Food and Agriculture Organization of the United Nations

4th issue 2019

GLOBEFISH HIGHLIGHTS

A QUARTERLY UPDATE ON WORLD SEAFOOD MARKETS

OCTOBER 2019 ISSUE, with Jan. – Jun. 2019 Statistics

GLOBEFISH Highlights

A quarterly update on world seafood markets

Editorial Board
Audun Lem
John Ryder
Marcio Castro de Souza
Rita Monteiro Pierce

Editor in Chief
Marcio Castro de Souza

Coordinator
Weiwei Wang

Contributing Editors
Rita Monteiro Pierce
Maria Catalano
Helga Josupeit
Silvio Alejandro Ricardo Catalano Garcia

Authors
Helga Josupeit
Felix Dent
Fatima Ferdouse
Erik Hempel
Giulia Loi
Rodrigo Misa
Sajal Mathur
Daniel Ramos
Weiwei Wang
Maria Catalano
Katia Tribilustova

Designer
Alessia Capasso

EDITORIAL OFFICE
GLOBEFISH
Products, Trade and Marketing Branch (FIAM)
Fisheries and Aquaculture Policy and Resources Division, Food and Agriculture Organization of the United Nations
Viale delle Terme di Caracalla, 00153, Rome, Italy
globefish@fao.org
www.fao.org/in-action/globefish

REGIONAL OFFICES

Latin America, Caribbean
INFOPESCA, Casilla de Correo 7086, Julio Herrea y Obes 1296, 11200 Montevideo, Uruguay
infopesca@infopesca.org / www.infopesca.org

Africa
INFOPÊCHE, BP 1747 Abidjan 01, Côte d'Ivoire
Email: infopeche@aviso.ci /
infopech@gmail.com / www.infopeche.ci

Arab Countries
INFOSAMAK, 71, Boulevard Rahal,
El Meskini Casablanca 20 000, Morocco. E-mail:
info@infosamak.org / infosamak@infosamak.org
www.infosamak.org

Europe
Eurofish, H.C. Andersens Boulevard 44-46,1553
Copenhagen V , Denmark
info@eurofish.dk / www.eurofish.dk

Asia
INFOFISH
1st Floor, Wisma LKIM Jalan Desaria
Pulau Meranti, 47120 Puchong, Selangor DE
Malaysia
info@infofish.org / www.infofish.org

China
INFOYU, Room 901, No 18, Maizidian street,
Chaoyang District, Beijing 100125, China.
infoyu@agri.gov.cn / www.infoyu.net

Dear Readers,

The end of the year is approaching and the production, commercialization and trade of fish and fishery products continue to be a fundamental driver for food security and the livelihoods of millions of people, as a creator of employment, supplier of nutritious food, generator of income and economic growth through harvesting, processing and marketing, particularly to developing countries.

As previously informed in GLOBEFISH Highlights No. 3, in November, FAO is conducting at its headquarters an event focusing on the multiple angles of sustainability of the fisheries sector. The FAO International Symposium on Fisheries Sustainability brings together the best expertise and knowledge to address key technical questions, identify potential solutions and help us deliver a new vision for fisheries in the twenty-first century, recognizing the role that global and regional fisheries play while ensuring their sustainability for the decades to come.

Sustainability, in economic, social and environmental terms, is fundamental to a truly globalized sector. Contemporary fish markets are complex. In order to properly address all sustainability issues from the existing angles, operators must be aware of many new factors influencing the evolution and dynamics of world fishery and aquaculture sectors. On many occasions, fish can be produced in one country, processed in a second and consumed in a third, resulting as one of the most traded food commodities worldwide.

In order to allow countries to discuss and address contemporary and current themes affecting the trade of fish and fishery products, every two years, FAO organizes the session of the Sub-Committee on Fish Trade. The upcoming meeting will be at the end of November in Vigo, hosted by the Government of Spain.

In those meetings, countries address many important topics affecting the trade of fish and fishery products, such as current and future trends in the sector, food safety and traceability, regional trade agreements, social responsibility in the fish and aquaculture value chains, consumer perception towards aquaculture, information sharing, the need to demonstrate that products are not derived from illegal and proscribed fishing operations, the growth of protective and non-tariff measures, among other themes. All these discussions occur within a sustainable social, economic and environmental framework.

Although the Session of the Sub-Committee is restricted to the participation of FAO Member countries and accredited observers, including industry associations, all the working documents that will be discussed during the meeting are publicly available at the dedicated website http://www.fao.org/about/meetings/cofi-sub-committee-on-fish-trade/en/.

Information asymmetries continue to be a serious problem in the fish sector – in this regard, GLOBEFISH will continue to provide timely information on markets, from diversified angles. In addition, new products are forecasted to be released in 2020 in order to allow better dissemination of key information, facilitating market access and fostering the responsible international flow of fish and fishery products.

Happy reading!

Audun Lem Ph.D
Deputy-Director
Fisheries and Aquaculture Policy and Resources Division
Fisheries and Aquaculture Department
Food and Agriculture Organization of the United Nations (FAO)

ABOUT GLOBEFISH

Required citation:
FAO. 2020. *GLOBEFISH Highlights October 2019 ISSUE, with Jan. – Jun. 2019 Statistics – A quarterly update on world seafood markets*. Globefish Highlights no. 4–2019.

GLOBEFISH forms part of the Products, Trade and Marketing Branch of the FAO Fisheries and Aquaculture Department and is part of the FISH INFOnetwork. 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 European Fish Price Report, the GLOBEFISH Highlights, the GLOBEFISH Research Programme and the Commodity Updates.

The GLOBEFISH Highlights is 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).

Helga Josupeit and Marcio Castro de Souza were responsible for quality content review, and Fatima Ferdouse and Weiwei Wang created statistical figures. The Norwegian Seafood Council provided data support for the FAO Fish Price Index. Illustrations were sourced from the Food and Agriculture Organization of the United Nations, Original Scientific Illustrations Archive.

ISBN 978-92-5-132091-4

Cover photograph: ©unsplash - mvdheuvel

ACRONYMS AND ABBREVIATIONS

GLOBEFISH HIGHLIGHTS

ASC	Aquaculture Stewardship Council
ASEAN	Association of Southeast Asian Nations
ASF	African Swine Fever
CFR	Cost and Freight
COFI	FAO Committee on Fisheries
COFI:FT	Sub-Committee on Fish Trade of the Committee on Fisheries
DFO	Canadian Department of Fisheries and Oceans
EEZ	Exclusive Economic Zone
FAD	Fish Aggregating Device
FAO	Food and Agriculture Organization of the United Nations
FDA	US Food and Drug Administration
FOB	Freight On Board
FPI	FAO Fish Price Index
GAA	Global Aquaculture Alliance
GCC	Gulf Cooperation Council
IATTC	Inter American Tropical Tuna Commission
ICES	International Council for the Exploration of the Sea
IFFO	Marine Ingredients Organisation
IMARPE	Instituto del Mar del Perú
MSC	Marine Stewardship Council
NEFMC	New England Fishery Management Council
NMFS	US National Marine Fisheries Services
NOAA	US National Oceanic and Atmospheric Administration
NSC	Norwegian Seafood Council
PRODUCE	Peruvian Ministry of Production
RASFF	Rapid Alert System for Food and Feed
SFP	Sustainable Fisheries Partnership
SNP	Peru National Fisheries Society
TAC	Total Allowable Catch
TIP	Trafficking in Persons
VASEP	Viet Nam Association of Seafood Exporters and Producers
WTO	World Trade Organization

CONTENTS

GLOBEFISH HIGHLIGHTS

ACRONYMS AND ABBREVIATIONS 04

GLOBAL FISH ECONOMY 11

Drop in total export revenues expected in 2019 as trade tensions take a heavy toll

SHRIMP 13

Strong shrimp imports by China

TUNA 19

Frozen skipjack prices declined to record low in July

GROUNDFISH 25

Raw material prices rising

CEPHALOPODS 30

Tight supplies of octopus and squid

TILAPIA 35

Global tilapia sector set for reshuffle as tariffs erode Chinese dominance

PANGASIUS 38

Pangasius prices dive as buyers pull back but rapid output expansion continues

BASS & BREAM 41

Losses for Greek aquaculture companies in 2019 but 2020 looks brighter

SALMON 45

Higher than expected supply growth in 2019 but sea lice issues continue

CONTENTS

SMALL PELAGICS 50

Northeast Atlantic mackerel quota increase proposed, but EU28 holding back

FISHMEAL & FISH OIL 55

Price drops before the second fishing season in Peru

LOBSTER 60

US East Coast landings slow, Canadian landings improved

BIVALVES 64

Bivalve production increasing due to positive demand patterns

CRAB 68

Tighter supplies of king and snow crab

FOOD SAFETY ISSUES 72

Detentions and Rejections of mackerel in Canada, the European Union (Member Organization), Japan and the United States of America in 2018

EVENTS 74-75

International Symposium on Fisheries Sustainability
XVII Session of the Sub-Committee on Fish Trade of the Committee on Fisheries

TABLES & FIGURES

GLOBEFISH HIGHLIGHTS

SHRIMP

World top exporters and emporters of shrimp (all types) 14
EU28 imports/exports of shrimp 14
China imports/exports of shrimp 14
United States of America imports of shrimp, Top three origins 15
Japan imports of shrimp, Top three origins 15
India exports of shrimp, Top three destinations 15
Prices, shrimp: United States of America 15

TUNA

World top 6 exporters and importers of canned or processed tuna 20
United States of America imports of fresh and frozen tuna for non-canned usages 20
Top EU28 importers of canned and preserved tuna 20
Japan imports of tuna frozen whole, Top three origins 22
United States of America imports of tuna prepared/preserved, Top three destinations 22
Thailand exports of tuna canned/processed, Top three destinations 22
Spain imports of tuna cooked loins, Top three origins 22
Prices, skipjack: Thailand 23

GROUNDFISH

China imports of cod, frozen whole, Top three origins 26
China exports of cod, frozen fillets, Top three destinations 26
China imports of Alaska pollock, frozen whole, Top three origins 27
China exports of Alaska pollock, frozen fillets, Top three destinations 27
Germany imports of Alaska pollock, frozen fillets, Top three origins 28
Netherlands imports of cod, frozen whole, Top three origins 28
Russian Federation exports of Alaska pollock, Top three destinations 28
Norway exports of cod, frozen whole, Top three destinations 28
Prices, exports of cod: Norway 29

CEPHALOPODS

Japan imports of octopus, Top three origins 33
Japan imports of squid and cattlefish, Top three origins 33
China exports of squid and cattlefish, Top three destinations 33
China imports of squid and cattlefish, Top three origins 33
Republic of Korea imports of octopus, Top three origins 34
United States of America imports of squid and cattlefish, Top three origins 34
Spain imports of squid and cattlefish, Top three origins 34
Prices, squid: Italy 34

TILAPIA

China exports of frozen tilapia 36
United States of America imports of frozen tilapia 36
Prices, tilapia: United States of America 36

TABLES & FIGURES

PANGASIUS

Viet Nam exports of catfish frozen fillets, Top three destinations 39

SEABASS & SEABREAM

Greece exports of seabream, fresh, Top three destinations 42
Greece exports of seabass, fresh, Top three destinations 42
Turkey exports of seabass, fresh, Top three destinations 42
Turkey exports of seabream, fresh, Top three destinations 42
Italy imports of seabass, fresh, Top three origins 43
Italy imports of seabream, fresh, Top three origins 43
Top global producers of seabass and seabream 44

SALMON

Top three global producers of farmed Atlantic salmon 46
Germany imports of salmon, fresh whole, Top three origins 46
Japan imports of salmon, frozen whole, Top three origins 46
Chile exports of salmon, fresh whole, Top three destinations 46
United States of America imports of fresh salmon 47
United Kingdom exports of salmon, fresh whole, Top three destinations 47
Norway exports of salmon, fresh whole, Top three destinations 47
Prices, trout: Italy 47

SMALL PELAGICS

Norway exports of small pelagics, frozen whole 51
China exports of mackerel, frozen whole, Top three destinations 51
Russian Federation exports of herring, frozen whole, Top three destinations 51
Germany imports of herring, prepared/preserved, Top three origins 51
Prices, mackerel: Norway 53
Prices, frozen herring: Norway 53

FISHMEAL & FISH OIL

Top global producers of fishmeal 56
Top global producers of fish oil 56
Peru exports of fishmeal, Top three destinations 57
China imports of fishmeal, Top three origins 57
Norway imports of fishmeal, Top three origins 57
Denmark exports of fish oil, Top three destinations 57
Peru exports of fish oil, Top three destinations 58
Norway imports of fish oil, Top three origins 58
Prices, fish oil and fishmeal: Europe 58
Prices, fish oil and rape oil: Europe 58

TABLES & FIGURES

LOBSTER

World imports/exports of lobster 61
United States of America imports/exports of lobster 61
EU28 imports of lobster, Top three origins 62
China imports of lobster,Top three origins 62
Canada exports of lobster, Top three destinations 62
Prices, European lobster: Europe 62

BIVALVES

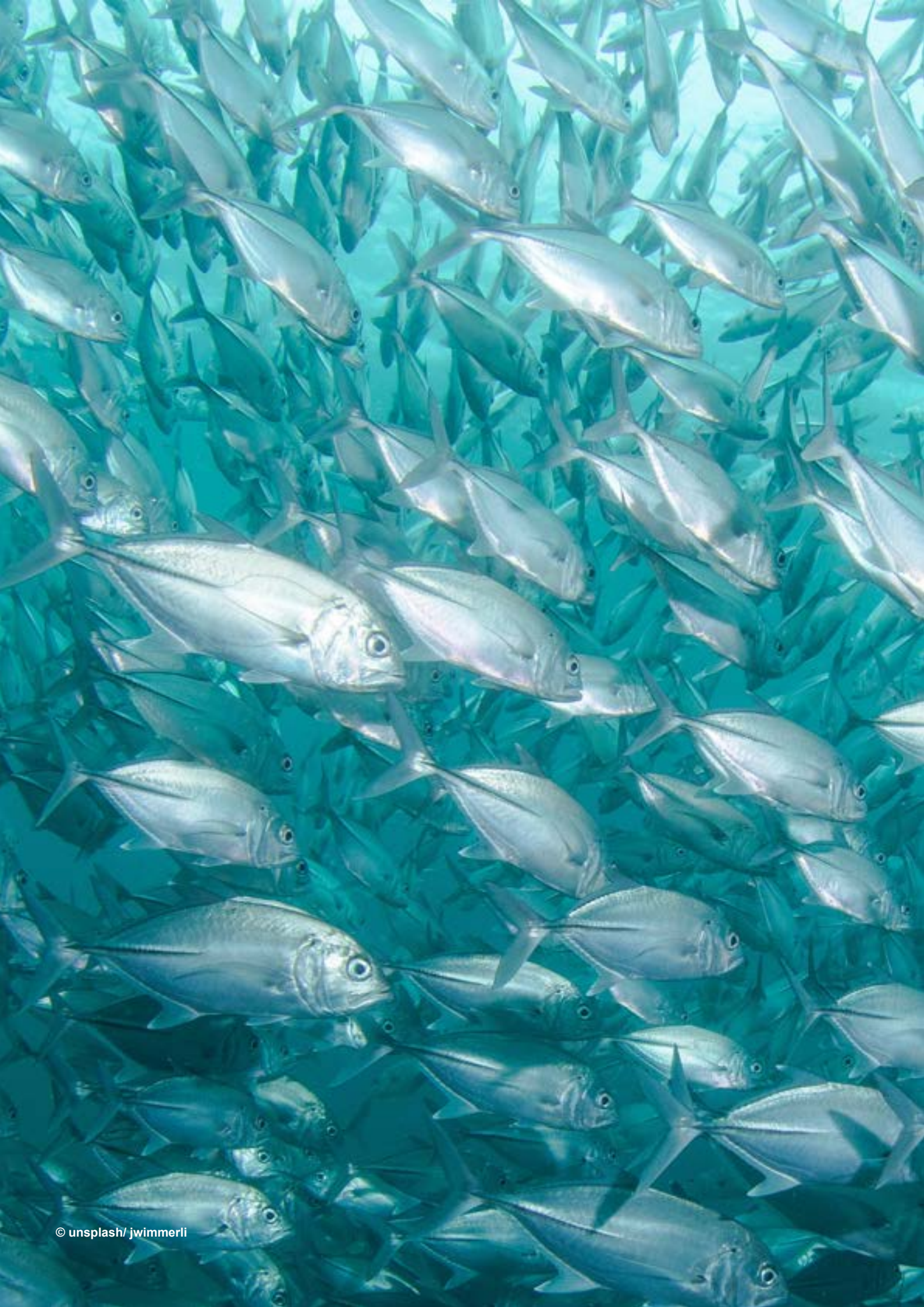
World imports/exports of oysters 64
World imports/exports of scallops 64
World imports/exports of mussels 65
World imports/exports of clams-cockles and ark shells 65
EU imports of mussels, Top three origins 66
EU imports of scallops, Top three origins 66
France imports of mussels, Top three origins 66
Spain imports of mussels, Top three origins 66
Chile exports of mussels, Top three destinations 67
France imports of scallops, Top three origins 67
Prices, mussels: France 67

CRAB

Top three importers of crab 69
Russian Federation exports of crab, Top three destinations 69
United States of America imports of crab, Top three origins 69
China exports of crab, Top three destinations 69
Prices, crab: United States of America, Japan 70

FOOD SAFETY ISSUES

Mackerel rejected at the Canadian borders in 2018 by hazards 72
Mackerel rejected at the EU borders in 2018 by hazards 72
Mackerel rejected at the US borders in 2018 by hazards 73



© unsplash/ jwimmerli

GLOBAL FISH ECONOMY

GLOBEFISH HIGHLIGHTS

Drop in total export revenues expected in 2019 as trade tensions take a heavy toll

Global fish production is expected to be flat year-on-year for 2019, with a 3.4 percent decline in capture fisheries production offset by a 3.9 percent increase in aquaculture harvests. Cephalopods and cod are among the wild stocks for which supplies have been tight, while anchoveta production was also lower in the first Northern fishing season in Peru from April to July. Meanwhile, the growth trajectory of the aquaculture sector remains steady, driven in 2019 by a forecasted increase in supplies of the major farmed finfish species – salmon, tilapia, pangasius, seabass and seabream. However, shrimp production in Asia is expected to drop sharply, particularly in India. Both aquaculture and capture harvests have been affected by higher water temperatures this year, with heavy farmed Atlantic salmon mortalities reported in Northeastern Canada and a productivity decline observed for Pacific cod stocks.

Although global per capita fish consumption continues to grow at around half a percent per year, world trade in fish and fish products is expected to contract this year in volume and in US dollar terms. This loss of momentum is in line with forecasts issued by the World Trade Organization (WTO) for the lowest growth in total merchandise trade in a decade due to various economic headwinds. Many large economies are now on the brink of recession as a result of persisting trade tensions and further Brexit delays, leading to a general weakening of demand. It should be noted that the US dollar has generally been stronger in 2019 and this inevitably accentuates declines in the value of trade as expressed in other currencies.

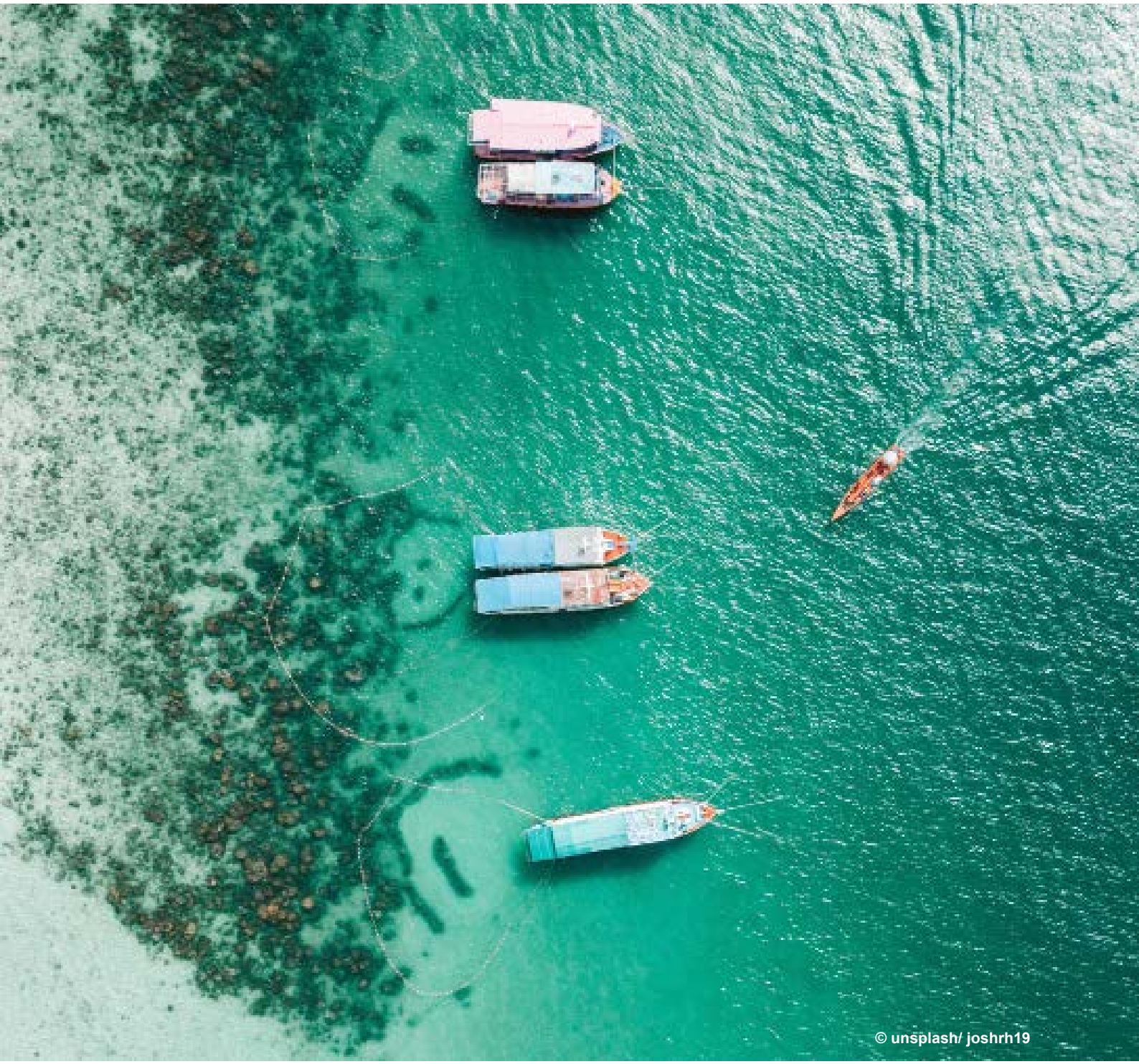
The tariffs introduced by both China and the United States of America have negatively impacted bottom lines all along the supply chain for a number of heavily traded species, including lobster and tilapia. For other commodities, such as bivalves and small pelagics, the impact of trade tensions has been lower and the demand outlook is more positive. Aside from the direct impact of the tariffs on US-China trade flows, the wider geopolitical uncertainty is also translating into an increasingly cautious decision-making environment for seafood businesses, consumers and investors alike. From a somewhat more positive perspective, the potentially permanent transformations that are taking place in key markets such as those for cephalopods, lobster, groundfish and tilapia may boost aggregate demand in the longer term and foster new trading relationships as Chinese exporters seek out alternative markets and US buyers look for new suppliers.

After reaching record heights last year, the FAO Fish Price Index fell in the first half of 2019 primarily due to price declines for many important farmed species, reflected in the relative larger drop in the aquaculture index. Traded prices for shrimp, salmon, pangasius and tilapia were all lower in the first six months of the year, a consequence of both increased supplies and faltering demand. Prices are also weaker for frozen and canned tuna with limited prospects for recovery, although more positive indications are reported for fresh tuna.

