Western European markets for edible fish products; prospects for developing country exports (ODNRI Bulletin No. 11)

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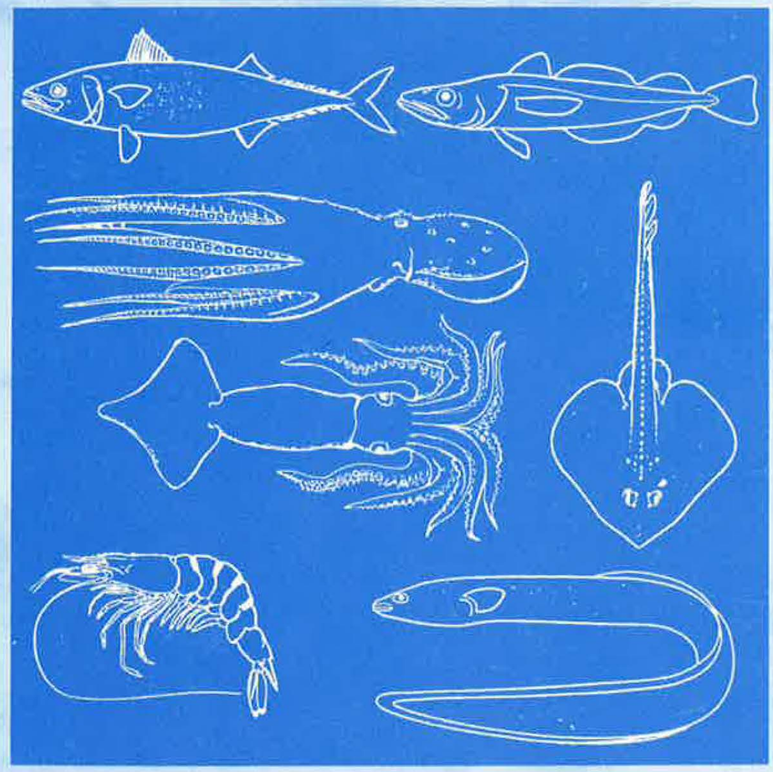

OVERSEAS DEVELOPMENT NATURAL RESOURCES INSTITUTE
BULLETIN

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WESTERN EUROPEAN MARKETS FOR EDIBLE FISH PRODUCTS; PROSPECTS FOR DEVELOPING COUNTRY EXPORTS

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ABBREVIATIONS

ACP	African, Caribbean and Pacific States
BTN	Brussels Tariff Nomenclature
c.i.f.	cost, insurance, freight
c.&f.	cost and freight
EC	European Community
EEZ	Exclusive Economic Zone
EFTA	European Free Trade Association
FAO	Food and Agriculture Organization of the United Nations
f.o.b.	free on board
GATT	General Agreement on Tariffs and Trade
GSP	Generalized System of Preferences
IQF	Individual Quick-Frozen
LDC	Less Developed Countries
NIMEXE	Trade statistics issued by the Statistical Office of the European-Communities (Nomenclature of Goods for the External Trade Statistics of the European Community and Statistics of Trade between Member States)
OCT	Overseas Countries and Territories
p.p.m.	parts per million
SITC (R2)	Standard International Trade Classification, second revision
TAC	Total Allowable Catch

All values, unless otherwise stated, are given in £ sterling.

All weights, unless otherwise stated, are metric.

Summaries

SUMMARY

Western European markets for edible fish products; the prospects for developing country exports

This study forms part of a series examining the prospects for developing country products in major developed country markets. The study's scope is Western Europe (excluding the United Kingdom which is the subject of a separate bulletin), but particular attention is paid to France, Italy, Spain and the Federal Republic of Germany (West Germany). These four countries were selected since they are the largest import markets, including for products of developing country origin.

The study covers products for human consumption but excludes marine oils and mammals. Major product categories, identified on the basis of trade classification are as follows:

- fresh/frozen fish (SITC 034 (R2))
- dried/smoked fish (SITC 035 (R2))
- fresh/processed crustaceans (SITC 036 (R2))
- canned fish and crustaceans (SITC 037 (R2))

Bulletin structure

Section 1 of the study provides an overview of Western European markets for edible fish products noting regional variations and characteristics. Sections 2 to 5 provide a detailed examination of the four most important markets for developing country suppliers, including trade regulations and requirements. A concluding section discusses key issues of relevance to developing country suppliers including procedures for new entrants attempting to penetrate the market.

