanitary (SPS) Committee with respect to Private standards. The idea is not only "to develop a working definition of private standards related to SPS, and limit any discussions to these"[29] but also to keep organizations dealing with standards, such as the Codex Alimentarius, informed of work in this area. The Technical Barriers to Trade Agreement, which deals more specifically with standards and technical regulations, are doing similar work.

Concluding remarks

For producers and traders of fish and fish products it is important to be informed about the multilateral trading rules that affect their sector. By being a Member of the WTO the industry, via its government, has the possibility of making its voice heard by trading partners. It means that it can bring to the notice of the government disputes, which can then be referred to the WTO for a solution. Non-members do not have that possibility.

26. For details see TN/RL/W/232, Page C-6

27. The agenda was as follows: (a) Trade provisions contained in existing multilateral environmental agreements (e.g. the Montreal Protocol on Substances that Deplete the Ozone Layer, the Washington Convention on International Trade in Endangered Species and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal) vis-à-vis GATT principles and provisions; (b) multilateral transparency of national environmental regulations likely to have trade effects; (c) trade effects of new packaging and labelling requirements aimed at protecting the environment.

28. Chile — Measures affecting the Transit and Importing of Swordfish, /DS193) a dispute brought by the European Community and which was settled by a mutually agreed solution in 2010. In this case there was a brief reference to multilateral environmental agreements.

29. For more information see „Sanitary and Phytosanitary Measures" on the WTO web site

Fish and fishery products statistics[1]