Based on year-to-date performance, imports into the United States of America are expected to fall marginally in 2019, while Japanese import growth should slow but remain positive. Price declines for multiple commodities imported into the EU28 will contribute to an estimated 2.8 percent fall in import value this year, a reversal of positive indications in 2017. Declines in imports are also projected for Latin America and most emerging economies in Asia, but China is the notable exception. The forecasted 12 percent increase in imports into China is somewhat unusual considering the broader trends and is explained largely by significant increases in shrimp imports from Ecuador and India. This is likely related to the Chinese government's crackdown on illegal (unreported) trade through Viet Nam.

GLOBAL FISH ECONOMY

On the export side, the challenging trade environment, combined with a drop in shrimp production in Asia and generally weaker prices, is contributing to lower export revenues for many large producers. India, Indonesia, the Philippines and Thailand are all expected to see a decline in export value in 2019. The world's largest seafood exporter, China, will also see a decrease in export revenues due in large part to contractions in trade with the United States of America across multiple commodity categories.



© unsplash/ joshrh19

SHRIMP

GLOBEFISH HIGHLIGHTS

Strong shrimp imports by China

Farmed shrimp production in Asia this year is likely to be lower than in 2018. In Latin America, increased production is expected in Ecuador. Shrimp imports were disappointing in the United States of America and the EU28 but strong demand from China kept the international shrimp trade stable in 2019

Supply

Asian shrimp farmers remained conservative during the main aquaculture season between April and September of 2019, amid continued low market prices in the international trade.

In India, where shrimp aquaculture is mainly export-oriented, production forecast for 2019 suggested a 30–40 percent decrease in comparison with 2018. In the main aquaculture region, Andhra, the often unsuccessful price negotiations between farmers and processors/exporters, resulted in a much lower production this year. In Odisha, cyclone and floods disrupted farmed shrimp production during the second half of the year and the region of Tamil Nadu was affected by the unusual and extreme hot weather this year. Production trend in Gujarat and West Bengal remained moderate but insufficient to offset the falling supplies in the southern farming regions.

Production in China and Southeast Asia (Indonesia, Viet Nam, Thailand and Malaysia) are likely to be lower than last year.

Farmed shrimp production in Ecuador continued to grow, which became evident in its increased export trade during the review period.

The overall supply of sea-caught shrimp in Argentina was 16 percent below last year's during the first six months of 2019. Subsequently, the Federal Fisheries Council of Argentina announced in September an early closure of the shrimp fishing season effective 15 October.

Shrimp landings in the US Gulf of Mexico were also below last year's during the review period.

International Trade

During the second half of 2019, international shrimp trade escaped another market crash supported by strong imports by China. However, the three other large traditional markets, the United States of America, the EU28 and Japan posted negative import growths during this period.

Closely following the United States of America, China became the second largest shrimp importer in the world market during the first half of the year. Therefore, China is now the world's number one market for shrimp. China produces about one million tonnes of farmed shrimp annually and about less than 20 percent of those are exported. Farmers in Asia, as well as in Latin America, benefited much from the strong import growth in China.

In East Asia, stable local demand and firm prices of head-on shrimp also absorbed more fresh shrimp in the regional markets.

Exports

Overall exports of shrimp declined from most countries in Asia, due to lower import demand in the United States of America, EU28 and Japan, although exports increased to China in large percentages. Interestingly, Ecuador emerged as the top shrimp exporter, replacing India, during the first half of the

SHRIMP

World top exporters and emporters of shrimp (all types) (January-June)

	2018	2019	% change 2018/19
Exporters	(1 000 tonnes)		
Ecuador	242.7	315.1	+29.8
India	293.5	284.9	-2.9
Viet Nam(e)	140.0	120.0	-14.3
Indonesia	95.1	94.2	-0.9
China	89.9	74.9	-16.6
Thailand	78.2	76.9	-1.6
Argentina	63.7	53.3	-16.4
	2018	2019	% change 2018/19
Importers	(1 000 tonnes)		
EU28	365.3	358.7	-1.9
USA	303.3	301.5	-0.6
China	100.0	285.0	+185.8
Viet Nam(e)	220.0	90.5	-58.9
Japan	94.0	93.4	-0.7
Rep. of Korea	35.8	37.6	+5.4
Canada	23.2	24.3	+4.7

Source: *National data. Note: (e) Estimate*

EU28 imports/exports of shrimp (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
Ecuador	45.0	49.6	47.7
India	34.3	33.3	31.8
Viet Nam	23.4	35.1	31.2
Other countries	237.3	252.7	252.1
Total	340.0	370.7	362.8
	2017	2018	2019
Exports	(1 000 tonnes)		
Germany	19.6	18.6	21.0
France	16.2	15.5	14.2
Morocco	6.4	10.3	14.1
Other countries	107.4	113.9	109.2
Total	149.6	158.3	158.4

Source: *Eurostat*

China imports/exports of shrimp (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
Ecuador	5.6	27.5	117.1
India	4.8	9.2	60.9
Saudi Arabia	0.0	0.0	23.0
Other countries	43.7	63.4	84.9
Total	33.3	30.2	31.5
	2017	2018	2019
Exports	(1 000 tonnes)		
United States of America	20.3	19.3	13.3
Japan	17.8	14.5	11.6
Taiwan Province of China	6.3	8.9	8.7
Other countries	48.5	50.0	44.1
Total	92.9	92.7	77.7

Source: *China Customs, estimates*

year, which could be linked to its increasing production of farmed shrimp. For the first time in recent years, India reported a negative growth in shrimp exports.

Imports

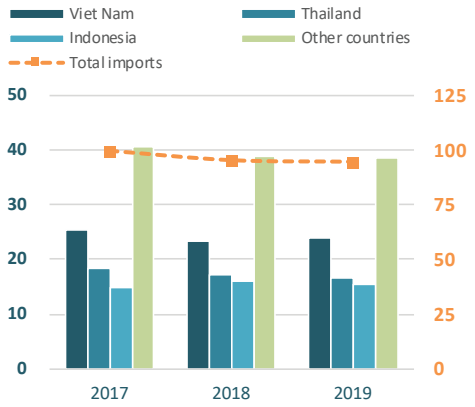
In the top single market, the United States of America, imports fell behind last year's during the first half of 2019. The trend was similar in most EU28 markets.

SHRIMP

United States of America | Imports | Shrimp
Top three origins
Unit: 1 000 tonnes, January-June

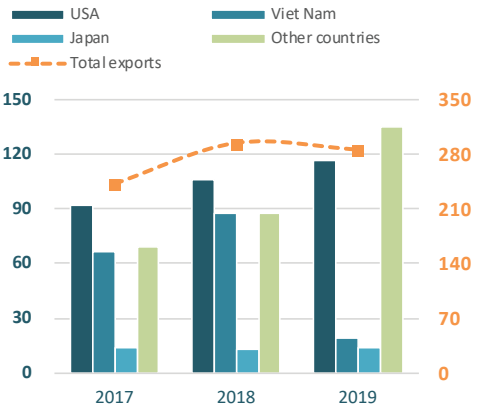
Source: *US-NMFS*

Japan | Imports | Shrimp
Top three origins
Unit: 1 000 tonnes, January-June



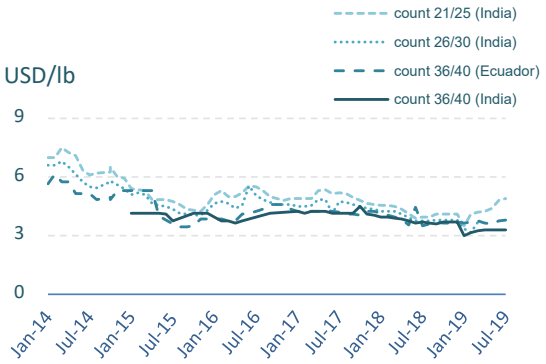
Source: *Japanese Ministry of Finance*

India | Exports | Shrimp
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Ministry of Commerce, India*

Prices
Shrimp: United States of America



Headless, shell-on farmed vannamei, Ex-warehouse, New York, USA
Source: *INFOFISH Trade News*

In Asia, China's dominance in the import market was very strong. Imports in Viet Nam were nearly 60 percent below last year's for the same period, following the strong direct imports by China and stringent control by the Chinese authority on unreported border trade with Viet Nam.
In the Middle East, shrimp imports also increased in the Gulf Cooperation Council (GCC) markets, as shown by the shrimp exports from India, the main supplier.

United States of America

Consumer demand for shrimp in the United States of America has been good this year, especially during the summer season, as domestic wholesalers and distributors were able to maintain low price

levels following the international price trend. The average import price of shrimp in the United States of America during the first six months of 2019 was 8.5 percent lower than a year ago.

However, the import growth was negative during the first half of the year, down to 301 500 tonnes, including 98 300 tonnes of shell-on shrimp, 138 200 tonnes of raw peeled shrimp, 39 000 tonnes of prepared shrimp and 21 700 tonnes of breaded shrimp. In 2018, this total amounted to 303 300 tonnes during the same period.

India remained the top exporter to the US market, supplying 115 700 tonnes (+1.4 percent) during the first half of the year compared with the corresponding period in 2018.

Imports of breaded shrimp from China, the leading supplier, declined by 33 percent, after the imposition of a 25 percent tariff on Chinese products. However, the supply gaps were more than filled up by Thailand, Viet Nam, Indonesia and India.

Japan

Consumer demand for shrimp remained stable this year so far, despite competition with cheaper proteins, namely chicken and pork. Demand for ready to-eat products in particular improved in July and August during the school holiday season and also from late September in response to autumn demand, when Japanese people like to enjoy colours of autumn while eating outdoors.

Similar with the same period in 2018, this market imported 94 400 tonnes (-0.70 percent) of shrimp during the first half of the year, in which 30 000 tonnes (+3.4 percent) were prepared products.

Europe

Summer demand for shrimp in the EU28 market remained disappointing with lower imports in the top destinations of Spain, France, Italy, the Netherlands and Germany.

Total EU28 shrimp imports were down to 358 700 tonnes, of which 73 percent (263 000 tonnes) were supplied by non-EU28 countries, mainly Ecuador, India, Viet Nam, Greenland and Argentina.

Imports of processed shrimp from sources outside the EU28, totalled 50 500 tonnes, slightly higher than the same period in 2018 (49 600 tonnes).

Shrimp imports also declined in the European markets outside the EU28, namely in the Russian Federation (-4 percent at 24 400 tonnes), in Switzerland (-12 percent at 4 000 tonnes) and in Norway (-8 percent at 10 600 tonnes) but increased in Ukraine by 30 percent to 4 300 tonnes.

Asia/Pacific

Since 2018, China has emerged as the rising star in the global shrimp market. During the first half of this year, foreign shrimp supplies in China increased by 186 percent to 285 900 tonnes, compared with 100 000 tonnes in 2018 and 54 100 tonnes in 2017, for the corresponding periods. During the review period, Ecuador had a 41 percent share in these imports followed by India (21 percent) and Saudi Arabia (8 percent).

The increases in China's direct imports reduced unreported trade with Viet Nam, which is reflected

on Vietnamese imports of shrimp during the first six months of the year that declined by 59 percent to 90 500 tonnes. Viet Nam's official exports to China increased by 140 percent to 10 900 tonnes during this period.
In Asia, shrimp imports also increased in the Republic of Korea, Taiwan Province of China, but declined in Hong Kong SAR, Malaysia and Singapore. In the Pacific, imports were lower in Australia (-10 percent at 13 300 tonnes) but increased in New Zealand (+15 percent at 3 000 tonnes).

A review on the Middle East markets also indicated higher imports of shrimp in the United Arab Emirates, Qatar, Kuwait and Oman, mostly supplied by Iran and Saudi Arabia.

Price

Shrimp prices in the international trade remained stable in 2019 albeit with a weaker trend.

In the United States of America, the average import price of shrimp in 2019 was 8.5 percent lower during the first half of 2019, compared with the same period in 2018. Wholesale prices remained stable at lower level that helped a stable good demand during the high consumption period in the summer months.

In view of the falling production in India, export prices have started to improve since August, albeit marginally.

Prices of Argentinean shrimp remained softer than in 2018. However, the early closure of fishing on 15 October may help to improve prices during the last quarter of the year. As of September 2019, large sized shrimp from Argentina were being sold at below USD 10 per kg in Italian supermarkets.

Outlook

Production

This year's shrimp farming season in Asia will be over by November in most producing countries. In the southern states of India (Andhra, Tamil Nadu), December is ideally the month for pond preparation. Stocking in the ponds will begin after the big religious festival "Makar Sankranti" in mid-January 2020. In the Eastern region, the cooler season will be on from November until early January and pond stocking usually takes place from February. Hence not much improvement in raw material supplies is foreseen in India before March/April 2020.

Production in Thailand, Viet Nam and Myanmar will also be low during the cooler months from November to February. In Indonesia, current raw material availability is low due to short supplies of shrimp fry, causing delay in pond stocking for the next harvesting season. Besides, disease problems and cold weather conditions in the eastern aquaculture belt is also affecting production.

Market

In the Japanese wholesale trade, current stocks are low for large sized black tiger and vannamei shrimp, whereas supply and demand for Argentine shrimp remains balanced. Demand for semi-processed shrimp such as nobashi (PTO), tempura shrimp and other peeled shrimp is good, particularly from institutional users. This trend will continue until the December/January high consumption season.

SHRIMP

Consumer demand for shrimp in the United States of America is likely to improve in the second half of the year. It is expected to be particularly good between November and the New Year, in concurrence with Thanksgiving, Christmas and New Year celebrations.
In Europe, trading has started to improve in anticipation of Christmas sales and lower supplies of the popular Argentinean shrimp due to early closure of the 2019 catch season. Some price strengthening is in the forecast following this low supply situation.

East Asian markets are also expected to be acquiring supplies for period of high consumption during the Chinese New Year, which falls in January/February 2020.


© unsplash/matthu

TUNA

GLOBEFISH HIGHLIGHTS

Canned tuna demand stable with moderate supplies and low prices of skipjack

Tuna packers in Asia and Europe held sufficient stocks until August-September 2019. Reefer carriers have had long queue at Bangkok port during this period. The global market for canned tuna remained receptive and exports increased from most countries, except Spain.

Raw Material Supply

Tuna catches worldwide were lower than average between July and September 2019, when the two scheduled fishing closures were in place in the Pacific Ocean. There was the July-September FAD fishing closure in the Western and Central Pacific and the 2-month IATTC 'veda' fishing closure from 29 July to 8 October in the Eastern Pacific. Nonetheless, skipjack prices were record low following short demand from Bangkok packers.

Catches in the Indian Ocean were low to moderate between July and September. Catches also slowed down in the Atlantic Ocean by August.

The raw material stocks at canneries in Asia, Europe and in the Indian Ocean remained good during the first half of 2019. This kept tuna prices under pressure, particularly skipjack, until August when catches also slowed down in the Indian and Atlantic regions.

Thai imports of frozen tuna for canning during the first half of the year decreased by 17.6 percent at 312 900 tonnes, compared with the same period of last year.

In Spain, imports of raw material including whole raw tuna and precooked loins totalled 144 900 tonnes during the first six months of 2019, representing a 4.3 percent decrease from the same period in 2018. Imports of whole fish declined by 16.3 percent to 83 800 tonnes, although precooked loin imports increased by 19 percent during the review period due to large supplies from China (+63 percent).

Trade

The global market for non-canned tuna sustained positive trends, particularly with increasing demand for frozen tuna loins. Japan remains the world's largest market for non-canned tuna albeit with waning consumer demand for raw tuna. The United States of America remains the second most important market and with additional growth potential.

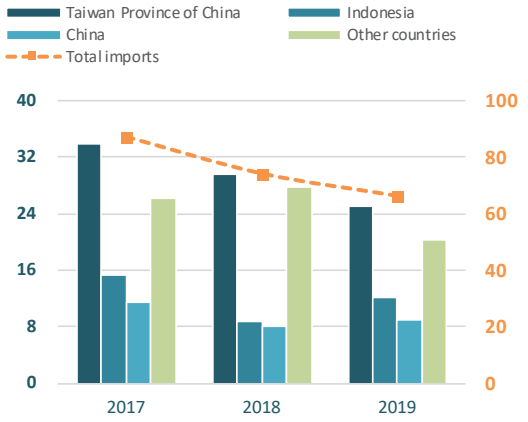
Japan

After the sluggish demand trend during the hot summer months of June and July, the sashimi trade in Japan started to improve from late September with increased supplies of fresh tuna from local and foreign sources. Unfortunately, this development took an abrupt halt when the typhoon Hagibis hit Japan in mid-October causing widespread damage not seen since 1958 across the Kanto region. Kanto Island has the largest consumer base in Japan (34 percent of Japan's population), where the Greater Tokyo Area is situated along with six other prefectures.

Imports of fresh and frozen tuna in Japan including fillets posted a 4.8 percent decline to 104 700 tonnes during the first half of 2019 compared with the same period last year. An estimated 75 percent or 78 000 tonnes of this total consisted of non-canned sashimi/sushi grade fish. The decline in fresh air-flown tuna imports continued during this period to a total of 5 900 tonnes, reaching a five-year low.

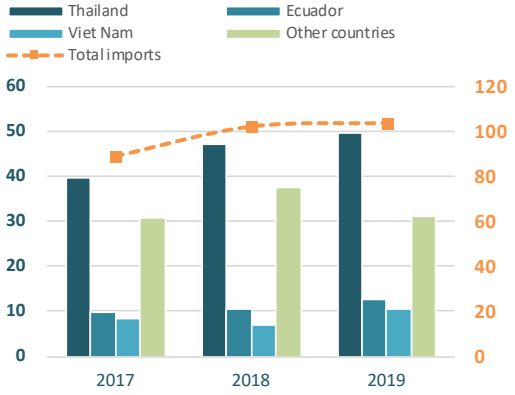
TUNA

Japan | Imports | Tuna | Frozen whole
Top three origins
Unit: 1 000 tonnes, January-June



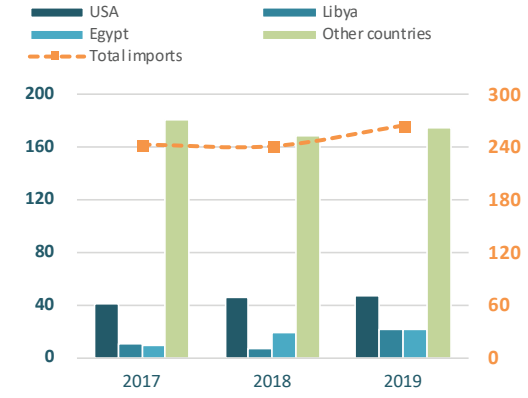
Source: *Japanese Ministry of Finance and the Customs*

United States of America | Imports | Tuna | Prepared/preserved
Top three destinations
Unit: 1 000 tonnes, January-June



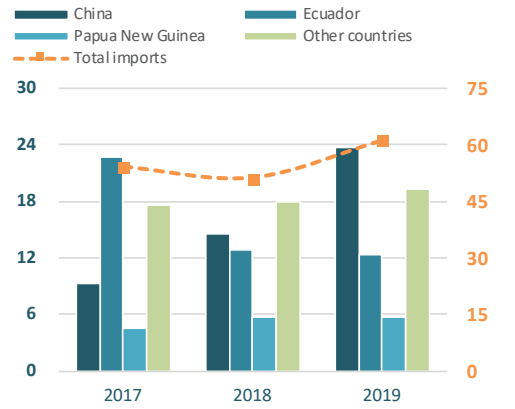
Source: *NMFS*

Thailand | Exports | Tuna | Canned/processed
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Thai Customs*

Spain | Imports | Tuna | Cooked loins
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Agencia Tributaria*

Under the frozen tuna category, imports of high-priced whole bluefin tuna fillet (32 300 tonnes) confirmed the market's preference for products that have longer shelf life.

Total imports of tuna loins increased by 10.8 percent to 32 300 tonnes during the review period compared with 29 200 tonnes in 2018. This total included 18 600 tonnes of bluefin tuna mainly supplied by Malta, Turkey, Spain and Croatia; and also 5 800 tonnes of yellowfin and 4 800 tonnes of bigeye loins, also known for their redmeat quality, mainly shipped from Indonesia, China and the Republic of Korea.

United States of America

The US market for non-canned tuna remained firm in the first half of 2019 with an 18 percent growth compared with the same period in 2018. Fresh tuna imports remained stable at 11 800 tonnes (+1.8 percent), twice as much in quantity imported in Japan during this period. In response to the good summer demand at the restaurant and retail trade, imports of frozen tuna improved significantly to 3 100 tonnes (+67.8 percent) for whole/dressed fish and to 21 700 tonnes (+18.5 percent) for frozen fillet and steaks during the review period.

Others

Demand trend was mixed in Europe, where frozen fillets are more popular. In the EU28, imports of frozen tuna fillet were down by 7.8 percent to 11 400 tonnes during the first half of 2019, compared with the same period in 2018. Supplies were lower from Southeast Asia, which is subject to higher tariff, but increased from Ecuador, which is subject to Zero tariff, and from Mexico.

Tuna fillet imports in the Russian Federation increased by 68 percent to 2 300 tonnes, mainly supplied by China, Viet Nam and Indonesia.

Canned Tuna Trade

Global demand for processed and canned tuna continued to rise, supported by stable and cheaper raw material supplies. Imports in the two large markets, the United States of America and the EU28, were steady but with minimum growth in supplies, whereas import increases in the Middle Eastern markets were phenomenal.

Exports

Thailand, Ecuador and Spain remained the top three suppliers of processed and canned tuna to the global market during the first half of 2019, while China took the fourth position from the Philippines.

The top exporter, Thailand, posted a double-digit growth (table above) supported by substantial increases in exports to the Middle East markets and minor increases to the US market (+2.0 percent). Thai exports showed a negative trend in the EU28 (-21 percent).

Ecuador shipped 64 percent of its exports to the EU28, 11 percent to the United States of America, 9 percent to Colombia, 7 percent to Argentina and 3.5 percent to Chile.

China's prominence in the processed tuna exports could be attributed to aggressive sales of pre-cooked loins, particularly to the EU28 and Thailand, while exports to the United States of America declined following the rise in tariffs (now 25 percent) imposed on Chinese products in that market.

Imports

Demand for canned and processed tuna remained positive in most of the markets worldwide during the first half of 2019, supported by weaker prices of frozen skipjack during this period compared with 2018. Markets in the Middle East remained strong for Asian origin products. Consumers preference for higher value products also continued in the western markets.

TUNA


© unsplash/theartsybadger

Top EU28 importers of canned and preserved tuna (January-June)

	2017	2018	2019
	(1 000 tonnes)		
Ecuador	73.1	65.1	72.4
Spain	52.7	54.8	54.5
Mauritius	26.4	25.2	26.4
Other countries	221.0	219.1	228.8
Total	373.1	364.1	382.0

Source: *Eurostat*

United States of America imports of fresh and frozen tuna for non-canned usages (January-June)

	2018	2019	% change 2019/18
	(1 000 tonnes)		
Fresh, whole	11 567	11 777	+1.8
Frozen, dressed	1 816	3 048	+67.8
Frozen fillet	17 544	21 681	+18.4
Total	30 927	36 506	+18.0

Source: *US NMFS*

World top 6 exporters and importers of canned or processed tuna (January-June)

	2018	2019	% change 2019/18
Exporters	(1 000 tonnes)		
Thailand	240.0	264.4	+10.2
Ecuador	108.3	113.9	+5.2
Spain	56.1	54.8	-2.7
China	46.8	52.9	+13.0
Indonesia	37.8	44.8	+5.0
Mauritius	27.7	28.4	+2.5
	2018	2019	% change 2019/18
Importers	(1 000 tonnes)		
EU-28	368.2	382.2	+3.8
USA	102.3	103.9	+ 1.6
Japan	31.2	30.7	-1.6
Egypt	20.4	25.5	+24.8
Saudi Arabia	20.3	25.3	+23.0
Australia	23.0	21.6	-6.2

Source: *National Statistics*

North and South America

According to the US National Marine Fisheries Service (NMFS), total imports of canned/processed tuna in the United States of America increased by 2.6 percent to 115 600 tonnes during the first six months of 2019 compared with 112 700 tonnes of imports in the same period in 2018.