Western European markets

Western Europe represents a very substantial market for edible fish products, with consumption of about 6 million tonnes valued at £7 billion in 1984. In the same year gross imports were more than 2 million tonnes valued at almost £2 billion. The relative importance of imports varies considerably between countries, but on a regional basis it is those in Northern Europe and the Mediterranean that are the most significant, whilst requirements for Scandinavia and Central Europe are small.

Total consumption has been increasing slowly and this trend is expected to continue in conjunction with slowly rising population levels and increases in real incomes. The pattern of consumption has been shifting away from fresh fish and towards frozen and processed products. Canned products have remained relatively static whilst the small dried/smoked sector has declined.

A substantial range of product possibilities exists for existing or new developing country suppliers, particularly in the major markets of France, Italy,

Spain and, to a lesser degree, West Germany. Main market segments are: low-priced frozen raw materials to Spain; competitively priced canned fish to West Germany; and higher quality fish and shellfish to France and Italy.

The Federal Republic of Germany

Despite high per caput income levels, consumption of fish products in West Germany is low by Western European standards and tastes are traditional. In 1984, 400,000 tonnes of fish products were imported, the bulk of which were in the form of frozen fish.

Although imports of products of developing country origin as a whole are low, a significant outlet does exist for canned products. This market segment is very price competitive, but provided that the supplier can meet strict health regulations, together with details of product presentation, the consumer is less discerning about product quality. A number of developing countries have developed their canning industries in part on the basis of their experience of supplying this market.

Official government bodies exist to advise potential developing country suppliers. Means of making direct contact with importers are suggested in Section 2. Importers will often expect exclusive rights for distributing products in West Germany.

France

Per caput consumption of fish in France is moderately high and the total market size is below that for Spain, but in terms of imports it represents easily the largest market in West Europe. In 1984 France imported 475,000 tonnes of fish products, almost one quarter of the total for Western Europe as a whole. For products of developing country origin, France shares with Italy the leading role, but imports a wider range of products.

The diversity of the French market stems from the importance attached by consumers to variety, with ready acceptance of new products. Produce quality is also important, a factor which coupled with fairly high per caput income levels has resulted in high average unit values for fish products. The scale of French imports is a consequence of static domestic supplies coupled with rising exports and slowly increasing per caput consumption.

Important products of developing country origin are frozen tuna and hake together with a range of shellfish and warm-water fish species, and canned tuna, sardine and shellfish. France has strong links, including joint ventures, with West African countries but also maintains contact with a wider range of suppliers covering Latin America and South-East Asia.

The form of product presentation is very important to French buyers who expect their requirements to be met. An important legal distinction is made between 'frozen' and 'quick-frozen' products. The use of the French language is mandatory on packaging and product names must have a legally binding French equivalent, a law that is enforced by scientific analysis.

Italy

Average per caput incomes and per caput fish consumption levels in Italy are both relatively low; however, these average figures conceal major regional variations. In the north, per caput incomes are higher and consumption lower than average although demand is directed towards higher value products. In southern Italy the situation is reversed, with lower incomes and higher consumption but with demand confined more to cheaper products.

Italy is the second largest import market after France and shares with the latter country the role of most important importer of products of developing country origin. Imports are dominated by frozen products, particularly tuna, the gadoids and other warm-water demersals. Imports of shellfish have been expanding as a result of strong domestic demand augmented by the requirements of the tourist industry during the summer months. Cephalapods, especially squid, shrimp and prawn, mussel and clam are important products.

The structure of the Italian fish trade is complex, with a multiplicity of channels serving the wide range of regional requirements. Such variations are reflected in regional product legislation which, together with laws covering 'new products' and the important legal distinction between 'frozen' and 'quick-frozen' products, have caused difficulties for developing country suppliers.