	Capture fisheries production		Aquaculture fisheries production		Exports			Imports		
	2010	2011	2010	2011	2010	2011	2012 estim.	2010	2011	2012 estim.
	Million tonnes (live weight equivalent)				USD billion					
ASIA	**48.7**	**48.8**	**52.4**	**55.5**	**41.0**	**49.7**	**52.0**	**35.5**	**42.5**	**44.1**
China[2]	16.4	16.8	37.0	38.9	15.7	19.8	21.0	10.2	12.1	12.2
of which China, Hong Kong SAR	0.2	0.2	0.0	0.0	0.5	0.5	0.8	3.0	3.5	3.7
& Taiwan Province of China	0.9	0.9	0.3	0.3	1.9	2.3	2.3	0.9	1.0	1.0
India	4.7	4.3	3.8	4.6	2.4	3.4	3.4	0.1	0.1	0.1
Indonesia	5.4	5.7	2.3	2.7	2.6	3.2	3.6	0.3	0.4	0.4
Japan	4.1	3.8	0.7	0.6	1.9	1.9	1.8	14.9	17.3	18.0
Korea, Rep. of	1.7	1.7	0.5	0.5	1.6	2.0	2.0	3.2	3.9	3.7
Philippines	2.6	2.4	0.7	0.8	0.6	0.6	0.8	0.1	0.2	0.2
Thailand	1.8	1.9	1.3	1.0	7.1	8.2	8.1	2.1	2.7	3.1
Viet Nam	2.4	2.5	2.7	2.8	5.1	6.2	7.0	0.5	0.7	1.0
AFRICA	**7.7**	**7.6**	**1.3**	**1.4**	**4.9**	**4.8**	**5.1**	**3.3**	**4.5**	**5.1**
Ghana	0.4	0.3	0.0	0.0	0.0	0.0	0.0	0.1	0.3	0.2
Morocco	1.1	1.0	0.0	0.0	1.5	1.4	1.6	0.1	0.1	0.1
Namibia	0.4	0.4	0.0	0.0	0.8	0.8	0.8	0.1	0.0	0.1
Nigeria	0.6	0.6	0.2	0.2	0.3	0.1	0.3	0.7	1.2	1.5
Senegal	0.4	0.4	0.0	0.0	0.2	0.3	0.3	0.0	0.0	0.0
South Africa	0.6	0.5	0.0	0.0	0.6	0.6	0.6	0.2	0.3	0.4
CENTRAL AMERICA	**2.5**	**2.4**	**0.3**	**0.3**	**1.8**	**2.0**	**2.2**	**1.2**	**1.3**	**1.5**
Mexico	1.5	1.6	0.1	0.1	0.8	1.1	1.1	0.5	0.6	0.7
Panama	0.2	0.2	0.0	0.0	0.2	0.1	0.1	0.0	0.0	0.1
SOUTH AMERICA	**9.5**	**14.0**	**1.6**	**2.1**	**9.9**	**12.5**	**12.7**	**2.4**	**2.8**	**2.8**
Argentina	0.8	0.8	0.0	0.0	1.3	1.5	1.3	0.1	0.2	0.2
Brazil	0.8	0.8	0.5	0.6	0.2	0.2	0.2	1.1	1.3	1.2
Chile	2.7	3.1	0.7	1.0	3.4	4.5	4.4	0.3	0.4	0.4
Ecuador	0.4	0.5	0.3	0.3	1.8	2.5	2.9	0.2	0.3	0.2
Peru	4.3	8.2	0.1	0.1	2.5	3.1	3.3	0.2	0.1	0.1
NORTH AMERICA	**5.6**	**6.2**	**0.7**	**0.6**	**8.9**	**10.4**	**10.5**	**17.8**	**20.1**	**20.3**
Canada	0.9	0.9	0.2	0.2	3.8	4.2	4.3	2.3	2.6	2.7
United States of America	4.4	5.2	0.5	0.4	4.7	5.8	5.8	15.5	17.5	17.6
EUROPE	**13.8**	**13.3**	**2.5**	**2.7**	**39.9**	**45.8**	**43.0**	**47.9**	**55.2**	**53.1**
European Union [2]	5.4	5.0	1.3	1.3	25.2	29.5	27.5	42.7	49.0	46.7
of which Extra-EU	"	"	"	"	4.2	5.2	5.5	23.6	26.7	24.9
Iceland	1.1	1.1	0.0	0.0	1.8	2.2	2.2	0.1	0.1	0.1
Norway	2.7	2.3	1.0	1.1	8.8	9.5	8.9	1.1	1.3	1.4
Russian Federation	4.1	4.3	0.1	0.1	2.8	3.3	3.1	2.4	2.7	2.7
OCEANIA	**1.2**	**1.2**	**0.2**	**0.2**	**2.5**	**2.3**	**2.6**	**1.5**	**1.7**	**1.9**
Australia	0.2	0.2	0.1	0.1	0.9	1.0	1.0	1.3	1.5	1.6
New Zealand	0.4	0.4	0.1	0.1	1.1	0.9	1.2	0.1	0.1	0.1
WORLD [3]	**89.0**	**93.5**	**59.0**	**62.7**	**108.9**	**127.6**	**128.2**	**109.6**	**128.1**	**128.8**
World excluding Intra-EU	"	"	"	"	87.9	103.2	106.2	90.5	105.8	106.9
Developing countries	64.3	69.2	54.9	58.7	55.8	67.4	70.4	27.0	33.1	34.7
Developed countries	24.6	24.3	4.1	4.0	53.0	60.2	57.8	82.6	95.1	94.1
LIFDCs	21.0	20.7	9.7	11.3	8.4	9.9	10.7	3.2	4.4	4.8
LDCs	9.1	9.3	2.5	2.7	2.2	2.5	2.2	0.6	0.7	0.8
NFIDCs	17.0	21.2	3.7	4.0	8.4	9.4	9.6	2.9	3.1	3.6

1 Production and trade data exclude whales, seals, other aquatic mammals and aquatic plants. Trade data include fish meal and fish oil. 2 Including intra-trade. Cyprus is included in Asia as well as in the European Union. 3 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 Totals may not match due to rounding.