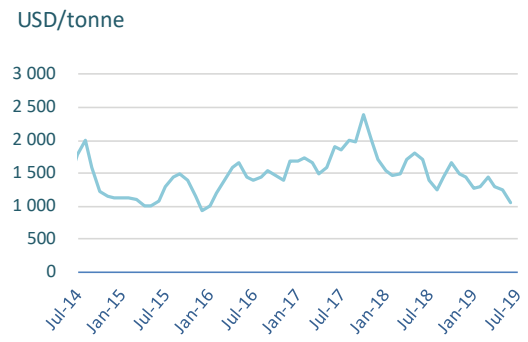
In this total, the light meat imports (skipjack and yellowfin) increased by 3.7 percent to 72 300 tonnes, whereas white meat albacore tuna imports decrease by 2.8 percent to 18 300, following large imports during the first quarter of the year. Imports of cooked loins also fell to 25 048 tonnes (-3.6 percent) with lower supplies from China because of the high import tariff.

In Canada, canned tuna imports increased by 5 percent during this period.

In Latin America, imports declined in Colombia (-8 percent to 16 100 tonnes), but increased in Peru (+169 percent at 12 500 tonnes) and also in Chile (+33 percent at 11 600 tonnes).

TUNA

Prices
Skipjack: Thailand



1.8Kg lb/pc & up, CFR Bangkok, origin: Western Pacific
Source: *INFOFISH Trade News*

European Union (Member Organizations)

Consumer demand for canned /pouched tuna remained dormant in the EU28 markets during the second quarter of 2019, although the half yearly import data for 2019 displayed a 3.8 percent rise to 382 200 tonnes compared with the same period in 2018. Nearly 72 percent of these (275 200 tonnes, +5.5 percent) was sourced from non-member countries. Among the top importers, Spain imported mostly cooked loins for reprocessing. Some 95 percent of the Netherlands imports of canned tuna was re-exported within the EU28.

Extra-EU28 imports of pre-cooked loins increased by 13 percent to 93 000 tonnes as a result of large supplies from China (+56 percent), Indonesia (+32 percent), Papua New Guinea (+20 percent) and Viet Nam (+89 percent). Imports from the second largest source, Ecuador, increased only by 1.4 percent.

Others in Europe

Imports in the Swiss market dipped by 24 percent indicative of over stocks at importers/distributors levels. However, imports in the Russian Federation increased by 40 percent during the review period.

Asia / Pacific and Others

Canned tuna imports in Japan continued to be lower as domestic production increases, taking advantage of the low raw material prices. Imports in Australia also declined during the first half of 2019 as a result of the weak local currency that translated into higher import prices.

The Middle East markets were strong during the first six months of 2019, where imports of canned tuna increased by 25–30 percent in Egypt, Saudi Arabia and Libya, in comparison with the same period in 2018. Positive imports also continued in Yemen, Lebanon, Kuwait, Syria and other minor markets. It is interesting to note the 350 percent increase in canned tuna exports from Iran (1 000 tonnes) to the neighbouring markets of Iraq, Afghanistan and Azerbaijan between January and April 2019.

TUNA

Prices

The average price of frozen skipjack, CFR Thailand was at a four-year low from January to September 2019, down to USD 1 243 per tonne, compared with USD 1 536 per tonne in 2018, USD 1 765 per tonne in 2017 and USD 1 411 per tonne in 2016. It even declined to USD 1 000 per tonne in June/July due to low demand from Thailand, though it bounced back to USD 1 350 per tonne in August, when catches were low in the Pacific because of fishing closures.

Outlook

Tuna catches will improve in the western and central Pacific starting in October/November 2019, as the FAD closure ended in September and also in the Eastern Pacific from mid-October when the IATTC Veda fishing closure was completed. Hence, some price softening for raw material may occur from November onwards.

The positive demand for canned and processed tuna is expected to persist worldwide as long as prices remain stable and close to 2019 levels.

© unsplash/jamesthornton95

GROUNDFISH

GLOBEFISH HIGHLIGHTS

Raw material prices rising

The growing demand for surimi products in nearly all markets has led to a shortage of raw material for surimi producers and consequently prices are going up. Prices for cod on the UK market have also gone up and will probably stay high as it is not expected that supplies will increase.

Resources

The European Commission in July banned cod fishing for most of the Baltic Sea to prevent an impending collapse of the stock. This follows a warning by the International Council for the Exploration of the Seas (ICES), which announced in April that the eastern Baltic cod population had reached such a low level that it could no longer reproduce sufficiently. According to ICES, even a total ban on cod fishing in 2020 would not be enough to bring the stock back to levels at which fishing could be resumed.

In August, a bill was introduced in Chile to ban all trawling for hake. According to the proposers, the objective of this law is to protect the marine ecosystems. If the bill passes, only long-lines or gillnets will be legal fishing methods for hake in Chile. The fishing industry is protesting and criticising the proposal, stating that trawling for hake is only done in an area where there has been trawling for half a century, in the so-called “Trawling Footprint”. Critics of the bill claim that it would be more important to eliminate illegal fishing for hake, which is done mainly by the artisanal sector.

In Peru, hake fishing north of 04 degrees was suspended for a period of 42 days, starting on 25 August. Any hake caught in this area before the ban went into effect must be processed within 48 hours of the start of the ban.

It has not been a very good year for Pacific cod. Inventories are high after the A season and the sellers’ asking price is also high, so several buyers are buying cod from the Russian Federation instead. The outlook for the B season, which started in June and runs through December, is not bright. Warmer than usual sea temperatures are negatively affecting this fishery. Observers in the market now expect prices for Pacific cod to soften as competition from other sources is strong and the high prices asked by US sellers have to come down.

Trade

The trade war between the United States of America and China is affecting the groundfish trade in several countries. US exports of Alaska pollock to China are down. China is now sourcing more raw material for its processing industry in the Russian Federation.

To help soften the effects of the trade war for the pollock industry, the US Government is making massive purchases of Alaska pollock to be distributed through the National School Lunch Program and other Federal Food and Nutrition Assistance Programs. The Government put out a request for suppliers to bid for a purchase of almost 17 million pounds (7 700 tonnes) of Alaska pollock by 20 September, after having made large purchases during the first half of 2019.

Processors and exporters in China are being affected by the trade war. While the United States of America is still China’s biggest single market for groundfish, exports to this market dropped from 16 percent of total exports in 2017 to just 10 percent in 2018. To compensate for this, China is looking at alternative markets like the EU28, the Russian Federation, Asian countries and Africa to shift their trade away from the United States of America.

China is also retaliating against US President Trump by raising import duties on a number of seafood products, including cod and Alaska pollock, from 25 percent to 35 percent. However, raw material for processing and re-exports are still exempted from this punitive tariff.

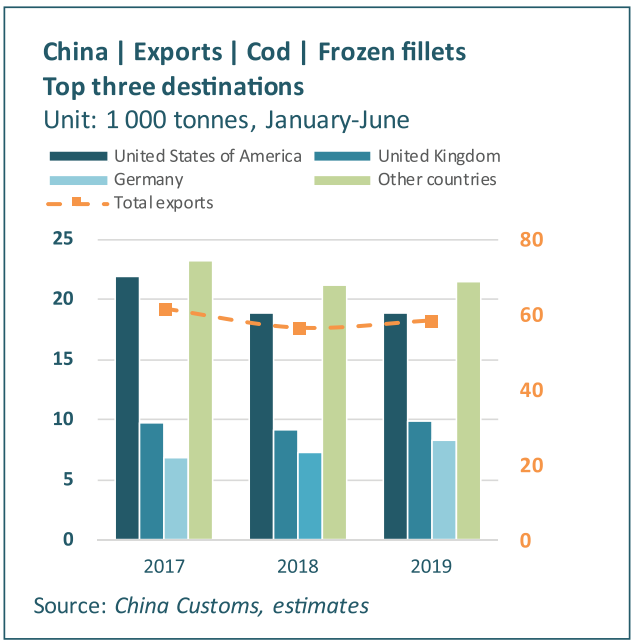
This trade is making itself shown in trade statistics, but there are some unexpected results during the review period. The United States of America have registered important declines in exports of groundfish to China, both round and processed. However, China has not registered a similar decline in its exports of (mainly processed) groundfish to the United States of America. There was a marked increase in Russian Federation round frozen Alaska pollock export to China, and only a slight decrease in Chinese imports of the same from the United States of America.

Norwegian exports of whitefish fell slightly during the first six months of the year. Total groundfish exports amounted to 210 800 tonnes, which represented a decline of 6.1 percent from the same period in 2018. The value increased by 2.2 percent to NOK 8.1 billion. Exports of fresh cod fell by almost 32 percent by volume, but only 21 percent by value, while exports of frozen whole cod increased by 6.8 percent by volume, 21 percent by value.

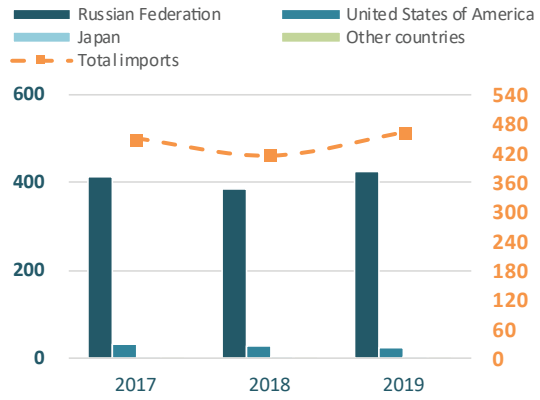
Surimi

Demand for surimi products in Japan is rising, and so are prices of raw material. The Japanese surimi industry is to a large extent dependent on imports of Alaska pollock from the United States of America. Import prices have been going up steadily over the past few years. Processors have been forced to pass these price increases on to the consumer.

Japanese imports of Alaska pollock surimi were down 4 percent by volume and up 9 percent by value in June 2019, compared with June 2018, according to the Japanese Customs. Japanese imports of itoyori (threadfin bream) surimi were also down in this period, with a marked fall in imports during the month of June 2019. Itoyori surimi is imported mainly from countries in Southeast Asia. During the first half of 2019, most itoyori surimi imported into Japan came from Thailand (40 percent), India (25 percent), Vietnam (15 percent), and Indonesia (9 percent).

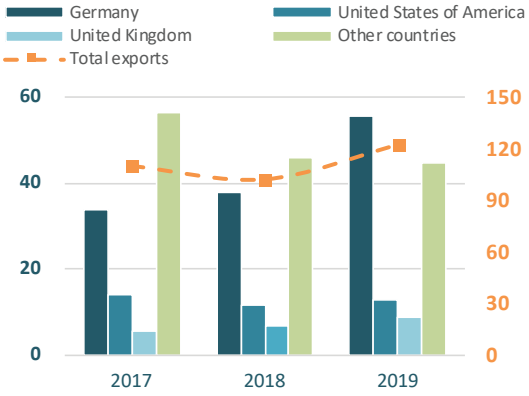


China | Imports | Alaska pollock | Frozen whole
Top three origins
Unit: 1 000 tonnes, January-June



Source: *China Customs, estimates*

China | Exports | Alaska pollock | Frozen fillets
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *China Customs, estimates*

Thailand is showing strong growth in its exports of surimi and processed surimi products. During the first half of 2019, Thai exports of surimi increased by 26 percent, from 6 500 tonnes during the first half of 2018 to 8 100 tonnes during the same period in 2019. Thai exports of processed surimi grew from 11 300 tonnes in 2018 to 13 800 tonnes in 2019 (+23 percent).

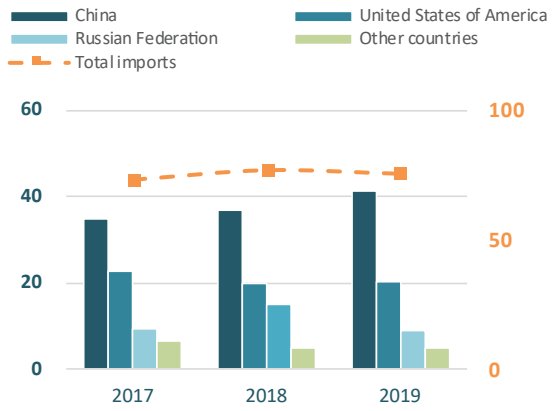
One of the largest surimi processors in Europe (Viciunai) anticipates the European market to grow by 5 percent in 2019, to about 120 000–125 000 tonnes. This is in spite of the fact that the largest market for surimi in Europe, France, is weakening. The French market is expected to shrink by 10 percent to about 44 000 tonnes this year. In other European countries, such as Germany, Spain, Italy, Belgium and the Netherlands, it is expected that sales will increase. France consumes about 1 kg of surimi per person per year, while Germany consumes only about 150 g per person per year. The German market holds a much greater potential for increasing consumption, while the French market is saturated. Also, there has been little innovation in the French market, and this also seems to have slowed down sales.

Prices

Prices for headed and gutted (H&G) Alaska pollock from the Russian Federation started to come down a little after the record levels reached in July, the highest in 10 years. Chinese buyers are said to expect prices in the range USD 1 750–1 850 per tonne by the end of 2019. Some observers expect the price to stabilize at around that level. Russian Federation catches have been good, some 8 percent higher than last year, but the fish is somewhat smaller. Chinese imports from the Russian Federation have been strong, and the unit price has been going up since mid-year.

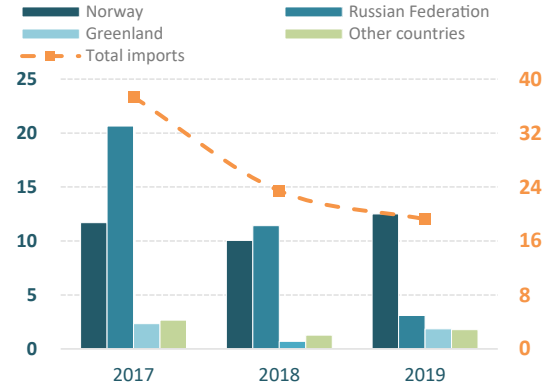
The price of Alaska pollock surimi is at a 10-year high. Japanese buyers are paying JPY 580–600 (USD 5.37–5.55) per kg for FA-grade frozen-at-sea surimi. This price is 10 percent higher than a year ago. The main cause for this high price is the very strong demand in Europe and in China.

Germany | Imports | Alaska pollock| Frozen fillets
Top three origins
Unit: 1 000 tonnes, January-June



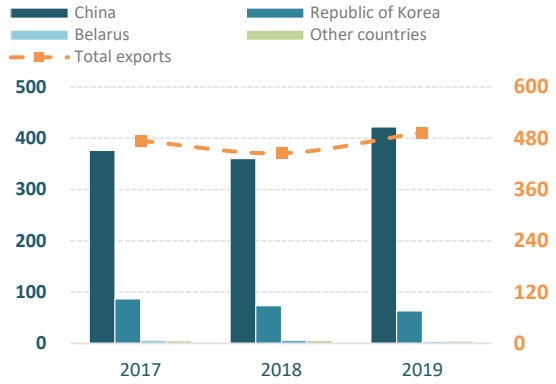
Source: *Germany Statistical Office-Destatis*

Netherlands | Imports | Cod | Frozen whole
Top three origins
Unit: 1 000 tonnes, January-June



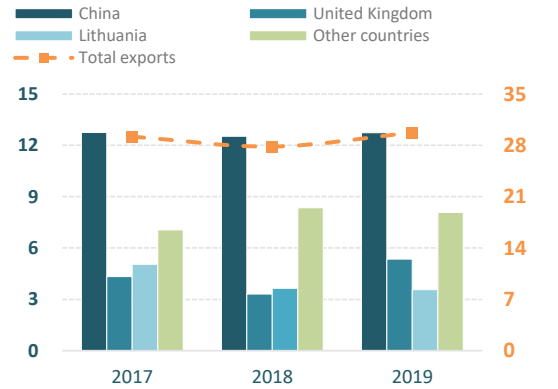
Source: *Eurostat*

Russian Federation | Exports | Alaska pollock| Frozen whole
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Federal Customs Service of Russia*

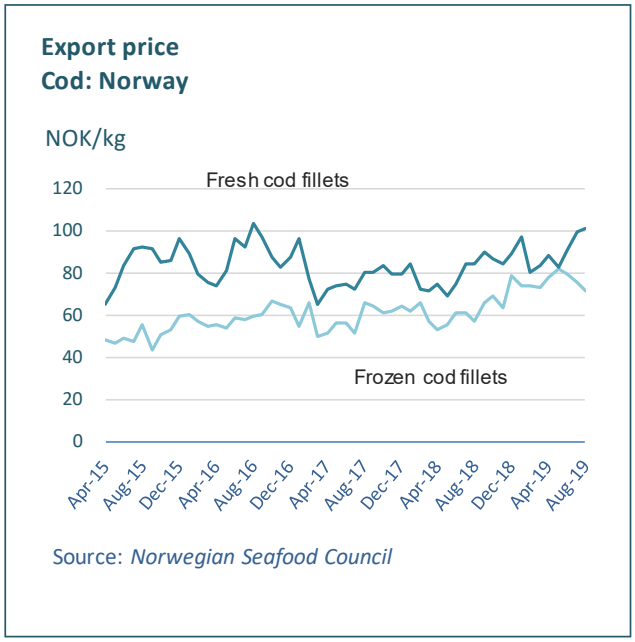
Norway | Exports | Cod | Frozen whole
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Norway Bureau of Statistics*

In August, it was reported that prices for US surimi in Japan were up by 30 percent. The average price in Japan was Yen 401 (USD 3.80) per kg in June. However, even with such a steep price increase, it was not enough to compensate for the processors' increasing cost of raw material.

The weak Euro and good demand for Alaska pollock for surimi has pushed Alaska pollock block prices high. This development is expected to continue. The Russian Fishery Company expects Alaska pollock prices to continue to rise, about USD 100–150 higher per tonne in the B season this year, and as much as USD 200–250 higher in next year's A season. After that, prices are expected to stabilize.



The proposed USD 41 million purchase of Alaska pollock by the US Government is expected to contribute to these high prices because it takes about 10 000 tonnes off the market. This may not be a huge amount, but it will be noticed.

Prices of Norwegian groundfish products were up, and for fresh cod, the fob price was NOK 37.34 per kg during the first six months of 2019, which was 15.2 percent higher than in 2018. The main reasons for this were lower catches and a weak Norwegian krone (NOK), according to the Norwegian Seafood Council (NSC).

Outlook

A continued trade war will contribute to a changing structure of the international trade of groundfish. China will buy more Alaska pollock from the Russian Federation as raw material for its processing industry, it will export less to the United States of America and more to markets in Asia. Paradoxically, it now looks as if the US industry is the loser in this trade war, more so than the Chinese industry. China is still importing raw material from the United States of America at zero tariff, if the processed products are re-exported.

Prices for Alaska pollock are expected to go higher. Cod prices are also edging upwards because of tighter supplies in the coming year. However, a recent development may affect cod prices in two different directions. It was announced in September that the North Sea cod fishery is losing its Marine Stewardship Council (MSC) certificate. This may affect prices for North Sea cod negatively but could push prices up for Barents Sea cod, which does have an MSC certification.

CEPHALOPODS

GLOBEFISH HIGHLIGHTS

Tight supplies of octopus and squid

Supplies of octopus have been tight for a while, and the situation is not improving in the medium term. While landings are up in the United States of America and Canada, the squid fishery around the Falkland Islands (Malvinas) started well but tapered off towards the closing of the season and the end result was disappointing. Main markets imported less squid during the first half of 2019.

Octopus

Octopus landings have been down in the most important supplier countries, Morocco and Mauritania. This influences the supply situation greatly. Both countries have been more restrictive about octopus fishing in an effort to protect the resource.

In July, the EU28 ratified a fishing agreement with Morocco. The agreement will run for four years and it will allow a total of 138 vessels to fish in Moroccan waters. However, this does not mean that octopus supplies will increase, as there are restrictions on this fishery. The EU28 is expected to sign similar agreements with Mauritania and Senegal later.

Trade

During the first half of 2019, Japan imported about 20 500 tonnes of octopus, the same amount as last year, but 27 percent less than in 2017. The main supplier, Morocco, reduced shipments in 2018, but increased slightly again in 2019. The other major suppliers were China and Viet Nam.

Octopus imports to the Republic of Korea were up by 3.6 percent during the first half of 2019 compared to the same period in 2018. Total imports amounted to 35 100 tonnes and the main suppliers were Viet Nam (14 300 tonnes, 40.6 percent), China (13 400 tonnes, 38.3 percent) and Thailand (3 300 tonnes, 9.3 percent).

Squid

Global captures of *Illex* squid have fallen from 850 000 tonnes in 2014 to just 200 000 tonnes or less in the years since then.

The Argentine squid fishery started well at the beginning of the year but ended with poor catches and total landings just about the same as in 2018. Total landings of Illex squid are estimated at about 100

NEW OCTOPUS FISHERY IMPROVEMENT PROJECT IN MEXICO

The Sustainable Fisheries Partnership (SFP) announced in late August that a new fishery improvement project for octopus off the coast of Yucatan in Mexico has been initiated. A number of companies and institutions are participating in the project. This project has as its principal goals to develop a stock assessment methodology, increase knowledge about the fishery's interactions with protected, endangered and threatened species, strengthen the management and monitoring system, and promote enforcement of the regulatory framework. The project is expected to result in adding about 10 000 tonnes of "responsible octopus" to the market.

000 tonnes. In 2018, landings climbed above the 100 000-tonne mark for the first time since 2015. The poor catches reduced the hopes of a recovering stock. The season ended on 31 August and will not open again until 2020.

In June, prices of Argentine Illex squid were at about USD 4 195–4 410 per tonne. However, by August prices had fallen to USD 3 300–3 700 per tonne, depending on size.

In Peru, the Ministry of Production (PRODUCE) estimates that the landings of squid will reach record levels this year. The Chinese market has been opened for Peru, and thus larger volumes may be exported. The authorities expect exports to grow to about 30 000 tonnes within two years. Until now, Brazil has been the main export market for Peruvian squid, accounting for 40 percent of the country's squid exports, followed by Japan (39 percent) and the Republic of Korea (8 percent). Peru's authorities expect China to become the major export market for Peruvian squid in the future. Landings of Japanese flying squid (Todarodes pacificus) have been good this year, after some years of declining catches. Most of this species is caught in the Yellow Sea and the Sea of Japan, and reports are that landings are significantly better than last year. Even so, prices are high, which is perhaps normal, since prices tend to be high in the beginning of the season and then lower at the end.

It appears that the squid stocks in US waters are in good shape. For the third year in a row, the quota has been caught in full, and many consider this a sign that there are ample supplies of squid in the ocean. The National Oceanic and Atmospheric Administration (NOAA) imposed limitations on the catch as of 21 August. Vessels are prohibited from landing more than 4.5 tonnes per trip through 31 December, and vessels are only allowed to make one trip per day. At the end of August about 95 percent of the 24 000-tonne quota had been landed.

Consumer demand for squid in the United States of America is increasing. Industry observers are now saying that Illex squid has moved away from being bait squid to becoming food squid.

Squid landings in the Canadian province of Newfoundland and Labrador have increased by 40 percent by volume and 50 percent by value during the first half of 2019 compared to 2018. This increase is attributed to changing ecosystem conditions.

Squid processors in the province of Newfoundland and Labrador are in a dispute with the fishers over price. Processors claim that the squid contains as much as 10 percent of water, and they do not want to pay CAD 0.75 per lb for this water content. They demand the water weight to be deducted when determining how much to pay for the squid.

OCTOPUS FARMING FINDINGS IN SPAIN

Spain is very optimistic about their trials with octopus farming. At the Oceanographic Institute of Vigo, the company has been working on closing the lifecycle for octopus. They claim they are very close and that this would pave the way for commercial production of the species by 2023. So far, 50 individuals have been grown to a size of 1.2–2.0 kg and the company claims that they have achieved octopus breeding in captivity. However, the claim may be a little premature, since only one of the 50 octopuses in captivity has laid some eggs. The success reported is the result of a 20-year development effort.

CEPHALOPODS

Trade

Argentine exports of squid during the first six months of 2019 fell by 13 percent to 93 800 tonnes, mostly shipped to China. Chinese vessels are also very active just outside the Argentine 200-mile economic exclusive zone (EEZ), but this year, many of them left for other fishing grounds as the Argentine fishery was getting increasingly disappointing.

The Falkland Islands (Malvinas) may face a difficult situation if the United Kingdom leaves the European Union (Member Organization). As part of the United Kingdom, the Falkland Islands (Malvinas) would lose their preferential market access to the EU28, and Spain is a major importer of their squid.

As a result of Brexit, the Falkland Islands (Malvinas) may have to look for other markets, especially for Loligo squid. Most of this is currently exported to Spain, while Illex squid is shipped mainly to Asia. Companies of the Falkland Islands (Malvinas) have joint ventures with Spanish companies involved in Loligo fishing. However, Chinese, Taiwanese (Province and China) and Republic of Korea's vessels have shown great interest in the squid resource around the Falkland Islands (Malvinas) and may take over the EU28's role as the main market for this squid.

The stepping up of the trade war between the United States of America and China is having a very negative effect on US exports of cephalopods. On 1 September 2019, China increased its punitive tariffs from 25 to 35 percent for a number of seafood products, including squid. This comes on top of the combined 27 percent taxes (duty plus value-added tax) that is already being charged for imported US squid, pushing the total duties to 62 percent. This may not be a huge problem, though, as US squid exports to China are relatively modest at present. Should US supplies increase significantly, these tariffs could certainly hurt more.

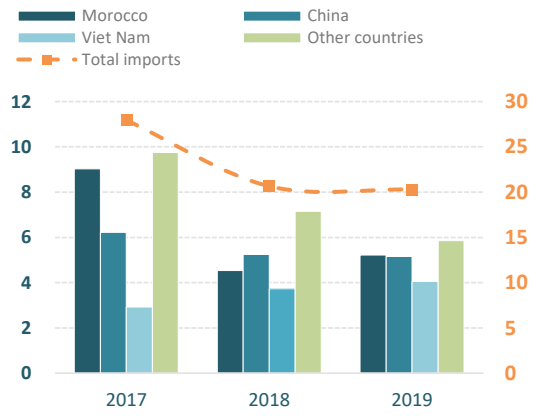
Spain experienced a major drop in imports of squid and cuttlefish during the first half of 2019, from 153 600 tonnes during this period in 2018 to 136 800 tonnes in 2019 (-11 percent). The main supplier, the Falkland Islands (Malvinas), shipped 42 900 tonnes, almost 14 percent more than in the first half of 2018. The second largest supplier, Peru, exported 20 100 tonnes or 26 percent less than in the same period in 2018.

Japan's imports of squid and cuttlefish continued to decline during the first half of 2019, from 89 600 tonnes in the first half of 2017, to 76 800 tonnes in the same period in 2018 and to 71 700 tonnes in 2019.

DELAY REQUESTS FOR GIANT SQUID LAW IN CHILE

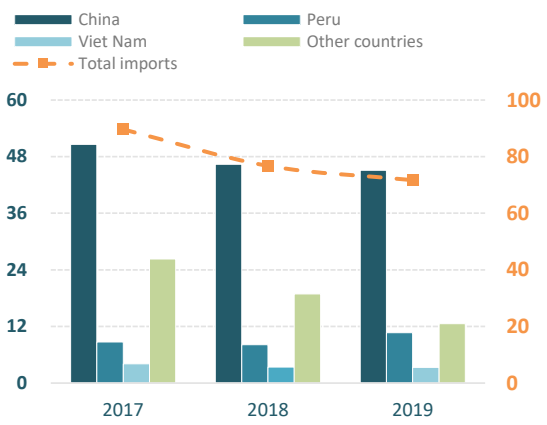
In Chile, industrial fishing workers and artisanal purse seine fishers have asked the Minister of Economy to take steps to postpone the entry into force of the Giant Squid (Jibia) Law for two years. It was supposed to enter into effect on 17 August, but this would seriously affect exports, according to the fishers. The Giant Squid Law gives this fishery to the jiggers, who cannot fish at all times due to weather conditions and the distance from the coast. Thus, as the South Pacific Fisheries Management Organization is preparing to allocate quotas by country based on their fishing history, Chilean operators would lose out. The Minister promised to look at the proposal and give his response as soon as possible.

Japan | Imports | Octopus
Top three origins
Unit: 1 000 tonnes, January-June



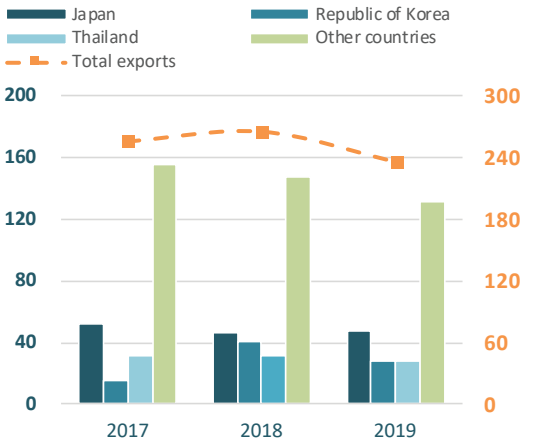
Source: *Japan Customs*

Japan | Imports | Squid and cuttlefish
Top three origins
Unit: 1 000 tonnes, January-June



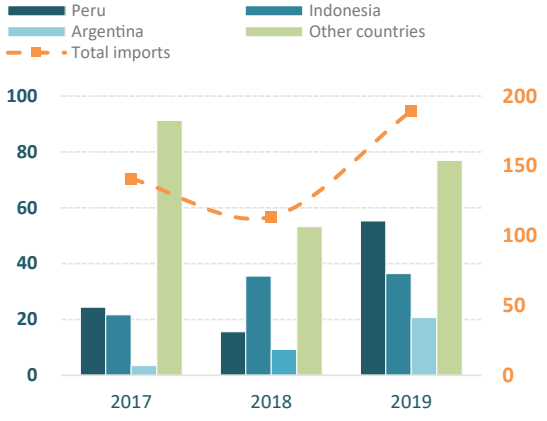
Source: *Japan Customs*

China | Exports | Squid and cuttlefish
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *China Customs, estimates*

China | Imports | Squid and cuttlefish
Top three origins
Unit: 1 000 tonnes, January-June



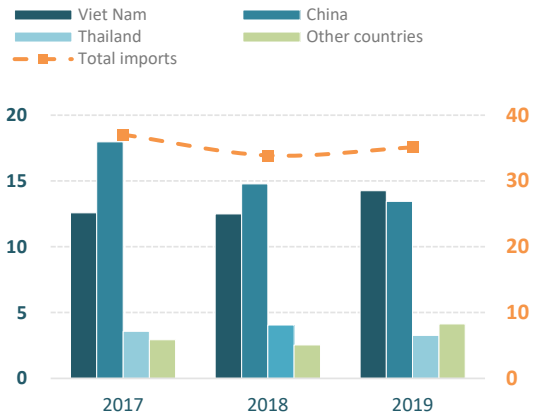
Source: *China Customs*

US imports of squid and cuttlefish have fallen by 27 percent since 2017, from 38 900 tonnes to just 28 500 tonnes in the first half of 2019. China is by far the largest supplier with 48 percent of total imports.

China's imports of squid and cuttlefish increased massively during the first six months of 2019, from 113 600 tonnes during this period in 2018 to 189 400 tonnes in 2019 (+67 percent). The main supplier was Peru, which accounted for 55 300 tonnes of that total.

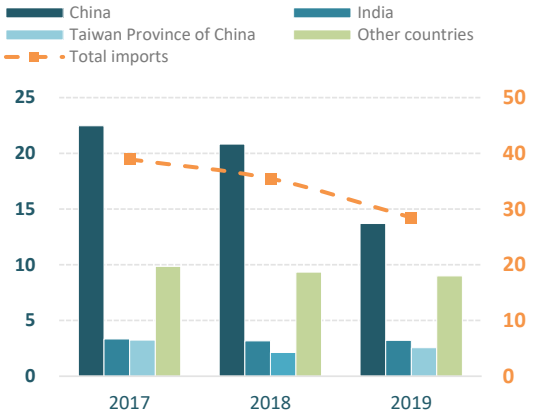
China's exports of squid and cuttlefish fell from 131 100 tonnes in the first six months of 2018 to 107 500 tonnes during the same period in 2019 (-18 percent). The main markets for Chinese squid and cuttlefish were Japan and the Republic of Korea.

Republic of Korea | Imports | Octopus
Top three origins
Unit: 1 000 tonnes, January-June



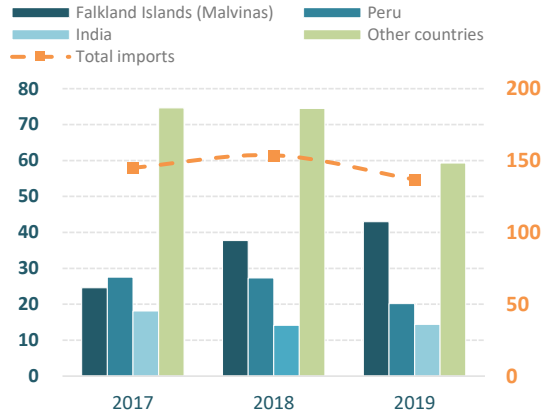
Source: *Korea Trade Statistics Promotion Institute*

USA | Imports | Squid and cuttlefish
Top three origins
Unit: 1 000 tonnes, January-June



Source: *NMFS*

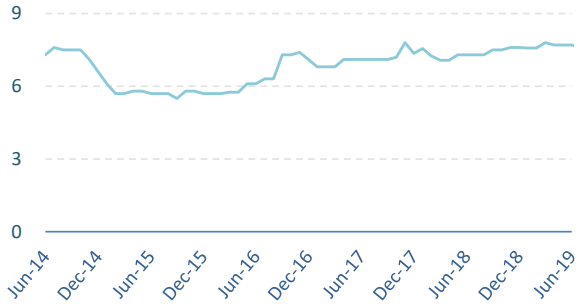
Spain | Imports | Squid and cuttlefish
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Agencia Tributaria*

Prices
Squid: Italy

EUR/kg



Whole, FAS, middle size, origin: South Africa
Source: *European Price Report*

Outlook

The supply situation is changing, with improved catches in North America and in Asia, where catches of Japanese flying squid have been good. However, the outlook is bleak off Argentina at the moment, and an undersupply situation will occur in coming months. Prices have fluctuated slightly, but in Europe they are on a slow but steady upward trend.

The Brexit situation has caused a lot of uncertainties in the cephalopods market. If the United Kingdom leaves the European Union (Member Organization), the structure of the squid trade may be seriously changed, as squid of the Falkland Islands (Malvinas) may lose its access to the Spanish market.

TILAPIA

GLOBEFISH HIGHLIGHTS

Global tilapia sector set for reshuffle as tariffs erode Chinese dominance

The new 25 percent tariff on imports of Chinese tilapia into the United States of America is negatively impacting margins all along the supply chain and pushing prices downwards. The most likely prospects for future growth are now secondary producers in Latin America, Africa and Southeast Asia.

Production

According to the most recent available estimates released by the Global Aquaculture Alliance (GAA), global harvests of tilapia are expected to increase by around 3–4 percent in 2019, to around 6.5 million tonnes. According to the GAA figures, this increase will be driven primarily by an additional 50 000 tonnes of production in China, the world's leading producer and exporter by some distance. However, regulatory changes and mounting challenges in China's most important market, the United States of America, represent an increasingly strong incentive to develop tilapia farming industries in a number of other countries in Latin America, Asia and Africa.

Brazil, currently the fourth largest producer of tilapia worldwide, is investing heavily in its production infrastructure in an attempt to erode the dominance of China in the frozen tilapia segment. The sector's ability to draw on the financial and technological capacity of the powerful Brazilian agriculture industry, as well as its expertise in selective breeding, is driving rapid expansion. The country's large freshwater resources, access to cheap feed and good quality fingerlings, are additional factors that translate into a significant competitive advantage as a tilapia producer and exporter. Analysts expect the Brazilian industry to achieve an increase in production of over 10 percent this year, which would take the total harvest to almost 450 000 tonnes. Almost all of the Brazilian production stays in the country, where prices are higher than in the export markets.

Of the various Asian producers exploring the possibility of taking advantage of the current opportunity to fill a supply gap in the US market, Viet Nam is arguably the most likely candidate, given its existing large-scale aquaculture sector and developed export industry. However, though Vietnamese farmers do already have experience with tilapia, with a production of around 250 000 tonnes in 2018, most are still doubtful of their ability to compete at scale with China. Elsewhere, there have also been calls for the Indian sector to ramp up its production in light of the present situation. Some tilapia production does take place in India, although estimates of the total harvest vary widely depending on the source.

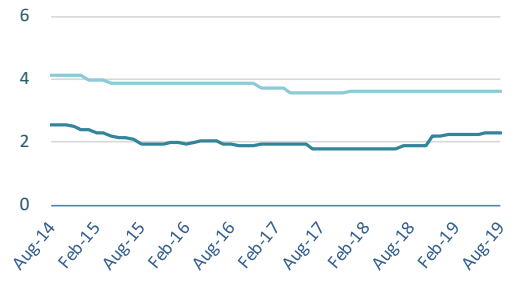
In Africa, the Ugandan government, with funding from the EU28's eleventh development fund, is aiming to build two large tilapia aquaculture facilities. Each site will have an annual capacity of around 20 000 tonnes, meaning the project would effectively triple Uganda's total aquaculture output. EU28 funds have also helped to build a land-based hatchery for tilapia fingerlings in Kisumu, Kenya, which is intended as a pilot project for recirculating aquaculture systems. Meanwhile, Egypt and Nigeria, the world's third and tenth largest tilapia producers respectively, have also seen production increases in 2019.

Markets

Following the spike in buying activity observed just prior to the tariff hike, the full effect of the 25 percent increase in raw material costs resulting from the imposition of the new duty on Chinese tilapia imports into the United States of America is now evident. The market is generally weak. Smaller businesses are struggling and packers are reluctant to place orders despite the low price

TILAPIA

Prices
Tilapia: United States of America



Chilled tilapia fillets: Primary wholesale, NY, USA, origin: Costa Rica; Frozen tilapia fillets: 3-5 oz/lb, EXW NY, USA, origin: China

Source: *INFOFISH Trade News*

United States of America imports of frozen tilapia (January-June)

	2017	2018	2019
Frozen fillets	(1 000 tonnes)		
China	53.8	45.9	40.9
Indonesia	3.1	3.5	3.4
Mexico	0.2	0.7	1.2
Other countries	1.9	1.3	2.1
Total	58.9	51.4	47.5
	2017	2018	2019
Frozen whole	(1 000 tonnes)		
China	8.1	9.3	9.3
Taiwan Province of China	3.6	3.0	3.9
Thailand	0.4	0.4	0.7
Other countries	0.7	0.9	0.8
Total	12.9	13.6	14.7


©wikimedia/VortBot

China exports of frozen tilapia (January-June)

	2017	2018	2019
Frozen fillets	(1 000 tonnes)		
United States of America	28.6	20.1	19.3
Mexico	9.4	8.9	6.6
Israel	4.3	6.1	6.1
Other countries	20.6	14.2	11.6
Total	62.9	49.3	43.6
	2017	2018	2019
Frozen whole	(1 000 tonnes)		
United States	9.4	10.2	10.2
Côte d'Ivoire	14.7	13.6	9.8
Burkina Faso	4.0	4.1	4.3
Other countries	35.9	36.3	29.8
Total	64.0	64.3	54.0

Source: *TDM*

level. The tariff is much higher than the average profit margin in the supply chain, so it is inevitability passed onto the consumer, eroding the competitiveness of Chinese product in the frozen commodity whitefish segment. At the same time, the end of uncertainty for the time being has brought a degree of stability back to the market and supply chain participants are able to begin the process of adjusting to the new market reality. From the supplier perspective, Latin American exporters will continue to look to the US market, while Chinese market development efforts are increasingly focused on the domestic market as well as growing demand from countries in Sub-Saharan Africa and Latin America.

TILAPIA

Trade

The new tariff regime has negatively impacted Chinese exports to the key US market and in turn has seen Chinese exports fall significantly in the first six months of 2019. This marks a continuation of a steady decline in China's tilapia export revenues. From a peak in 2014, Chinese exports have fallen every year, despite some gains in African markets during this period. For the first half of 2019, reported export value was USD 252 million.

While Chinese volumes of low-value frozen tilapia have declined, producers of high-value product have seen some modest gains in recent years that have continued into 2019. The latter group includes Indonesia and some Latin American producers such as Colombia and Costa Rica. Recent performance varies amongst these competing smaller suppliers, and Ecuador is an example of a producer that has been seeing declining tilapia exports to the US market. Although Indonesia also exports limited quantities to the EU28 and Canada, the United States of America represents almost the entire market for these exporters.

Prices

Farmgate prices in China have been falling throughout the second and third quarter of the year due to the negative market impact of the new tariffs. For 300–500 g fish, prices are now around CNY 6 (USD 0.84) per kg. For 500+ g fish, prices are hovering just above CNY 8 (USD 1.12) per kg, down around 10 percent from April 2019 levels. Import prices in the United States of America have followed farmgate prices down, with an average unit value of USD 1.62 per kg reported for Chinese frozen tilapia in the first half of 2019.

Outlook

With the US tariffs seemingly set to stay for now, the global tilapia market transformation can be expected to continue. Substantial price increases are unlikely so long as the duty remains in place. China will seek new markets at home and abroad, while traders are likely to also explore options for bypassing the tariff, while additional processing is a possible alternative in some cases.

In Hainan Province, a major tilapia producing region in China, there are reports that new zoning regulations could see aquaculture operations prohibited in areas where a large number of farms are located.

Overall, there are unlikely to be many opportunities for growth for the Chinese tilapia industry in the near future. For producers such as Brazil, the new market environment presents a potential opportunity for expansion, although China's industry still represents a formidable competitor even with its current pricing disadvantage.

PANGASIUS

GLOBEFISH HIGHLIGHTS

Pangasius prices dive as buyers pull back but rapid output expansion continues

After an exceptional year in 2018, pangasius producers who invested heavily in expansion now find themselves facing much more difficult conditions as full inventories and trade restrictions slow the markets.

Production

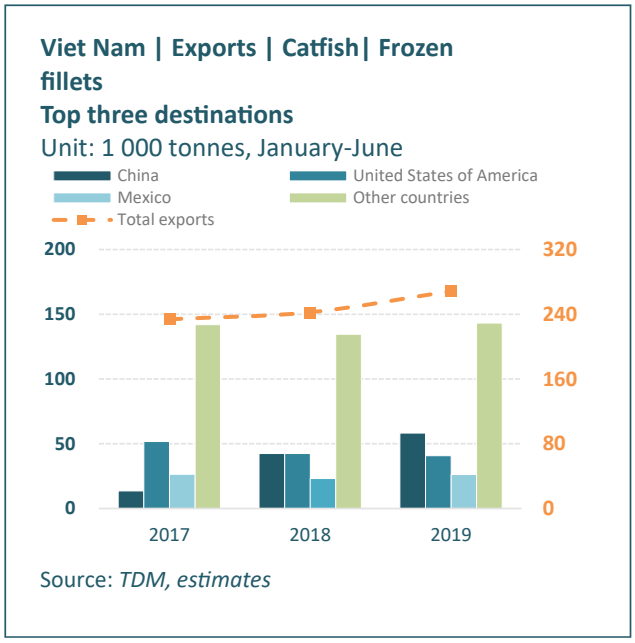
Farmed pangasius production in the world's leading supplier, Viet Nam, will reach record levels in 2019 following heavy investment and expansion across the Mekong Delta. Total harvests are expected to surpass 1.3 million tonnes. Exceptionally high price levels last year are reported to have been the primary cause behind an estimated 18 percent increase in farming area and a total increase in capacity of around 10–15 percent. Although core markets are still well supplied with 2018 product and prices have fallen sharply, good availability of cheap fingerlings and persisting optimism have largely offset any dampening effect on stocking activities. However, challenges are now mounting for independent farmers, as larger integrated companies with both farming and processing operations have been focusing on supply from their own ponds in an attempt to bring down the cost of raw material. Many producers are now struggling to sell sufficient volumes at acceptable prices. In response, some have been delaying harvests to the point where fish harvest weights are up to 50 percent higher than last year's averages.

Although Viet Nam dominates international supply, output growth in other producing countries is also contributing to the widespread availability of pangasius. Indonesia, which produces mainly for its domestic market, is seeing rapid growth in pangasius harvest volumes, while pangasius farming development continues to gather pace in China. The productivity of Chinese operations is still some way behind that of their Vietnamese counterparts, who benefit from decades of experience, established infrastructure and a better climate. Chinese farmers have the advantage of having a large market in close proximity. The sector there is now focusing on developing the practices and technologies necessary to support the industry, starting with high-quality fingerlings and feed. Growth is also being seen in India, where pangasius farming competes with the much larger shrimp aquaculture sector for resources and investment, although the export industry remains very underdeveloped.

Markets

After a year of elevated prices and good sales in core markets, the Vietnamese industry is now faced with a situation in which inventories in important markets, such as the United States of America and China, are well-stocked with high-priced raw material. In the US market in particular, most packers at present are only interested in making smaller purchases to top-up supplies where needed. Some are even discounting their unsold inventories from last year. This subdued demand, combined with various trade-related obstacles that Vietnamese exporters must contend with, means there is a growing incentive to reduce their reliance on the US market. Given the lingering resistance to pangasius still evident in the majority of EU28 countries, markets in Southeast Asia, including Thailand, Malaysia and Singapore, are now attracting an increasing amount of attention from the pangasius sector in Viet Nam.

Expansion in China remains a key objective of the industry as a whole, despite a keen awareness of the risk represented both by the unpredictability of Chinese regulatory changes and future potential of Chinese domestic supply. Vietnamese pangasius is now well accepted by Chinese consumers, both as a cheaper commodity whitefish and as a more high-end product. The species has become



important for the Chinese food service sector and is selling well through e-commerce channels, where the penetration of fillets has also increased.

Trade

After exceptional export performance in 2018, a less active US market saw Vietnamese export revenues decline in the first half of 2019. According to the Vietnamese Association of Seafood Exporters and Producers (VASEP), total export revenue fell by 4.1 percent in the first six months of the year, compared with the same period in 2018.

Full inventories, anti-dumping duties and a downgrade on the US Trafficking in Persons (TIP) report are among the key factors behind the decline in Viet Nam's pangasius exports to the United States of America, which represent over 95 percent of US imports in value terms. The combined effect of these developments on demand have more than offset any potential gains represented by the introduction of tariffs on competing species in the whitefish segment, such as tilapia, as part of the trade war between China and the United States of America. VASEP's figures put the cumulative value of pangasius exports to the United States of America in the first half of 2019 at USD 141.9 million, down by 27.9 percent.

The value of exports to China including Hong Kong SAR, which now represents 26.4 percent of Viet Nam's total export market in value terms, grew by 1.2 percent, a substantially slower growth than that observed over the last few years. China has been cracking down on illegal seafood trade between the two countries and recently issued import bans to Vietnamese companies, two of which are pangasius exporters, although no specific reason was given for the bans. Viet Nam provides almost the entirety of China's external pangasius supply.

Elsewhere, Vietnamese exports to the Association of Southeast Asian Nations (ASEAN) bloc continue to grow as the region takes on increasing importance as a target for market development.