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- The contribution of tilapia to development
- The regulatory and environmental challenges
- Marketing of tilapia and seafood, supermarkets and consumer preferences
- Round table: Latin America: a growing Producing Region and a growing Market for Tilapia
- Latest Developments in Production technology
- Certification and Sanitary issues
- Side events
    - Investment opportunities in Latin America
    - Buyer/sellers meeting

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PRELIMINARY PROGRAMME World Whitefish Congress

08:15-09:00 h **CONGRESS REGISTRATION**
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09:00-09:40 h **INAUGURATION**
Mr. José Luis Freire Freire. President of CONXEMAR
Mr. Árni M. Mathiesen. Assistant Director- General of FAO's Fisheries and Aquaculture Department
Mr. Abel Caballero Álvarez. Major of Vigo
Mr. Alberto Nuñez Feijóo. President of Xunta de Galicia

09:40-10:20 h **GLOBAL WHITEFISH OUTLOOK**
Mr. Audun Lem. Ph D. Head of Products, Trade and Marketing Branch. FAO

10:10-11:10 h **I PANEL DISCUSSION:**
HAKE AND HOKI: RESOURCES, MARKETS, SUPPLY AND FISH UTILIZATION

HAKE – AMERICA
10:10-10:30 Argentina. Mr. Oscar Fortunato. President of the Argentinean Fisheries Business Council
10:30-10:50 Chile
Mr. Eduardo Bruce . General Manager. FRIOSUR S.A.
10:50-11:10 State of the resources.
Mr. Alejandro Zuleta. Scientific Director. Center for Fisheries Studies

11:10-11:30 h **COFFEE BREAK**

HOKI- NEW ZEALAND
11:30-11:50 Mr. William Emerson. Principal Adviser, International Fisheries Management. Ministry for Primary Industries

HAKE AFRICA
11:50-12:10 South Africa.
Felix Ratheb. Sales & Marketing Director. Sea Harvest Corporation
12:10-12:30 Namibia
Mr. Peya Hitula General Manager. TUNACOR

PANEL DISCUSSION
12:30-12:50 Moderated by Mr. Samuel Juárez . Government Delegate in the Autonomous Community of Galicia

12:50-13:50 h **LUNCH**

13:50-15:30 h **I I PANEL DISCUSSION:**
RESOURCES, MARKETS, SUPPLY AND FISH UTILIZATION

COD/HADDOCK/ALASKA POLLOCK
13:50-14:10 North Atlantic
Mr. Erik Hempel . Marketing Specialist. Hempel Consult
14:10-14:30 Pacific
14:30-14:50 State of resources.

AN OVERVIEW OVER MARKETS, IMPORTS AND UTILIZATION IN THE EU MARKET
14:50-15:10 Ragnar Nystøyl. Managing Director. Kontaly Analise AS

PANEL DISCUSSION
15:10-15:30 Moderated by Mr Matthias Keller. Manager Director. German Fish Processors Association

15:30-15:50 h **COFFEE BREAK**

15:50-16:40 h **III PANEL DISCUSSION:**
AQUACULTURE. PANGASIUS AND TILAPIA: PRODUCTION, MARKETS AND UTILIZATION
15:50-16:05 Pangasius (Vietnam). Dr. Nguyen Huu Dzung. Vice President Vietnam Association of Seafood Exporters & Producers
16:05-16:20 Tilapia. Kevin Fitzsimmons. Ph.D. Director, International Programs. College of Agriculture and Life Sciences University of Arizona

PANEL DISCUSSION
16:20-16:40 Moderated by Guus Pastoor. President AIPCE (European Processors Association)

16:40-18:30 h **ROUND TABLE:**
A STRATEGIC VISION FOR THE FISHERIES SECTOR: THE PERSPECTIVE OF GOVERNMENTS. RESOURCES, SUSTAINABILITY AND FOOD SECURITY
With the participation of Ministers from producing countries
Moderated by Dr Lahsen Ababouch. Director. Policy and Economics Division Fisheries and Aquaculture Department. FAO

18:30 h **CLOSING**
Mr. Miguel Arias Cañete. Minister of Agriculture, Food and Environment.

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