PANGASIUS

In the EU28, a number of large markets, including Germany and the United Kingdom, registered significant increases in imports of frozen pangasius fillets from Viet Nam in the first half of 2019.

Prices

With inventory backlogs, expanding farming areas and trade restrictions all exerting downward pressure, pangasius prices have fallen steeply from the record levels observed in 2018. For the third quarter of 2019, average prices for fillets FOB Ho Chi Minh were around USD 2.35 per kg, contrasting markedly with quotes of USD 3.20 per kg reported at the same time last year. At farm level, fish prices have fallen as low as USD 0.80–0.85 per kg, which are unprofitable levels for many farmers.

Outlook

Market conditions are expected to remain challenging for the remainder of 2019, with subdued buying activity in both the United States of America and China. However, there is some optimism amongst some farmers in the Mekong Delta that this is the bottom of what will be a temporary price lull. There have been some positive developments for Vietnamese exports to balance the negative news to some extent, including the progress made in the ASEAN region and the signing of a trade deal with the European Union (Member Organization), which will see EU28 import tariffs removed on Vietnamese pangasius within three years. On the production side, key areas of focus will be improving fingerling production and management techniques and coordinating sustainable industry-wide production growth.


© wikimedia/raymondellis

SEABASS & SEABREAM

GLOBEFISH HIGHLIGHTS

Losses for Greek aquaculture companies in 2019 but 2020 looks brighter

Lower sales prices have been keeping export revenues stable despite rapid volume growth. Many companies have been unable to cover production costs. The recovery in prices expected next year is urgently needed to prevent further financial damage.

Production

Global production of seabass and seabream has flattened out in 2019, with lower supply growth expected for both compared with recent years. Relative to the same period last year, supply was significantly higher in the first six months of 2019 but is tightening going into the second half of the year. Turkey is now the top supplier of both species, after 7–8 years of rapid growth. The Greek sector has suffered from an inability to maintain consistent profitability while other smaller EU28 producers such as Spain, Italy and France have not pursued aggressive growth strategies. Current supply levels are too high for the market to absorb and the resulting price decline has been inflicting damage on the bottom lines of almost all Mediterranean aquaculture companies, particularly in Greece. Efforts to reduce costs at the farm level have not been sufficient to outweigh the fall in sales prices, driven largely by an influx of cheaper fish from Turkey.

The difficult market conditions of the last couple of years are clearly reflected in the recently reported financial results of the Greek aquaculture sector. Both Nireus and Selonda, two of the largest companies, have reported financial losses for the first half of 2019. This has extended a pessimistic outlook that has seen Greek company valuations plunge. For Nireus and Selonda, this period of poor performance has coincided with the ongoing sales process that began in mid-2018 after a group of investors led by a US private equity fund reached an agreement to acquire both companies and merge them with the previous acquired seabass and seabream aquaculture firm Andromeda. The general consensus is that once completed, the consolidation of the sector will lead to cost reduction due to economies of scale and lend itself to better coordination of marketing and branding strategies. In the meantime, however, the Greek industry is again marked by cash flow difficulties and growing debt levels.

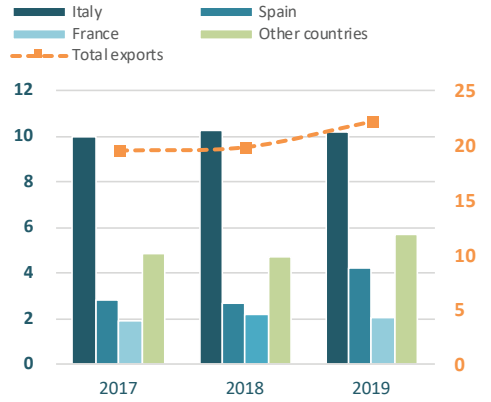
In Turkey, the major contributor to supply growth over the last few years, sector expansion has been slowed by the currency crisis of 2018 and subsequent recession, as well as the deteriorating conditions in the wider market. As the business outlook worsened, aquaculture companies have adjusted their production targets accordingly, as evidenced by a sharp drop in juvenile stocking in 2019 to the lowest levels in eight years. A similar decline has been reported for Greece, Turkey's closest competitor in terms of volume.

Elsewhere, Mediterranean producers are faring better than their counterparts. In Croatia, in particular, the industry is growing and profitability is improving according to reports. Croatia producers, along with numerous other seabass and seabream farmers, have been quick to take advantage of the new Aquaculture Stewardship Council (ASC) standard for meagre, seabass and seabream.

Markets

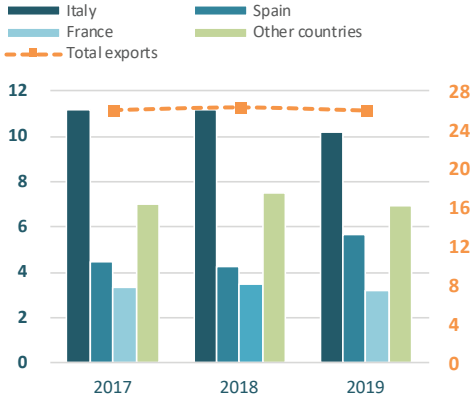
The major market trends of the past few years have continued into 2019. Turkey's share of the total market continues to expand, helped by low prices, a very weak lira, excess supply and Turkey's proactive approach to developing consumer bases in the Middle East region. A particularly striking example of the penetration of Turkish fish is the rapid growth in Greece's imports of Turkish origin

Greece | Exports | Seabass | Fresh
Top three destinations
Unit: 1 000 tonnes, January-June



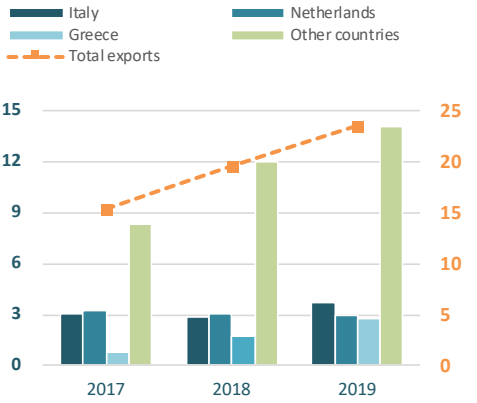
Source: *Eurostat*

Greece | Exports | Seabream | Fresh
Top three destinations
Unit: 1 000 tonnes, January-June



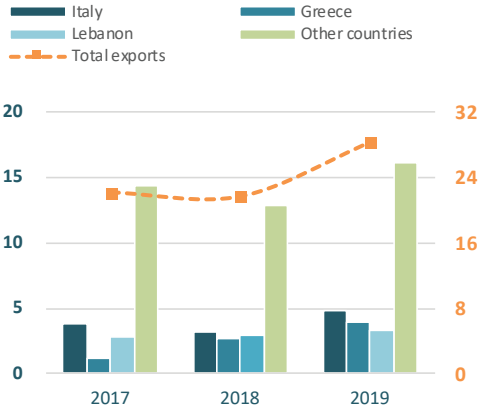
Source: *Eurostat*

Turkey | Exports | Seabass | Fresh
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Turkey Statistical Institute*

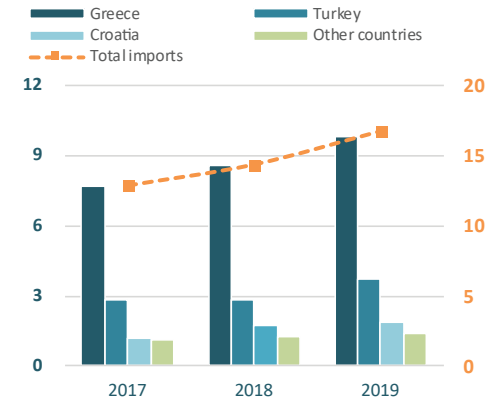
Turkey | Exports | Seabream | Fresh
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Turkey Statistical Institute*

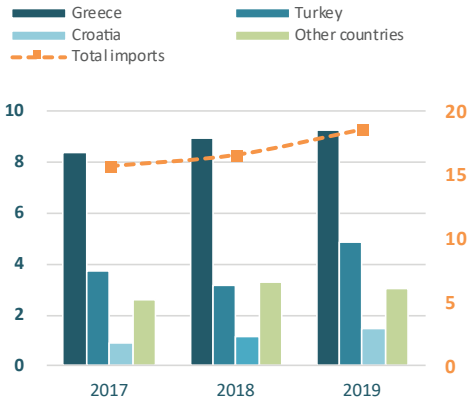
product, a fact that reflects the difficulties that EU28-based producers have faced in competing with Turkey, even in their domestic markets. At the same time, Turkey has been more successful in adapting to a broader shift in consumer preferences towards convenience products, increasing sales of fillets of seabass and seabream in Northern Europe in particular. Another core consumer trend that has been driving changes in the seabass and seabream sector is the growing demand for sustainably produced foods. Ecolabels have proven to be an effective means of communicating this sustainability to consumers, and the new ASC standard for meagre, seabass and seabream is proving popular amongst seabass and seabream producers.

Italy | Imports | Seabass | Fresh
Top three origins
Unit: 1 000 tonnes, January-June



Source: *ISTAT - National Institute of Statistics*

Italy | Imports | Seabream | Fresh
Top three origins
Unit: 1 000 tonnes, January- June



Source: *ISTAT - National Institute of Statistics*

Trade

Although total export volumes of seabass and seabream have risen steadily over the last few years, falling prices have prevented export revenue growth. The total value of all reported exports of seabass and seabream in the first six months of 2019 amounted to EUR 605 million, approximately on par with the same period last year and about EUR 10 million below the first half of 2017. Seabass accounted for EUR 289 million of this total, some 12 percent below the same period in 2018. Greece had a 36 percent share of the total export value while Turkey accounted for 30 percent due to a lower average selling price in euro terms. Turkey's share has been growing consistently at the expense of Greece, having been around 22 percent five years ago. Spain remains the third largest exporter, with a value share of 7 percent.

On the import side, Italy accounted for a 29 percent share of the total value in the first half of this year, followed by Spain, Portugal, France and the Netherlands, with shares of 13 percent, 9 percent, 9 percent and 6 percent respectively. Growth has been most promising amongst the smaller markets, particularly the United States of America, which imported around twice as much seabass and seabream in the first half of 2019 compared with the same period five years ago.

In the Russian Federation, imports of both species increased in the first six months of this year. According to Federal State Customs data, Russian Federation imports of fresh and chilled seabass amounted to 1 800 tonnes during the review period, a 15 percent increase over the same period in 2018. Imports of fresh and chilled seabream reached nearly 1 800 tonnes, representing an 11 percent increase from 2018. Turkey is by far the leading supplier of seabass and seabream to the Russian Federation market with over 99 percent of the volume on the market. Turkish supply is directed to Moscow and St. Petersburg and sold through modern retail stores and restaurants.

Prices

While prices for seabass and seabream have fallen as production increased, prices for seabass have diverged considerably from those of seabream due to the relatively larger gap between supply

SEABASS & SEABREAM


© pixabay/misskursovie2013

Top global producers of seabass and seabream

Imports	2015	2016	2017	2018*	2019*
Turkey	52.33	52.33	61.68	67.50	71.00
Greece	47.91	47.91	56.33	59.00	61.00
Egypt	16.92	16.92	36.32	36.00	34.00
Tunisia	13.50	13.50	20.08	19.00	18.00
Spain	16.83	16.83	18.23	18.90	18.50
Italy	7.73	7.73	8.66	9.50	9.00
Others	22.01	22.01	28.62	28.50	28.50
Total	177.22	198.63	229.92	238.40	240.00

Refers to European seabass and Gilthead bream only
Source: *FAO (until 2017) (*) Estimate*

and demand. As of the end of the third quarter of 2019, prices for 300–450 g Greek seabass on the Italian market were down to EUR 3.60 per kg, compared with EUR 4.20 per kg during the same period last year. Prices for the same sized seabream were around EUR 4.40 per kg for the same period, approximately flat compared with 2018.

Outlook

Overall, estimated juvenile stocking levels in 2019 will be the lowest since 2014 at around 1 million individuals. Seabass and seabream grow to marketable size within 12–15 months, meaning that 2020 supply levels are expected to be significantly reduced compared with recent times. This should suffice to lift prices from current levels, particularly considering the progress that Turkey in particular has made in developing new markets and products. With the growing number of ASC certified farms and the consolidation of the Greek sector, there should now be an opportunity for the industry as a whole to stabilize aggregate production growth at sustainable levels.

SALMON

GLOBEFISH HIGHLIGHTS

Higher than expected supply growth in 2019 but sea lice issues continue

Global production of farmed Atlantic salmon is expected to rise by around 6.5 percent in 2019 according to the latest estimate of 2.6 million tonnes, which would be the highest year-on-year increase since 2014. However, reports out of Chile point to mounting challenges with sea lice.

Production

Atlantic salmon

In Norway, harvests in the first half of the year were 4 percent above the equivalent period in 2018. Volumes picked up significantly in the third quarter, catching the market somewhat by surprise. In Chile, production in the first six months was 9 percent above the first half of 2018 despite ongoing difficulties related to a rise in sea lice levels. In Scotland, the second largest European producer, salmon farmers are driving a strong recovery after an exceptionally poor year in 2018. The Faroe Islands sector is also seeing strong volume gains in 2019.

The algal bloom that killed 8 million salmon in Northern Norway early this year has yet to have a significant impact on harvest volumes, as reports suggest the majority of mortalities were amongst the younger generations of fish. Sea lice management has represented a substantial proportion of Norwegian salmon farmers' costs over recent years, but in 2019 sea lice incidence appears to have stabilized at 2018 levels. Norwegian authorities have now turned their attention to reducing the number of escapes, after figures show 2019 is on course to be the worst year for farmed escapes in eight years.

Reported sea lice levels at Chilean farms spiked during the first half of 2019, including in regions that traditionally do not have serious issues with sea lice. The Chilean government is now actively implementing incentive schemes to encourage salmon farming companies to introduce preventive management plans and non-pharmacological treatments to control and reduce the incidence of these costly parasites. It is now becoming increasingly clear that previous treatments are losing their effectiveness and aquaculture companies and other stakeholders are combining their efforts and resources in an attempt to develop new approaches and technologies to address the problem.

Elsewhere, production growth has generally been strong. Industry development is also continuing in Iceland, the Russian Federation and Canada, driven by the growing global appetite for salmon and the associated upward price trend.

Other farmed salmonids

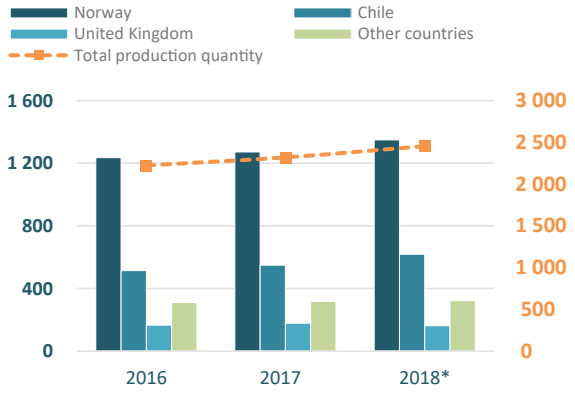
In Chile, coho salmon harvests in the first half the year point to significant volume growth for the year. Rainbow trout production is also projected to rise after a 20 percent year-on-year increase for the same period. Coho salmon and rainbow trout make up around 11 percent each of the total Chilean salmonid harvest.

In Norway, harvests of farmed trout have been about 13 percent higher this year compared with 2018, and biomasses remain substantially above last year's levels.

SALMON

Top three global producers of farmed Atlantic salmon

Unit: 1 000 tonnes

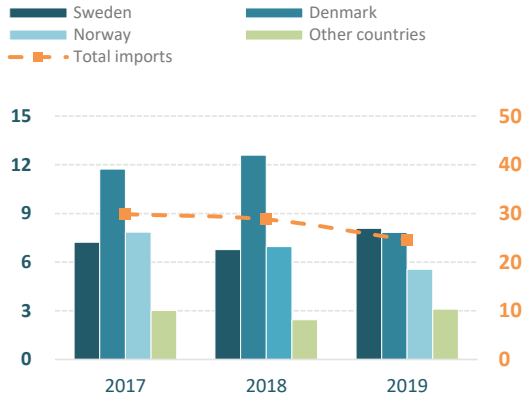


Source: *FAO* (until 2017), (*) estimate

Germany | Imports | Salmon| Fresh whole

Top three origins

Unit: 1 000 tonnes, January-June

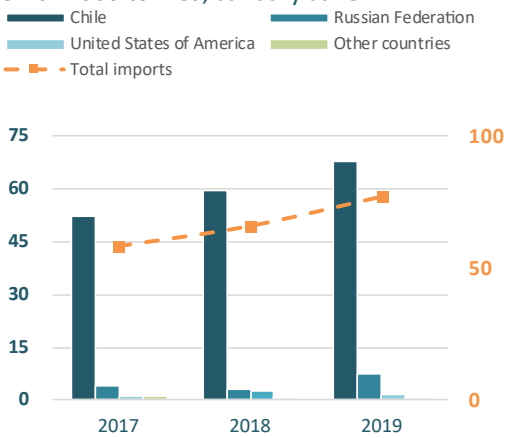


Source: *Eurostat*

Japan | Imports | Salmon | Frozen whole

Top three origins

Unit: 1 000 tonnes, January-June

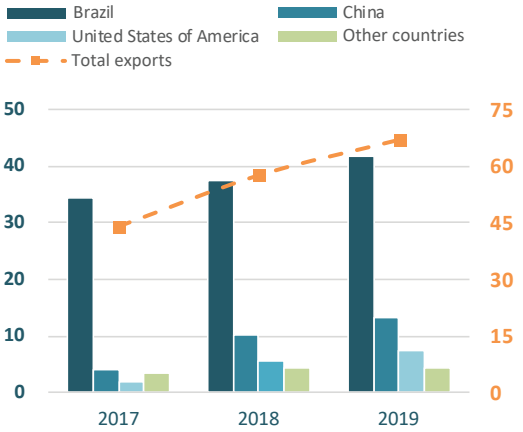


Source: *Japanese Ministry of Finance and the Customs*

Chile | Exports | Salmon | Fresh whole

Top three destinations

Unit: 1 000 tonnes, January-June



Source: *Chile National Customs Office*

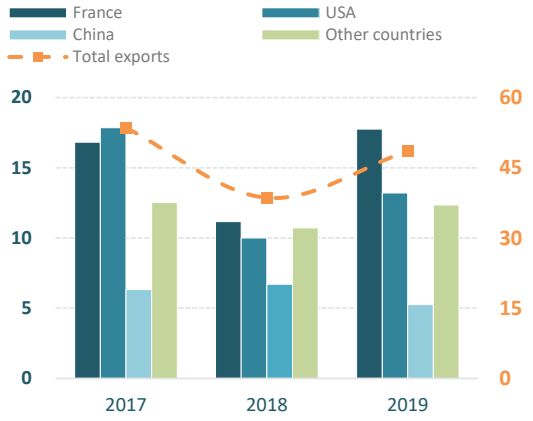
Wild salmon

In the Russian Federation, wild salmon catches in the Kamchatka peninsula slightly exceeded pre-season forecasts this year but the total harvest was around 40 percent below 2018, as a result of the reduction in pink salmon returns that is typical for odd years. Compared with 2017, the Russian Federation harvest of 378 000 tonnes marked an increase of some 56 percent. In Alaska, an exceptionally good sockeye salmon run in Bristol Bay was offset by pink salmon catches that came in below forecast and at 11 percent below 2017. Taking Russian Federation and Alaskan catches together, the total wild harvest for 2019 was around 13 percent below last year and 4 percent below 2017.

United States of America of fresh salmon (January-June)

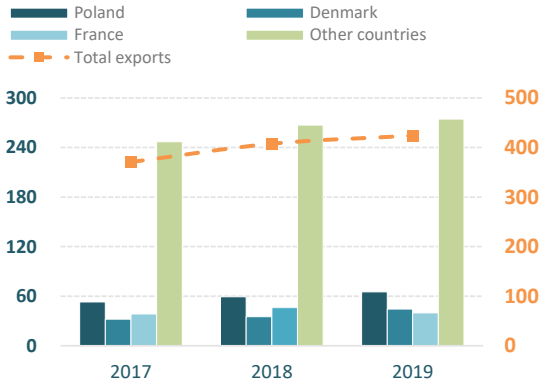
	2017	2018	2019
Fresh fillets	(1 000 tonnes)		
Chile	46.6	58.1	63.1
Norway	9.9	9.1	8.9
Canada	4.8	4.7	3.4
Other countries	6.0	5.3	6.4
Total	67.3	77.2	81.9
	2017	2018	2019
Fresh whole	(1 000 tonnes)		
Canada	35.7	35.9	35.4
Norway	9.0	10.8	9.9
United Kingdom	7.5	6.3	7.7
Other countries	9.2	10.2	14.3
Total	61.4	63.2	67.4

UK | Exports | Salmon | Fresh whole
Top three destinations
Unit: 1 000 tonnes, January-June



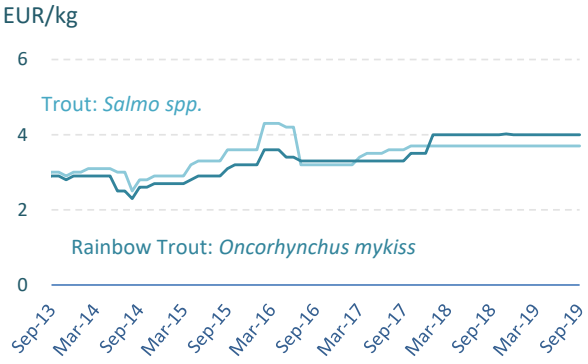
Source: *Eurostat*

Norway | Exports | Salmon | Fresh whole
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Norway Bureau of Statistics*

Prices
Trout: Italy



Ex-farm price from Norway
Source: *European Price Report*

Markets

Despite deteriorating economic conditions in many world regions due to trade tensions and geopolitical uncertainty, global salmon consumption continues to rise. Demand remains strong in both the traditional large markets of the United States of America, the EU28 and Japan and in the new markets of Latin America and Asia. While salmon producers lead the aquaculture industry in terms of technology, the other end of the salmon supply chain continues to make major contributions to product and marketing innovation in world seafood markets. An increasing desire for convenience, demand for freshness and an ever-evolving understanding of sustainability are some of the most

important consumer trends driving market development. Farmed Atlantic salmon remains by far the dominant species in terms of market share, but demand for salmonids in general and the limitations on Atlantic salmon production growth have seen marketers increasingly focused on the opportunities presented by trout, coho salmon and the wild caught species.

Chilean producers of coho salmon have historically been dependent on Japanese buyers, who account for some 85 percent of its export sales. More recently, however, industry stakeholders have become increasingly aware of the need to diversify markets and are exploring options for marketing the species more effectively in the EU28 and in United States of America. Coho salmon have reportedly proved popular with foodservice buyers and retail, but there are some remaining challenges related to its seasonality that need to be overcome. While Japanese sales consist of frozen fish, US buyers are looking for fresh coho salmon, which at present can only be shipped during the last four months of the year. To meet this demand, exporters are testing demand for 'refreshed' fillets, which are defrosted frozen fillets.

Among the wild caught species of salmon, pink and sockeye are the most plentiful. A large proportion of Alaskan pink salmon is traditionally sold in canned form on the North American markets and in Europe, particularly in the United Kingdom. However, this consumer demographic is aging and buyers are increasingly interested in fresh and frozen fillets, as well as headed and gutted product for processing. In the Russian Federation, demand for domestically caught pink salmon is reportedly strong, with a variety of preserved product forms on offer. The species is one of the cheapest seafood options on the Russian Federation market. Sockeye salmon caught by the Russian Federation is generally exported to Japan and the Republic of Korea, where it is supplemented by Alaskan catches.

Trade

Increased production of farmed Atlantic salmon in 2019 has been the main driver of an overall increase in salmon export volumes in the first six months of the year. These additional volumes, combined with the demand dampening effect of global economic headwinds and a strong US dollar, have led to a drop in US dollar traded prices and export revenue growth has slowed for many producers. In general, import growth rates in emerging markets in East and Southeast Asia, the Middle East, South America and Africa are significantly exceeding those observed in the more mature developed markets. Although aggregate global demand is still relatively strong, salmon traders across the world have inevitably become more conservative in the shifting global political environment increasingly characterised by threats, instability and uncertainty.

In the United States of America, the effects of the trade war between China and the United States of America on salmon trade has been less direct than in the case of some other seafood commodities, given that the Alaskan salmon industry has been protected to a large extent from US and Chinese tariffs, due to an exemption for salmon raw material that is exported for processing and re-imported. According to National Oceanic and Atmospheric Administration (NOAA) statistics, strong consumer demand underpinned 6.4 growth in US salmon import volume during the first half of 2019, but pricing pressure saw total import value increase by only 1 percent to USD 2.16 billion over the same period.

In Norway, the world's largest salmon exporter, a weakening of the Norwegian krone versus the US dollar in the first six months of 2019 translated into an increase in NOK salmon export prices for the review period. According to the Norwegian Seafood Council (NSC), Norway exported 5 percent more in volume terms and 6 percent more in NOK terms in the first two quarters of the year. Cumulative

salmon export revenue for the period came to NOK 34.6 billion (USD 4.02 billion). Solid demand in Norway's core EU28 markets has been the foundation for Norway's continued export growth, but the most rapid expansion has been in Asian markets. Although Norway has not yet succeeded in securing a Free Trade Agreement with China as some of its competitors (e.g. Chile) have done, what was previously a very poor trade relationship has improved somewhat and an increasing number of Norwegian companies are now able to access the Chinese market.

Chile saw export revenue grow around 5 percent in the first six months of the year in US dollar terms, driven by steady demand from its key markets in the United State of America and Japan. In Brazil, however, economic slowdown has meant a corresponding weakening of demand for Chilean farmed Atlantic salmon.

The world's third largest producer of farmed salmon, Scotland, posted considerably more impressive results for the first half of 2019, with total export salmon sales increasing 25 percent to GBP 319 million compared with the same period in 2018. It should be noted, however, that this growth is something of a rebound from a poor production year in 2018.

Prices

Price trends for farmed salmon in early 2019 were comparable to the same period 2018, although they diverged somewhat in the second quarter. While Norwegian export prices at Fish Pool hit a peak of USD 9.37 per kg in week 19 of 2018, higher volumes pushed prices down to USD 6.83 per kg in the same week of this year. Although there was a brief recovery in early summer, a steep downward trend resumed in the third quarter for both Norwegian and Scottish salmon. US import prices of fresh fillets of Chilean Atlantic salmon were more stable year-on-year, with the average unit value of USD 12.02 per kg for the first half of 2019, around 3 percent higher than the same period last year.

Outlook

According to the most recent productions, Norwegian harvests of Atlantic salmon will rise by around 4 percent year-on-year in 2019. In Chile, despite good production growth in the first half of the year, increasing pressure from sea lice means full year estimates may be lower. Elsewhere, Scotland and the Faroe Islands are expected to see year-on-year increases of around 20 percent in harvests. Overall, global growth in farmed Atlantic salmon production in 2019 is now expected to be around 6.5 percent. Harvests of farmed coho salmon and trout are also expected to rise significantly. End of year demand should lift salmon prices somewhat from what are relatively low levels at the start of the third quarter, with Fish Pool forward contracts for December 2019 trading at NOK 60 (USD 6.39) per kg. Supply growth of around 4–5 is forecast for Atlantic salmon in 2020, but the ability of the Chilean industry to bring the biological situation under control will be an important consideration. In the longer term, the inherent growth limitations of traditional open net pen aquaculture will continue to drive development of alternative regions and methods for salmon production.

GLOBEFISH HIGHLIGHTS

Northeast Atlantic mackerel quota increase proposed, but EU28 holding back

Recent surveys have made ICES increase its mackerel TAC advise for the North Atlantic. However, the European Union (Member Organization) seems to be holding back. Earlier, ICES had also increased its advice for the herring quota by 38 percent to more than 418 000 tonnes. If the ICES advice is followed, supplies of both mackerel and herring will improve, and prices would be likely to fall.

Mackerel

Research cruises in the North Atlantic, from the southern tip of Greenland to Svalbard and all along the coast of Norway, found large stocks of mackerel in some areas. Six research vessels participated in the survey and travelled more than 22 000 km gathering data. Stock calculations and quota advice for mackerel will be given to the International Council for the Exploration of the Seas (ICES). The survey registered a few very large trawl catches of mackerel in the northern and northwestern areas, especially in the Jan Mayen zone and southwest of Svalbard. There were small mackerel catches registered along the entire Norwegian coast from Hordaland to Finnmark and also in the open seas between northeastern Norwegian Sea and the western Barents Sea. These cruises also found that the Norwegian spring-spawning herring returned to the northern Norwegian Sea after many years of absence.

ICES recommends a 20 percent increase in the mackerel total allowable catch (TAC). Recent research cruises in the North Atlantic suggest large stocks of mackerel in the north. A “mackerel war” is developing between the EU28 on one side and Iceland and Greenland on the other. Iceland and Greenland have set unilateral quota and the dispute has led to the suspension of the MSC certificate for this fishery. The EU28 is threatening to sanction Iceland and Greenland for unilaterally setting their own mackerel quotas for 2020. Iceland intends to increase its quota from 108 000 tonnes to 140 000 tonnes, while Greenland plans to increase its quota by 18 percent to just over 70 000 tonnes. The EU28, Norway and the Faroe Islands have set mackerel quotas through negotiations for the last five years, but they have kept Iceland out of these negotiations and have given only a small allocation of the quota to countries outside this agreement.

This quarrel has led the MSC to suspend its certificate for the Northeast Atlantic mackerel fishery on 2 March 2019. This happened in spite of the ICES advice, which in May set the new catch advice for 2019 of increasing from the 318 403 tonnes set in October 2018 to 770 358 tonnes. Since there was no common agreement between the EU28/Norway/Faroe Islands on the one hand and Iceland and Greenland on the other, the MSC felt that one could not conclude that “the management agency can and will act effectively and in a timely manner to reduce exploitation rate if the point of recruitment impairment is approached.”

Japanese import prices for frozen mackerel have been on an upward trend since the beginning of 2018. This trend continued during the review period. The average import price for frozen mackerel was JPY 254 per kg, up by 20 percent compared to the same period in 2018. Mackerel imports into Japan during the first half of 2019 amounted to 36 800 tonnes, a 17 percent more than in the same period in 2018. The value of these imports increased by 40 percent. As much as 88 percent of the import volume came from Norway, 7 percent from Ireland and 3 percent from Denmark.

Norway is targeting China as a growth market for its mackerel exports. The NSC recently stated they plan to stimulate demand for Norwegian mackerel in China by positioning it as one of the healthiest

food products in the market. In 2018, Norway exported 53 000 tonnes of mackerel to China, but most of this was processed and re-exported to Japan. Only about 8 000 tonnes were estimated to be consumed in China. Recently, several importers have shown interest in importing Norwegian mackerel for consumption in China, and trade statistics support the strategy outlined by NSC. During the first six months of 2019, about 14 700 tonnes of frozen mackerel were exported to China, some 63 percent more than in the same period in 2018.

Herring

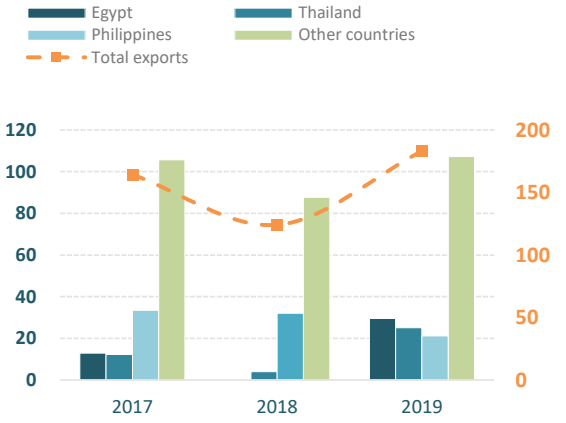
The New England Fishery Management Council (NEFMC) is considering a new framework to adjust the Atlantic Herring Fishery Management Plan. The herring fishery off the northeast US coast has

Norway exports of small pelagics (frozen whole) (January-June)

	2017	2018	2019
Mackerel	(1 000 tonnes)		
China	21.3	9.0	10.3
Republic of Korea	5.8	8.0	8.0
Japan	5.4	9.7	6.0
Other countries	60.1	47.5	31.2
Total	92.6	74.2	55.6
	2017	2018	2019
Herring	(1 000 tonnes)		
Egypt	9.7	14.0	26.1
Lithuania	9.4	10.3	12.7
Nigeria	3.6	4.0	9.2
Other countries	45.0	38.9	36.8
Total	67.8	67.2	84.8

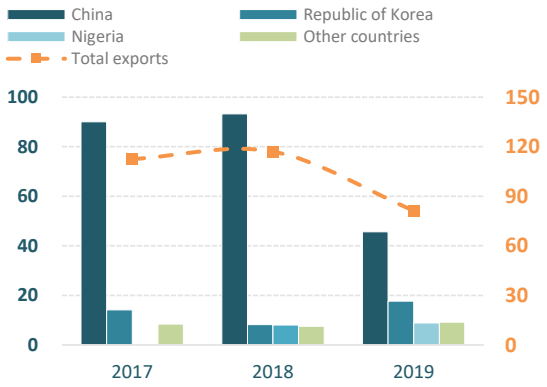
Source: *TDM*

China | Exports | Mackerel | Frozen whole
Top three destinations
Unit: 1 000 tonnes, January-June



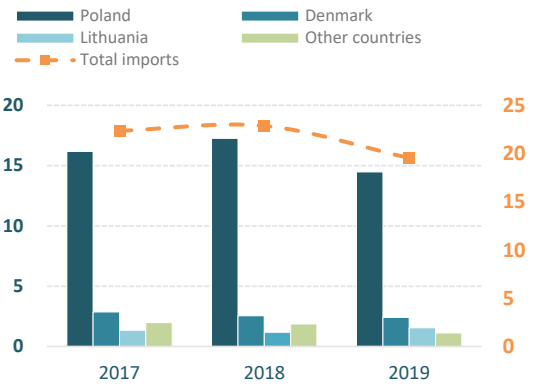
Source: *China Customs, estimates*

Russian Federation | Exports | Herring | Frozen whole
Top three destinations
Unit: 1 000 tonnes, January-June



Source: *Federal Customs Service of Russia*

Germany| Imports | Herring| Prepared/preserved
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Eurostat*

been poor and the 2019 quota was cut dramatically. Much of this herring is used as bait for the lobster industry, so the quota reduction led to a serious shortage of bait in the lobster sector. The NEFMC is planning to work on adjusting the plan through 2020.

On 20 September about 94 percent of Norway's 2019 North Sea herring quota had been landed, which is 107 427 tonnes of the TAC of 114 677 tonnes. Firsthand prices were good. As of 17 April, the average price for North Sea herring was NOK 5.62 per kg, up 39 percent from NOK 4.03 at the same time in 2018. At the end of July, Norwegian vessels reported very high prices for herring as fishmeal and fish oil raw material. Some catches were sold at or above NOK 5.00 per kg, higher than prices paid for herring for human consumption.

Anchovy/Sardines

The Ministry of Agriculture, Livestock, Fisheries and Sustainable Development in Andalusia, Spain, has requested that the national government initiate a review of the distribution of the sardine fishing quota between Spain and Portugal. The distribution is part of the Management Plan for Sardine in Iberian Waters, which allocates 33.5 percent to Spain and 66.5 percent to Portugal. The Spanish fleet is suffering from an historical disadvantage that resulted in a smaller share of the total landings prior to the Order of 2010, which regulates the activity in the Andalusian fishery, when the present distribution was set.

The Bioman research survey, which aims to estimate the size and distribution of adult anchovy to secure the sustainable management of this resource, provisionally found that the Bay of Biscay anchovy biomass this year is about 190 000 tonnes, the second highest figure since the historical series started in 1987, and well above the 21 000 tonnes recommended as the minimum level to guarantee the sustainability of the species. The final analysis of the data and the ICES advice will take place in November.

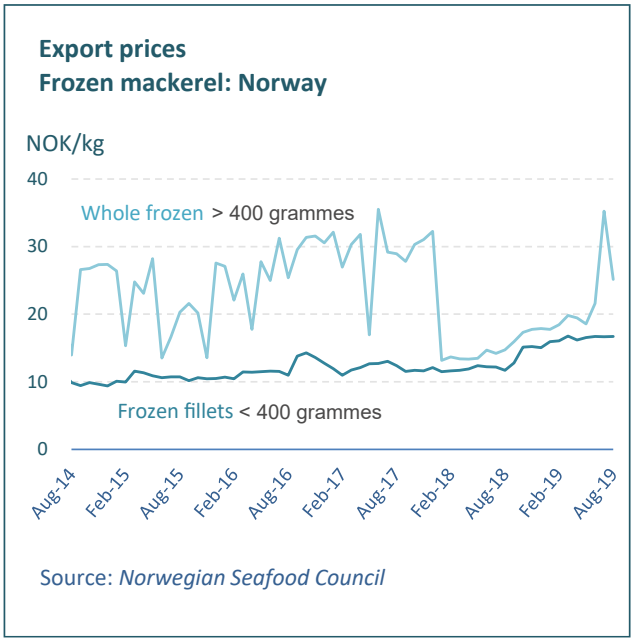
Peru's Ministry of Production (PRODUCE) ended the first anchovy harvesting season in the center-north region on 31 July. At that time, over 95 percent of the 2.1 million tonne quota had been landed. Most of this catch goes to fishmeal production. In late July, PRODUCE set the quota for the second anchovy fishing season in southern Peru at 540 000 tonnes, which was almost the same as last year's quota of 535 000 tonnes. The second season will run from July through December.

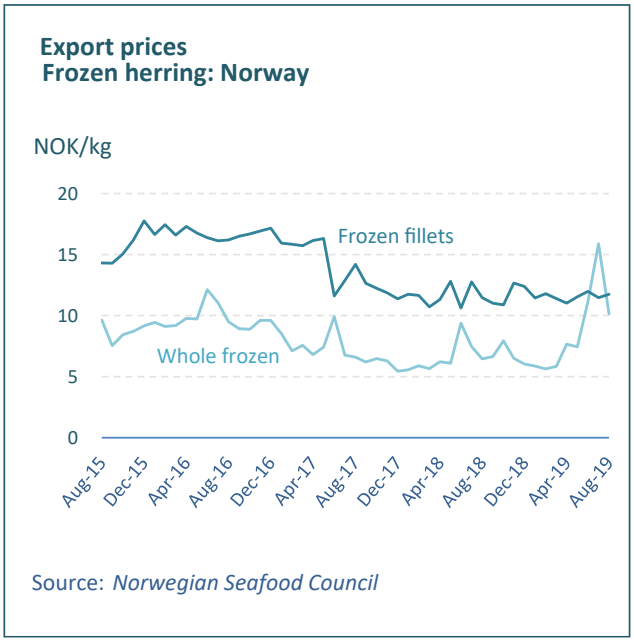
PRODUCE also set the quota for anchovies for direct human consumption at 150 000 tonnes for 2019. This quota applies across all parts of Peru. The quota may be adjusted if the Instituto del Mar del Peru (IMARPE) finds it necessary for biological or environmental reasons. Once the 150 000-tonne quota has been filled, this fishery will be stopped along the entire Peru coastline.

Peru's National Fisheries Society (SNP) has announced that it expects a decline in total landings of anchovy during the first seven months of 2019 of 22 percent compared to the same period in 2018. During the first season, anchovy landings in the northern region were 4.6 percent lower in 2019 than the average for the past five years.

Capelin

Iceland's capelin exports decreased by 68 percent to 6 400 tonnes during the first half of 2019, compared to 16 600 tonnes during the same period in 2018. Belarus became the largest market,





taking 2 100 tonnes of the total, followed by China (1 000 tonnes) and Japan (942 tonnes). With such scarce supplies, prices shot up. The average FOB export price for Icelandic capelin increased by 61 percent, from USD 1.32 per kg in 2018 to USD 2.11 per kg in 2019.

Exports of capelin roe from Iceland also declined during the review period, from 6 300 tonnes in 2018 to 5 700 tonnes in 2019 (-11 percent). The scarcity of supplies coupled with a very good demand, pushed prices up by 105 percent, from an average of USD 5.21 per kg in 2018 to USD 10.67 per kg in 2019.

Trade

Norwegian exports of mackerel during the first half of 2019 declined 25 percent by volume to 55 600 tonnes. The main markets were China, the Republic of Korea and Japan, even though Japan registered a 38 percent decline in imports from Norway.

There were large changes in Chinese exports of frozen whole mackerel. The total volume exported increased by 48 percent to 183 100 tonnes. The main markets were Egypt (29 600 tonnes), Thailand (25 100 tonnes) and the Philippines (21 100 tonnes). There were some major changes in volumes to these three countries. During the same period of last year, Egypt had imported only 467 tonnes from China, Thailand imported 4 000 tonnes and the Philippines 32 000 tonnes.

Norwegian frozen herring exports increased by 26 percent during the first six months of 2019, from 67 200 tonnes in 2018 to 84 800 tonnes. Exports to African markets increased substantially, namely to Egypt up by 86.6 percent and to Nigeria up by 130.5 percent.

Russian Federation exports of whole frozen herring fell by 30 percent during the first half of 2019, from 117 000 tonnes in 2018 to 81 400 tonnes in 2019. Most significantly, exports to China went down by 51 percent to 45 700 tonnes, while exports to the Republic of Korea increased by over 100 percent.

SMALL PELAGICS

Norwegian mackerel FOB export prices have been on an upward trend since early 2018. They spiked in July 2019 but fell back again in August, though the trend is still up.

Prices for frozen herring fillets from Norway are declining slightly, while prices for round frozen herring had a noticeable upturn in the second quarter of 2019.

Outlook

There is uncertainty about the status of Northeast Atlantic mackerel, as the EU28 and Iceland/ Greenland are in a serious dispute over quotas. If the EU28 gets its way, quotas will not be increased. However, if the advice of ICES is followed, there will be a massive increase in mackerel in 2020.

The Norwegian herring fishery is all but over for this season as most of the quotas have been filled. Prices will edge upwards.

The herring fishery off North America is in dire situation and a serious adjustment of the management of this resource will probably be announced in late 2020 or early 2021. Until then, quotas will remain low.

For South American anchovy, the quotas are about the same as for 2018, but 150 000 tonnes of Peru's anchovy have been earmarked for human consumption. Total Peruvian landings of anchovy are expected to be lower in 2019 than last year. This will mainly affect the fish meal and fish oil industry.

FISHMEAL & FISH OIL

GLOBEFISH HIGHLIGHTS

Price drops before the second fishing season in Peru

Fishmeal prices have been trending downward. Its biggest market, China, has been facing uncertainties that include high stocks on ports, ongoing trade war with the United States of America, a weakening yuan and an Africa Swine Fever outbreak

Production

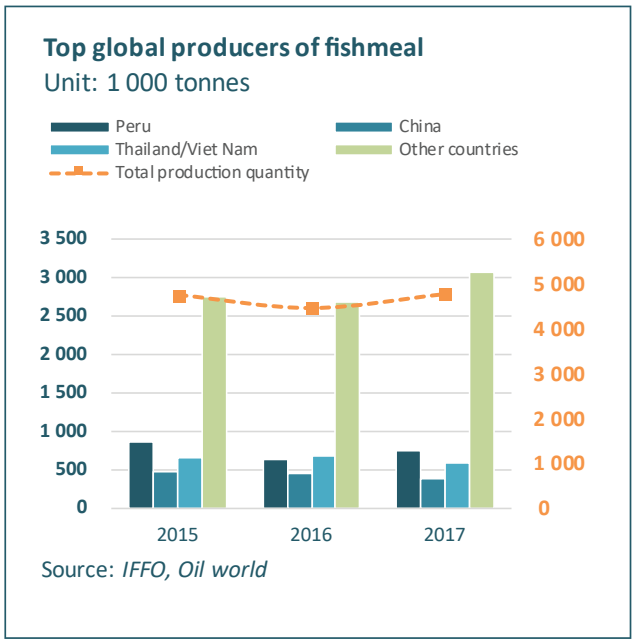
The first anchovy-fishing season of 2019 in the centre-north region in Peru ended with a total output marginally over 2 million tonnes, nearly 96 percent of the designated 2.1 million tonnes quota. For the first eight months of 2019, a total of 2.4 million tonnes of raw material were landed in ports along the Peruvian coast. This represents a 41.5 percent decrease from the same period of last year. The decline in raw material translated into an identical drop in fishmeal output in Peru, with only 564 100 tonnes produced between January and August of 2019 compared to 962 400 tonnes in the same period of 2018.

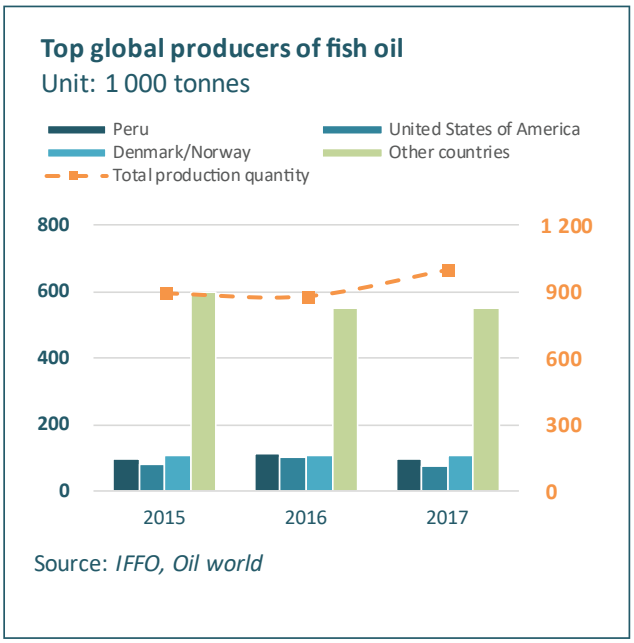
In contrast, the fishmeal production in Chile was stable at approximately 271 000 tonnes during the review period between 2019 and 2018, including fishmeal coming from the waste of the salmon processing industry.

There have not been any announcements for capelin quotas around Iceland and in the Barents Sea, as capelin stocks in Icelandic waters are in poor shape. These are important sources for fishmeal production and they are largely responsible for the slide in fishmeal production in Iceland and the North Atlantic during the first eight months of this year.

Fish oil production plunged during the first half of 2019, confirming the forecast. All producing countries reported output of less than 100 000 tonnes between January and August, with Peru and Chile totalling around 98 000 tonnes each.

© pixabay/kaylamaurais





Exports

Peru increased its fishmeal exports by 12 percent (627 000 tonnes) during the first half of 2019, compared with the same period in 2018, with 80 percent directed to the Chinese market. Asian countries, including also Japan and Viet Nam, absorbed more than 90 percent of the Peruvian fishmeal exports.

Peru increased total exports of fish oil by 41 percent to a total of 95 900 tonnes in the first half of 2019. Denmark exports of fish oil reached 72 800 tonnes, an increase of 14 percent compared with the same period of last year. About 77 percent of these were imported by Norway (56 600 tonnes).

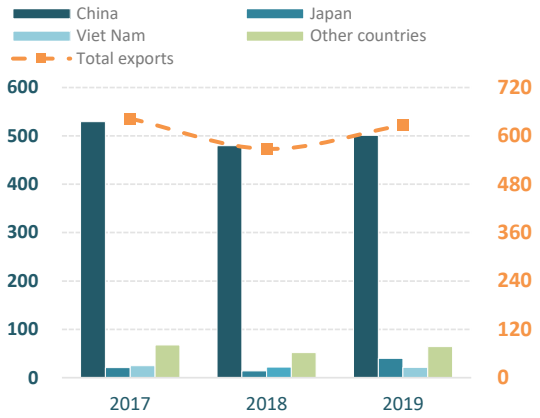
Markets

In the largest fishmeal market, China, approximately 55 percent or 428 800 tonnes of fishmeal imports were sourced in Peru during the review period. This represents a 98 percent increase from the volume reported for the same period in 2018. Currently, the stocks at Chinese ports are at sky-high levels and trade has been low until Peru initiates its new season, possibly in November. According to the Marine Ingredients Organisation (IFFO), stocks in Chinese ports such as Shanghai and Guangzhou stood at around 300 000 tonnes in September, almost double than in September of last year. This figure doesn't include stocks held by feed companies themselves.

More than half of the Chinese swine livestock will likely be lost by the end of this year due to an outbreak of African Swine Fever (ASF). This is one of the reasons why the fishmeal stock level in Chinese ports is so high, the second is the substantial increase in fishmeal imports from Peru. During the current interval between the first and second anchovy-fishing season in Peru, with nearly no landings, the high inventory will likely be consumed.

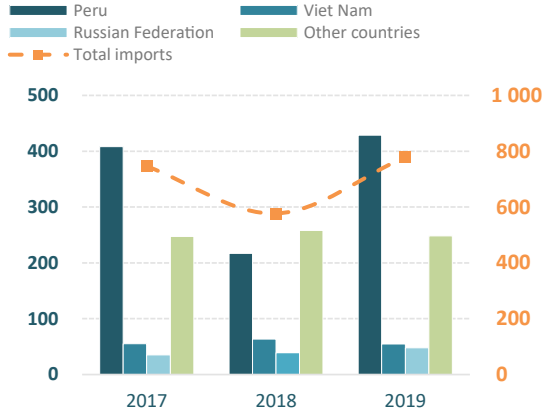
Viet Nam is gradually becoming an important supplier of fishmeal to Asian countries, given its clear geographical advantage and processing sector. The rapid development of the pangasius and shrimp

Peru | Exports | Fishmeal
Top three destinations
Unit: 1 000 tonnes, January-June



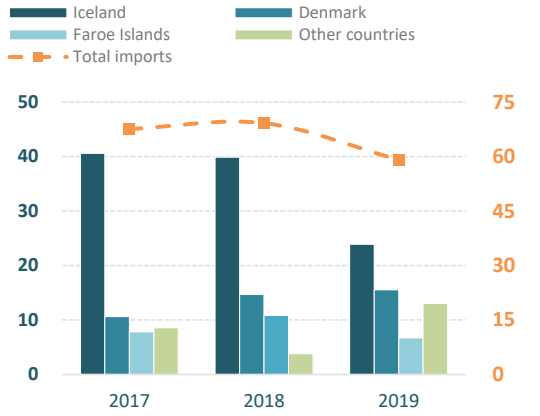
Source: *Peru Statistics Office - SUNAT*

China | Imports | Fishmeal
Top three origins
Unit: 1 000 tonnes, January-June



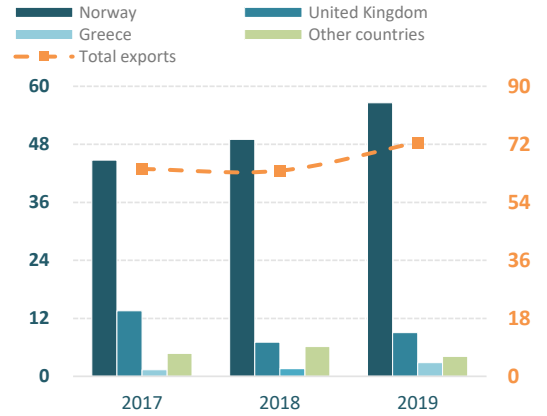
Source: *China Customs, estimates*

Norway | Imports | Fishmeal
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Norway Bureau of Statistic*

Denmark | Exports | Fish oil
Top three destinations
Unit: 1 000 tonnes, January-June

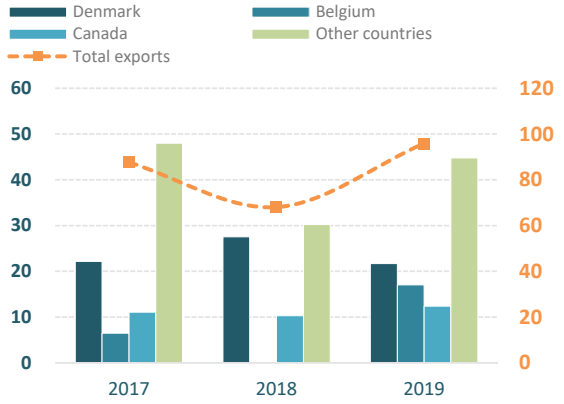


Source: *Eurostat*

industry in the country requires a large amount of fishmeal input, so domestic fishmeal production would be a clear gain. However, a large amount of its fishmeal is still imported. During the first half of 2019, Viet Nam was the third largest importer of Peruvian fishmeal, following China and Japan.

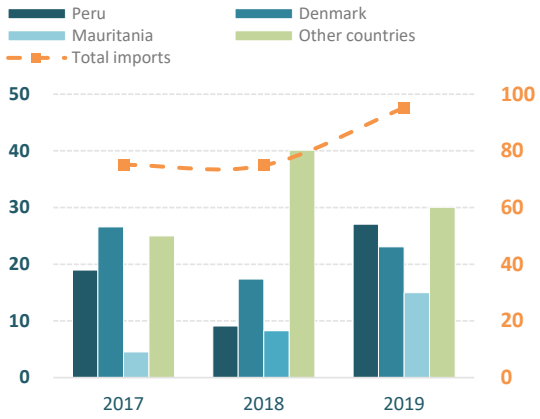
Norway's imports of fish oil increased by 27 percent from 74 900 tonnes in the first six months of 2018 to 95 200 tonnes this year. This rise was mainly shipped from Peru, with an almost tripled volume compared to the same period of last year.

Peru | Exports | Fish oil
Top three destinaions
Unit: 1 000 tonnes, January-June



Source: *Peru Statistics Office - SUNAT*

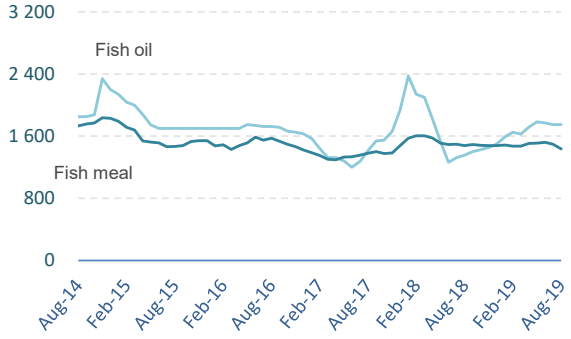
Norway | Imports | Fish oil
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Norway Bureau of Statistic*

Prices
Fish oil and fishmeal: Europe

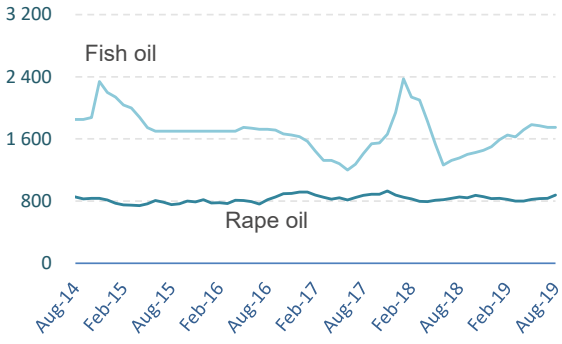
USD/tonne



Source: *Oil World*

Prices
Fish oil and rape oil: Europe

USD/tonne



Source: *Oil World*

Prices

Fishmeal and fish oil prices have been on an overall downward trend with occasional oscillations, after prices peaked at the end of 2014 as a result of a zero quota at that time. Fishmeal prices have been hovering at around USD 1 500 per tonne since June 2018, but there is a noticeable drop that started in June this year, mainly due to the high stocks in China, but also because of the weakening yuan.

The trade war between China and the United States of America has no clear end in sight, but fishmeal has been removed from the punitive list. The Chinese tariff on imported fishmeal from the

United States of America is 2 percent again, but the impact of this change on global fishmeal and oil price is still unknown.

Outlook

With the first anchovy-fishing season of 2019 now over, Instituto del Mar del Perú (IMARPE) is conducting a biomass evaluation for the second fishing season, which usually starts in November. There is currently no reason to expect a weak second season in Peru, but the actual quota is still unknown.

The price of fishmeal and fish oil has been decreasing and this trend is likely to continue considering the weakening yuan and Chinese high stocks. In addition, the tax to be levied on fishmeal exports by Peruvian authorities will compound the situation of global fishmeal supply.

© pixabay/monicore

LOBSTER

GLOBEFISH HIGHLIGHTS

US East Coast landings slow, Canadian landings improved

The Maine lobster fishery started late due to late molting this year and landings have been slow. In Canada, landings have been much better. Prices have been stable but may rise in the coming months.

Supplies

Maine accounts for about 80 percent of the total lobster catch in the United States of America. Canadian processors buying lobster from Maine to fill their orders have been complaining that Maine landings were down by about 30 percent this year compared to 2018. The late molting of Maine lobsters, which may have been caused by the long and cold spring, resulted in a slow start for the lobster season. Molting is important because when a lobster sheds its shell and starts growing a new larger shell, it increases in total size to legal catch sizes. When molting starts late, the lobster reaches larger size later too. The slow start of the Maine fishery did not push prices upwards in the beginning.

The Canadian lobster fishery normally starts a little later than the Maine fishery. During the past few years, fishermen have noticed that the lobster is moving further north, probably as a result of changing water temperatures. Newfoundland landings have been markedly up this year and overall landings in Canada have been good, about on par with 2018. Prices have started to edge upwards in the autumn.

WORLD'S FIRST ONSHORE LOBSTER FARM IN TASMANIA

The Australian government contributed AUD 5 million (USD 3.4 million) to a project by the University of Tasmania that aims to establish the world's first onshore lobster farm. Lobster farmer Ornatas, who plans to commercialize the land-based technology developed by this university, will also contribute AUD 5 million towards this project. The total cost of the project is estimated at AUD 26 million (USD 17.7 million).

International Trade

The trade war between the United States of America and China is stepping up, and some serious effects are being felt in the US East Coast lobster industry. US lobster sales to China were down by 80 percent during the first six months of 2019 compared to the same period of last year. US lobster exports to China during the first half of 2018 amounted to 5 400 tonnes, but during the same period in 2019 this had dropped to 988 tonnes. This has prompted some US lobster companies to reduce their staff.

At the same time, Canadian shipments of lobster to China have increased sharply. During the first half of the year, Canadian lobster exports to China reached 11 600 tonnes, compared to 6 197 tonnes during the same period in 2018. The value of Canadian lobsters sent to China during the first six months of the year amounted to USD 200 million, whereas total Canadian lobster sales to China in 2018 was USD 223 million.

Although the present situation is bleak for the Maine lobster industry, they are not giving up. Representatives of the industry state that they will be able to re-build the trade with China when the tariff is lifted again. However, the longer this trade war lasts, the more difficult it may be. Chinese

LOBSTER

World imports/exports of lobster (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
United States of America	28.8	29.8	27.5
China	11.5	18.9	22.8
Hong Kong SAR	3.2	3.5	3.0
Other countries	37.3	21.2	20.1
Total	80.8	73.5	73.4
	2017	2018	2019
Exports	(1 000 tonnes)		
Canada	41.2	41.5	48.7
United States of America	9.9	11.7	8.3
Australia	5.5	6.1	5.8
Other countries	19.6	34.9	19.4
Total	76.1	94.2	82.2

Source: *TDM, estimates*

United States of America imports/exports of lobster (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
Canada	25.8	27.2	25.0
Bahamas	0.9	0.6	0.6
Honduras	0.4	0.6	0.4
Other countries	1.7	1.5	1.5
Total	28.8	29.8	27.5
	2017	2018	2019
Exports	(1 000 tonnes)		
China	2.5	5.5	1.9
Canada	0.8	0.6	1.2
Hong Kong SAR	0.7	1.3	1.1
Other countries	5.9	4.4	4.1
Total	9.9	11.7	8.3

Source: *US Census Bureau*

buyers turned to other suppliers, mainly Canadian, to get their supplies of American lobster. some US lobster exporters have chosen to ship their lobsters to Canada for processing in order to reach the Chinese market. But in that process, they are losing profits by having to go through Canadian intermediaries.

Global world imports of lobster remained stable during the first six months of 2019 compared to the same period in 2018. The United States of America imported a little less, while China imported a bit more. The main exporter, Canada, increased its share of the total trade and accounted for 59.2 percent of total global exports compared to 44.1 percent in the first half of 2018.

Prices

Poor landings in Maine have put some pressure on prices, although not to the extent that one would expect. Maine landings were down during the review period, and curiously prices were also down in July. Wholesale price for a 1 lb lobster in Maine was USD 7.33 in the beginning of July, or USD 0.62 lower than last year on the same date.

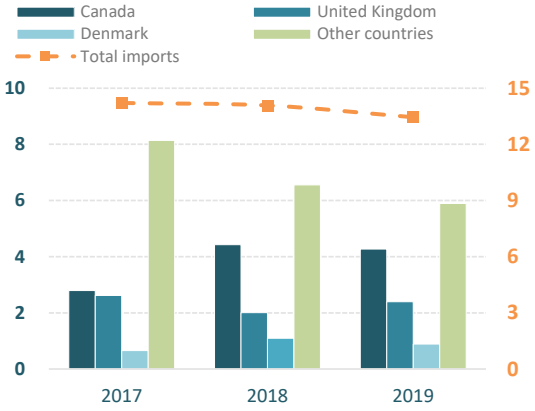
In the Caribbean, high prices for spiny lobster have been reported. Prices paid at the start of the season were the highest ever, reaching about USD 14–15 per lb.

The Bahamas are now trying to gain a foothold in the Chinese lobster market and are well positioned to meet this goal as the Bahamas spiny lobster fishery recently received MSC certification.

Hurricane Dorian hit the Bahamas between 24 August and 10 September and was the worst natural disaster in the country's history. The exact death toll is now estimated at 56, but more than 600 are still missing. Harbours and boats were smashed, and lobster traps were lost. Although it is still early days, it must be assumed that the effect of the hurricane on the fishing industry will be great. Lower landings of spiny lobster in the months to come are therefore expected.

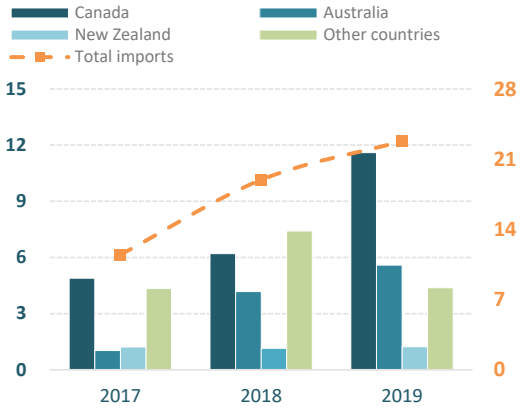
LOBSTER

EU28 | Imports | Lobster
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Eurostat*

China| Imports | Lobster
Top three origins
Unit: 1 000 tonnes, January-June



Source: *China Customs, estimates*

BAIT SHORTAGE PROBLEMS

Maine lobster fishers have for some time faced a shortage of cheap fish for bait. This year, the lobster molt started late, but once it started in July, the bait shortage became obvious. However, the preferred bait fish, Atlantic herring, was in short supply due to the 70 percent cut in the quota. Lobster fishers moved to menhaden as an alternative. At the end of June, this year's menhaden quota of 1 100 tonnes had been landed and the bait shortage problem worsened. The Maine lobster fishery is dependent on herring for bait, and find it hard to switch to other species. The Atlantic States Marine Fishery Management Council approved an extra 2 300 tonne quota in mid-July to help solve the problem. Even so, the Maine lobster fishery is still facing a bait shortage.

Canadian lobster fishers are not dealing with bait problems as their colleagues in Maine. Canadian fishers use a variety of fish for bait and are able to adjust quickly if one species is in short supply, whereas the Maine lobster fishers depend heavily on herring.

Outlook

The supply situation seems relatively stable with regard to North American lobster. While Maine landings are down, Canadian landings have been higher than last year.

As long as the trade war between the United States of America and China continues, Canada will benefit and increasingly take over the Chinese market at the expense of US exporters. Demand in China is good and growing, and this should also push prices upwards.

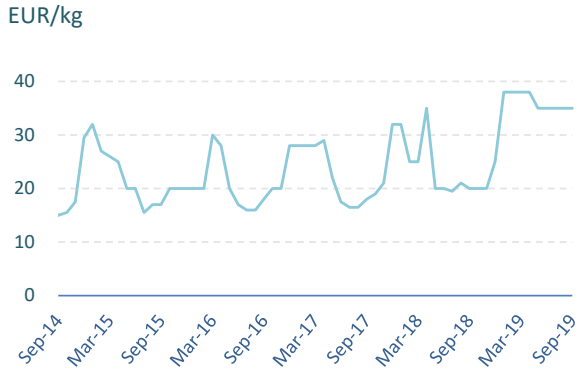
Prices for spiny lobster are good, and prices in the Caribbean will remain high for some time. Demand is good and increasing all round.

LOBSTER

Canada| Exports | Lobster
Top three destinations
Unit: 1 000 tonnes, January-March

Source: *Canada Statistics*

Prices
European lobster: Europe



Live, origin: Ireland; 400–600, 600–800 g/pc
Source: *European Price Report*

MASSACHUSETTS SET TO PERMIT MORE LOBSTER PROCESSING

The US state of Massachusetts has for years had a most peculiar law which forbids the processing of lobster within the state itself. Consequently, Massachusetts-landed lobsters have been sent to Canada for processing, and then re-exported back to Massachusetts as "Product of Canada".

But now this will end as a new law permitting lobster processing in Massachusetts has been passed by the state legislature and sent to the Governor for signing. The new law will come into effect in 2020. Massachusetts is the second largest lobster state in the United States of America, accounting for about 8 165 tonnes of lobsters landed each year. The largest lobster state is Maine, which landed approximately 43 400 tonnes in 2018.


© unsplash/louishansel

BIVALVES

GLOBEFISH HIGHLIGHTS

Bivalve production increasing due to positive demand patterns

Traditional bivalves were mainly consumed in live form in the producing countries. However, in recent years there has been a trend for more international trade in bivalves. This is especially true for frozen bivalve products. At present, demand for bivalves is high and prices are rising quite fast.

Mussels

China is the main mussel producer in the world with about 600 000 tonnes, but most of this production is to feed other fishery products, such as the culture of blue crab. Spain is the main producer of mussels for human consumption, producing 250 000 tonnes of mussels per year and with an increasing trend. In recent years, Spanish producers managed to get a certification of Protected Denomination of Origin from the EU28, which will help to promote its image in the EU28 market.

Northern European consumers pay about twice as much as consumers in Southern Europe. This might be due to simpler and shorter value chains in the Southern part of the continent. But mussels are expected to increase their presence in new markets, such as the Russian Federation and the United States of America. Prices are likely to go up in line with additional demand.

Australia is expanding its blue mussel culturing industry, with the goal to sell to the EU28 and the United States of America during periods of the year when the production there is low, taking advantage of the different climatic season in the Southern hemisphere.

Chilean exports of mussels were stable at 44 000 tonnes during the first six months of the year, when compared with the same period of last year. Their presence in the Spanish market is declining, even though Spain continues to be the main client for Chilean frozen mussel exports. This product is mainly going as raw material into the Spanish canning industry.

Spanish imports of mussels went down in 2019, probably in light of the good domestic production. In the first six months of the year only 9 000 tonnes were imported, compared with 13 000 tonnes and 10 000 tonnes in the same period of 2017 and 2018, respectively. France reported steady imports during 2019, at 31 000 tonnes, with Spain and the Netherlands as main suppliers.

World imports/exports of oysters (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
United States of America	5.5	5.8	4.7
Japan	3.9	4.0	4.2
France	3.5	3.1	3.3
Other countries	20.4	17.3	19.3
Total	33.3	30.2	31.5
	2017	2018	2019
Exports	(1 000 tonnes)		
Republic of Korea	5.5	6.7	7.0
France	5.2	5.4	6.2
Spain	4.0	3.1	3.1
Other countries	21.6	20.8	18.4
Total	36.4	36.0	34.7

Source: *TDM, estimates*

World imports/exports of scallops (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
China	23.9	47.6	28.9
United States of America	10.9	9.7	7.3
France	7.0	5.2	6.0
Other countries	31.2	30.2	31.5
Total	73.0	92.8	73.7
	2017	2018	2019
Exports	(1 000 tonnes)		
China	16.2	14.1	13.9
Peru	2.0	1.3	3.8
Canada	3.2	3.1	3.6
Other countries	28.6	28.3	21.4
Total	50.1	46.8	42.7

Source: *TDM, estimates*

BIVALVES

World imports/exports of mussels (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
France	30.9	31.1	30.9
Italy	23.0	17.3	18.5
United States of America	18.9	15.0	18.4
Other countries	79.0	79.1	73.5
Total	151.7	142.5	141.4
	2017	2018	2019
Exports	(1 000 tonnes)		
Chile	44.3	45.2	43.8
Spain	24.6	25.7	25.0
Netherlands	21.9	19.5	19.7
Other countries	77.7	79.0	80.9
Total	168.4	169.3	169.4

Source: *TDM, estimates*

World imports/exports of clams-cockles and ark shells (January-June)

	2017	2018	2019
Imports	(1 000 tonnes)		
Japan	45.2	39.9	38.2
Republic of Korea	31.1	26.8	27.5
Spain	17.4	16.2	17.1
Other countries	46.3	54.4	58.3
Total	140.1	137.3	141.1
	2017	2018	2019
Exports	(1 000 tonnes)		
China	87.2	78.1	78.4
Canada	7.5	8.1	8.6
Indonesia	6.5	6.3	6.0
Other countries	32.4	35.2	37.8
Total	133.4	127.7	130.8

Source: *TDM, estimates*

Scallops

The European Union (Member Organization) has re-approved China for scallop exports to the EU28, from which it had been banned since 2007. Peruvian scallop production recovered completely after the contraction in 2017 and 2018, when production dropped by 80 percent due to environmental problems. In the near future, Peru will target mainly the US market, as Chinese exports there will suffer in the coming months from US tariffs on seafood including scallops from China. The EU28 market for Peruvian scallops is expected to recover very slowly. French imports during the first half of the year reached 1 600 tonnes, four times the corresponding 2018 amount for the same period.

Total world scallop exports declined from 92 800 tonnes in January–June 2018 to 73 700 tonnes in the same period of 2019. This was mainly due to reduced imports into China.

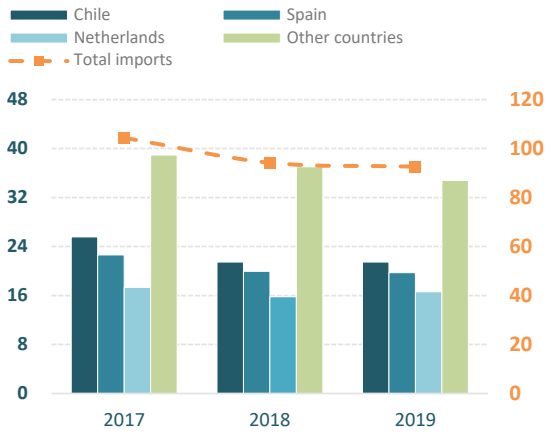
Oysters

In the first half of the year, oyster trade (both imports and exports at world level) was stable at about 32 000 tonnes. The Republic of Korea and France are the main exporting countries, while the United States of America and Japan are the main importing countries. The Republic of Korea targets mainly the Japanese market, while France delivers to neighbouring EU28 countries and to China. During the first months of the year consumption isn't strong , while the closing months are the main sales period, cumulating in the Christmas festivities.

Clams

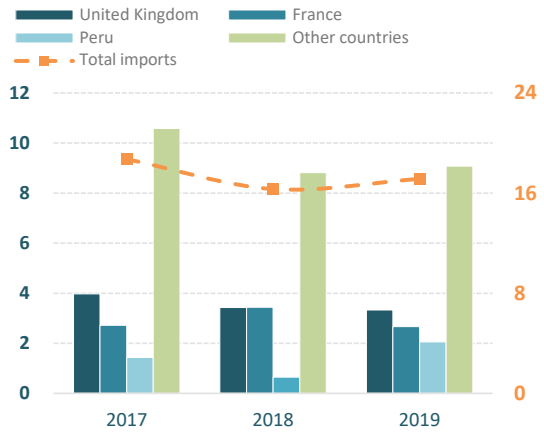
In the first six months of the year, clam exports increased slightly to reach 141 000 tonnes. Japan and the Republic of Korea are the main importers, while China is the dominating exporter. This pattern has been stable over the years.

EU28 | Imports | Mussels
Top three origins
Unit: 1 000 tonnes, January-June



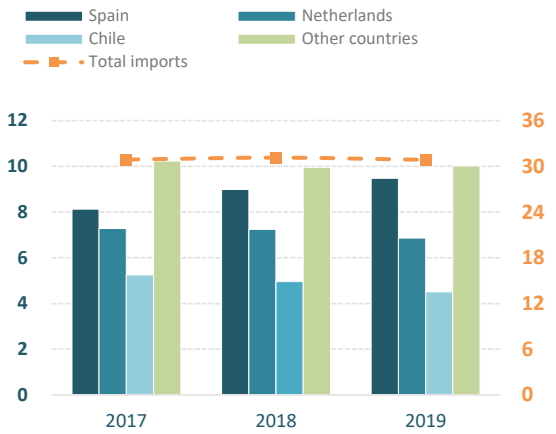
Source: *Eurostat*

EU28 | Imports | Scallops
Top three origins
Unit: 1 000 tonnes, January-June



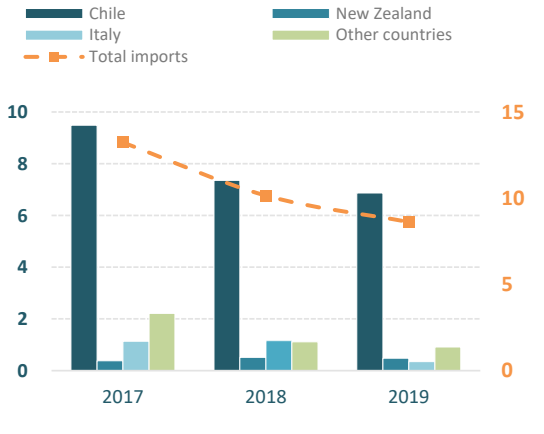
Source: *Eurostat*

France | Imports | Mussels
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Eurostat*

Spain | Imports | Mussels
Top three origins
Unit: 1 000 tonnes, January-June



Source: *Agencia Tributaria*

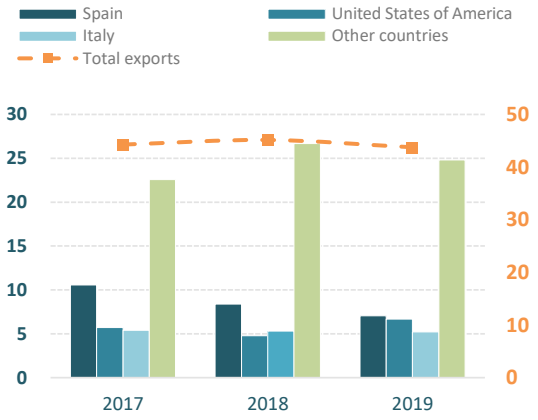
Outlook

Mussel production in Spain is expected to break records in 2019, probably almost reaching the 300 000 tonnes mark. Prices of mussels are stable, but some increase in view of good demand is likely for the end of the year and beginning of 2020.

The extremely hot summer during June 2019 in France has had an impact on oyster mortality there. The outlook for oyster production for 2020 is bleak, with lower production and probably higher prices. Christmas is a main consumption period for oysters, and soon prices will start moving upwards.

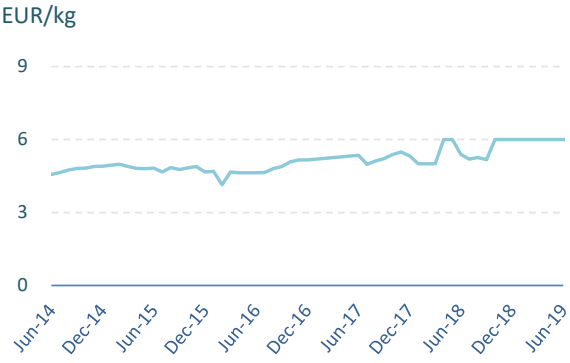
BIVALVES

Chile | Exports | Mussels
Top three destinations
Unit: 1 000 tonnes, January-June



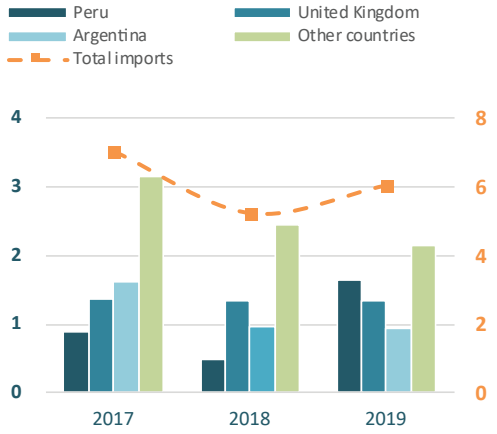
Source: *Chile National Customs Office*

Prices
Mussels: France



Monthly average consumer prices in metropolitan France
Source: *European Price Report*

France | Imports | Scallops
Top three origins
Unit: 1 000 tonnes, January-June



Source: *DNSCE*

The change in EU28 policy with regard to Chinese scallops will favour trade. It is likely that China will increase its scallop exports to the EU28 significantly, which means Chinese products will compete with those from other scallop suppliers. At the same time, the good scallop season in Peru expected for 2020 will find its way back to the traditional markets, mainly to France and, to a lesser extent, Italy.

Increased production of bivalves will continue fostered by good demand in all markets. Clam prices in Southern Europe are likely to continue sky-high, as demand is surpassing supply. Some price normalization is expected towards the beginning of 2020, when sales will start to slow down.

CRAB

GLOBEFISH HIGHLIGHTS

Tighter supplies of king and snow crab

The Bering Sea crab stocks are not increasing as fast as expected. Supplies have become tighter because of growing demand, and prices are going up.

Supplies

The biomass of snow crab in the Bering Sea is increasing, but at a slower pace than previously anticipated, according to the North Pacific Fisheries Management Council. The new quota for 2020 will be set by the Alaska Department of Fish and Game in mid-October. The quota is expected to increase compared to this year.

Tanner crab is not in such good shape. Total allowable catch (TAC) for tanner crab has been reduced over the past couple of years, from 1 134 tonnes in 2017 to 1 089 tonnes in 2018.

Supplies of blue crab in the Chesapeake Bay are tight at the moment, and the prices are high. A new suggests that blue crab will be more numerous in the future. It is quoted as being “the climate change winner in the Chesapeake Bay”, because the water is getting warmer and winter periods when water temperatures are below 50 degrees Fahrenheit are getting shorter. During these periods, blue crab goes into its dormant mode, when it does not eat. If the dormant mode periods get shorter or disappear altogether, blue crab would multiply in this region. As the blue crab is a prolific predator, the stocks of fish and other crustaceans in the Bay might be reduced.

Trade

There was a slight increase in global imports of crab (all types) during the first six months of 2019 compared to the same period in 2018. Total imports increased from 186 200 tonnes to 190 800 tonnes (+2.5 percent). The largest increase was registered for the Republic of Korea, which increased its imports by 31.3 percent to 27 000 tonnes. China remained the largest importer, accounting for 60 200 tonnes or 31.6 percent of the total.

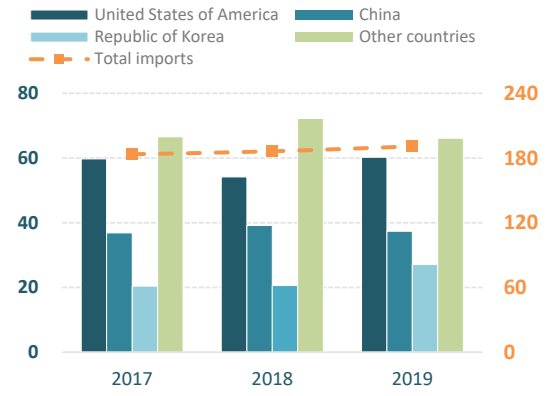
US imports of crab during the first half of the year went up slightly (+1.2 percent) to 60 200 tonnes, mainly supplied by Canada and the Russian Federation.

Crab is an item that the United States of America have imposed a punitive import tariff for China. In Late August, US President Trump announced that he was planning to increase this tariff from 10 percent to 35 percent.

© unsplash/rodlong

CRAB

Top three importers of crab
Top three origins
Unit: 1 000 tonnes, January-June

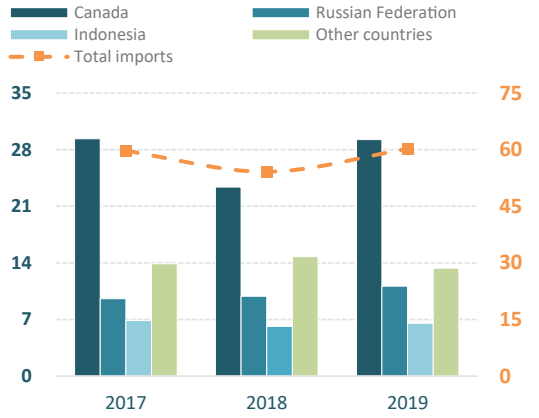


Source: *TDM, estimates*

Russian Federation | Exports | Crab
Top three destinations
Unit: 1 000 tonnes, January-June

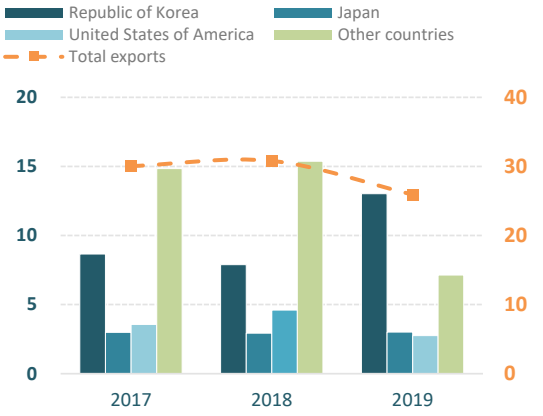
Source: *Federal Customs Service of Russia*

USA | Imports | crab
Top three origins
Unit: 1 000 tonnes, January-June



Source: *US Census Bureau*

China | Exports | crab
Top three destinations
Unit: 1 000 tonnes, January-June



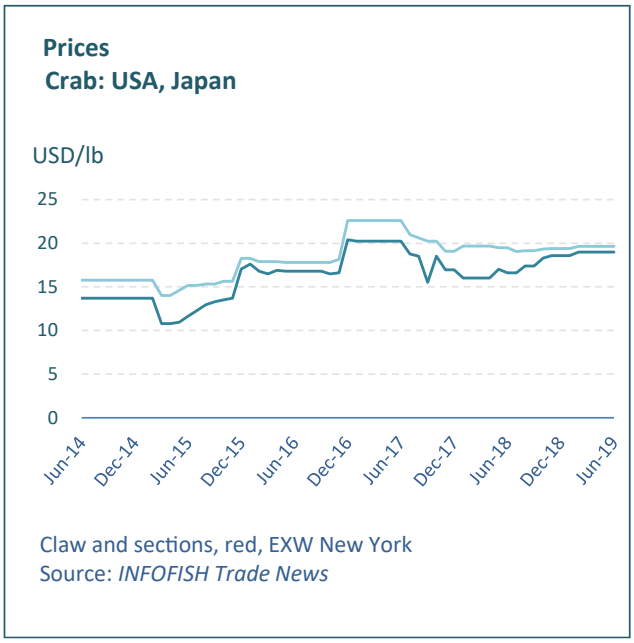
Source: *China Customs, estimates*

The Russian Federation, which has been a major supplier to China and the Republic of Korea, saw a slight decline in its exports during the first half of 2019, when the export volume fell to 28 800 tonnes in 2019 from 30 500 tonnes during the same period in 2018. The most important market for the Russian Federation is the Republic of Korea, which is also the main market for Chinese crab exports. Chinese crab exports fell by 15.8 percent to 25 900 tonnes during review period, half of these exports went to the Republic of Korea.

In 2018, Norway exported almost 2 000 tonnes of king crab, mostly live, at an FOB value of NOK 575 million (USD 64 million). The main markets were China, the Republic of Korea, the United States of America and the EU28. During the first six months of 2019, Norwegian fresh king crab exports fell by a marginal 1 percent to 495 tonnes with an FOB value of NOK 142.6 million, compared to 501 tonnes

CRAB


© unsplash/vincentvanzalinge



during the first six months of 2018, FOB value of NOK 132.8 million. In addition, Norway exported 330 tonnes of frozen king crab and 1 218 tonnes of frozen snow crab during this period.

Prices

Record prices for exported king crab from Norway have been reported in August. Although the exported volume fell by 20 percent during the first six months, the value of exports fell only by 13 percent. King crab prices both in the United States of America and in Japan have been climbing upwards, but they now seem to have stagnated a bit.

Outlook

The Russian Federation is planning to renew its crab fishing fleet through an auction system. According to the Russian Federation fishery law, the Federal Fishery Agency Rosrybolovstvo has to auction 50 percent of the country's crab fishing quotas between 2019 and 2020. Companies that win quotas in the auction have to build new crab vessels within five years of being awarded the quota. It is expected that 31 new vessels will be built for the Far Eastern fishery and 10 vessels for the Northern fishery. The price for the quotas is almost USD 2 billion.

Supplies of king crab and snow crab will remain tight, especially in relation to demand, which is on the rise all over the world. With the renewal of the Russian Federation crab fleet, supplies may improve over the next five years, provided the fishery is managed sustainably. Trade between the United States of America and China continues to be difficult due to the trade war. China is now buying crab from a number of suppliers other than the United States of America, and prices for king crab are high, and expected to go even higher. Other Asian countries, and especially the Republic of Korea, will import more of these northern crabs in the future.

SUPPLY AND DEMAND OF MUD CRAB

Mud crab (*Scylla serata*) is a delicacy enjoyed across Asia. The mud crab is found primarily in shallow mangrove areas and is caught in some quantities in countries like Indonesia, Philippines, Thailand, Malaysia and Singapore. Total capture production has declined in recent years, from about 45 000 tonnes in 2011 to less than 35 000 tonnes in 2019. This is mainly due to overfishing, which is noticeable by the fact that mud crabs offered on the market have become smaller. In Malaysia, it has become difficult to find mud crabs larger than 500 g.

Mud crab is particularly popular with Chinese populations in Southeast Asia, where demand has grown at a staggering pace recently. Because of the tight supply situation, aquaculture of this species has been initiated, but so far it is limited to crab fattening. Crabs are caught in the wild and kept in dams where they are fed until market size, which ideally is around 1 kg. Aquaculture production of this species is facing a number of challenges, including high mortality, lack of formulated feeds, and poor fundamental understanding of the species. The high mortality is often the result of the crab being rather aggressive and cannibalistic. Mortality rates of 50–90 percent are common.

Demand for mud crab is strong, and prices are high. Wholesale prices of around USD 30 per kg are usual in peak season. Singapore, which offers such delicious dishes like pepper crab and chili crab based on the mud crab, has a per capita consumption of this species of about 1 kg per person per year.

© unsplash/chanphoto

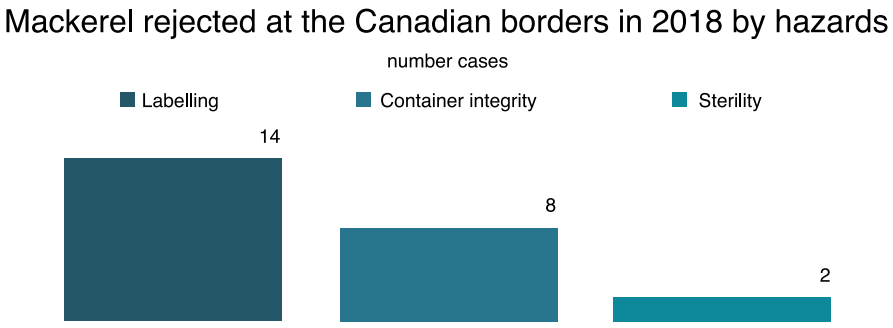
GLOBEFISH HIGHLIGHTS

Detentions and Rejections of mackerel in Canada, the European Union (Member Organization), Japan and the United States of America in 2018

The major mackerel producing countries in 2017 were Japan, Indonesia and China, while the main importing countries of mackerel by value and volume were Thailand, Nigeria and China. This analysis describes border rejections of mackerel in Canada, the European Union (Member Organization), Japan and the United States of America, where data was available. Rejections are categorized by chemical, microbiological and other risk categories. In addition, general causes such as packaging issues, allergens, improper health certificate, poor temperature control and labelling issues are described.

Canada

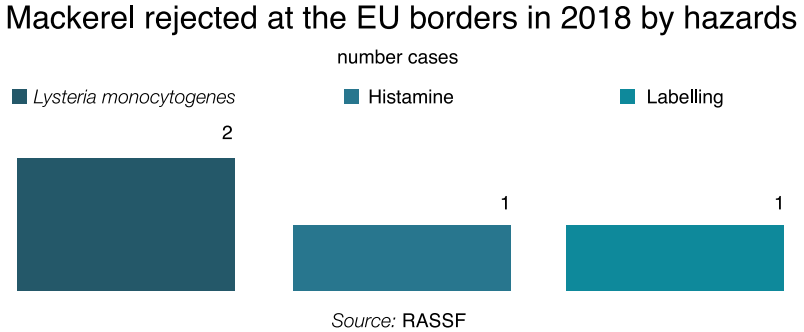
Mackerel detentions and rejections in Canada totalled 24 in 2018 and represented two percent of the total rejections of fishery products at the border last year. The main causes were under the "others causes" category, with 22 cases, followed by microbiological issues with only two cases recorded. Labelling issues was the leading cause representing 60 percent of all mackerel detentions and rejections. It was followed by rejections due to container integrity with eight cases recorded. Under the microbiological category, the only cause of detentions and rejections were due to lack of sterility with only two cases.



Source: Canadian Food Inspection Agency

European Union (Member Organization)

There were four detentions and rejections of mackerel in the EU28 in 2018, representing the one percent of the total rejections of fishery products at the European border last year. The main causes of detentions and rejections in mackerel during the 2018 were due to microbiological (two cases), due to the presence of *Listeria monocytogenes*. These was followed by histamine and by labelling issues, with one case each.



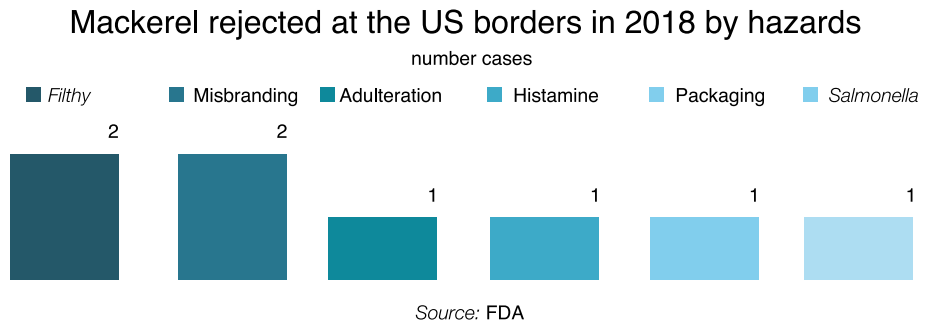
Source: RASSF

Japan

There were two mackerel detentions and rejections in Japan in 2018, representing the two percent of the total rejections of fishery products at the Japanese border. The only causes of detentions and rejections in the analysed product were due to microbiological issues (Escherichia coli), with two cases in 2018.

United States of America

Mackerel detentions and rejections in US borders totalled eight in 2018, representing 0.5 percent of the total rejections of fish and fishery products at the border. The majority of detentions and rejections were due to other causes with six cases, followed by one case of microbiological cause due to the presence of Salmonella and by one case of chemical cause due to the presence of histamine. Within the category of other causes, the leading specific cause was “filthy"[1] with two cases, followed by misbranding (two cases) and by adulteration and packaging with one case each one.



Source: FDA

References:

- For further information you can visit the following website: www.fao.org/in-action/globefish/fishery-information/border-rejections/en/
- Canadian Food Inspection Agency
- Rapid Alert System for Food and Feed (RASFF)
- Ministry of Health, Labour and Welfare
- US Food and Drug Administration (FDA)

[1] In the Food and Drug Administration (FDA) Violation Code Translation “filthy” is defined as a condition when “the article appears to consist in whole or in part of a filthy, putrid, or decomposed substance or be otherwise unfit for food.”

EVENTS

GLOBEFISH HIGHLIGHTS

International Symposium on Fisheries Sustainability | Rome, Italy, 18–21 November 2019

FAO will hold an International Symposium on Fisheries Sustainability from 18–21 November at FAO Headquarters in Rome, Italy.

In the context of the 2030 Agenda for Sustainable Development, the objective of this Symposium is to identify pathways to strengthen the science and policy interplay in fisheries production, management and trade, based on solid sustainability principles for improved global outcomes on the ground.

The main output of the Symposium will be a technical document synthesizing the information and debate in each of the Symposium's sessions, to be tabled for discussion at the 34th session of the FAO Committee on Fisheries (COFI) in July 2020. The technical recommendations in the document will also feed into a high-level policy statement on the role, value and sustainability status of global and regional fisheries.

For more information, please visit the Symposium website.

EVENTS

GLOBEFISH HIGHLIGHTS

XVII Session of the Sub-Committee on Fish Trade of the Committee on Fisheries | Vigo, Spain, 25–29 November 2019

During the last week of November, member countries of FAO will meet in Vigo (Spain) for the XVII Session of the Sub-Committee on Fish Trade of the Committee on Fisheries (COFI:FT).

The Sub-Committee on Fish Trade was created in 1985 to serve as a multilateral framework for consultations on international trade of fish and fishery products, including pertinent aspects of production and consumption. It has become the most important global forum to discuss issues associated with the trade of fish and fish products. The sessions of the Sub-Committee take place every two years.

Countries and observers participate in the sessions to discuss contemporary issues involving the trade of fish and fish products, including recent trends and patterns. The agenda for the XVII Session of COFI:FT covers a wide range of topics such as statistics, global governance, dissemination of information on markets, quality and safety, small-scale fishers, product legality, biodiversity, traceability and more.

In addition, present-day issues like the potential of trade in fisheries services and the request FAO received to develop guidance on socially responsible fish and aquaculture value chains will be discussed.

For more information about the documents being presented and discussed in the upcoming Session of COFI:FT, as well as background information, please visit the COFI:FT dedicated website.

GLOBEFISH
Products, Trade and Marketing Branch (FIAM)
Fisheries and Aquaculture Policy and Resources Division
Food and Agriculture Organization of the United Nations
Viale delle Terme di Caracalla
00153 Rome, Italy

globefish@fao.org
www.globefish.org
#FAOfish

GLOBEFISH

ISBN 978-92-5-132091-4

9 789251 320914

CA7459EN/1/01.20