Spain

Despite relatively low per caput incomes, consumption of fish products in Spain is high and the market overall is the largest in Europe. Partly because of the needs of the tourist industry, demand is continuing to expand. Demand is particularly strong for hake and other gadoids, blue fish especially tuna and sardines, and shellfish.

Imports are equivalent to about one-fifth of total consumption, a much smaller proportion than for the other major markets studied. Nevertheless Spain represents an important market for developing countries and the major product groups are similar to those for Italy, that is, with a strong bias towards frozen fish and shellfish. Cephalapods, especially squid, shrimp and prawn are of increasing importance to developing country suppliers. Unit product values however, are low, since a large proportion of imports are destined for manufacture.

The recent entry of Spain (and Portugal) into the European Community (EC) is expected to have a significant if somewhat unpredictable impact on the structure of trade. Since Spain has an important canning industry it is possible that protection will be increased during the transitional phase to safeguard various interests in individual members' markets. Such protection, should it arise, would be unlikely to serve best the interests of developing country suppliers.

Trade structures

Whilst traditional trade structures remain important for fresh products the changing pattern of consumption has led to a number of changes and there has been a major concentration of trade. Importers have increased either their scale of operation, their degree of specialization or their involvement in subsequent stages of distribution, as a response to declining profit margins and more demanding market regulation and control.

The trend towards larger-scale operations has been partly induced by the increasing role of supermarkets and hypermarkets in sales of frozen and canned products, and the use by retailers of central buying agents.

Trade regulations

Expansion of the EC has seen a major influence on trade regulations controlling imports. External suppliers are now confronted with a complex set of rules which will be consistent for the whole community once Greece, Spain and Porgutal complete their transitional phases. There is also a movement towards more consistent health regulations. The latter are less stringent than those in North America and Japan, but generally much more so than for countries elsewhere.

Procedures for developing country suppliers

Success for new suppliers in achieving a sustained penetration of the Western European market is most likely to arise for those which take a relatively long-term view of their involvement. Particular attention is required to be paid to competitive pricing, quality control and delivery scheduling. Procedures for new suppliers are given in Section 6 whilst a list of importers and contact points is given in Appendix 1.

Of major importance to developing countries is the EC, which now embraces more than 90 per cent of Western Europe, not only because it is a substantial market for fish products, but also because of the increasing standardization of the complex of regulations dealing with those products and the importance attached to Third World suppliers. A total of 67 African, Caribbean and Pacific (ACP) countries now have preferential trading ties with the EC through the Lomé Convention. The latter, as a freely negotiated convention, represents an important measure of long-term security. The expansion of the EC with the accession of Spain and Portugal may lead to some short-term difficulties for individual developing countries. In the medium term these are expected to be overcome and the expansion of the market together with joint ventures with EC members are expected to benefit developing country suppliers.

RÉSUMÉ

Marchés d'Europe occidentale pour les produits de la pêche comestibles; perspectives pour les exportations des pays en voie de développement

La présente étude s'inscrit dans une série d'études qui se proposent d'examiner les perspectives offertes aux produits des pays en voie de développement sur les principaux marchés des pays industrialisés. Elle ne concerne que l'Europe occidentale (à l'exclusion du Royaume-Uni qui fera l'objet d'un bulletin séparé) mais accorde une attention particulière à la France, l'Italie, l'Espagne et la République Fédérale d'Allemagne. Ces quatre pays ont été retenus du fait qu-ils représentent les marchés d'importation les plus importants, y compris pour les produits provenant de pays en voie de développement.

La présente étude s'attache aux produits propres à la consommation humaine mais ignore huiles marines et mammifères. Les principales catégories de produits, établies d'après les classifications du commerce, se présentent comme suit:

- poisson frais/congelé (SITC 034 (R2))
- poisson séché/fumé (SITC 035 (R2))
- crustacés frais/préparés (SITC 036 (R2))
- poisson et crustacés en conserve (SITC 037 (R2))

Plan du bulletin

La Section 1 de la présente étude donne une vue d'ensemble des marchés d'Europe occidentale pour les produits de la pêche comestibles en faisant état des variations et caractéristiques propres aux régions. Les Sections 2 à 5 présentent un examen détaillé des quatre marchés les plus importants pour les pays en voie de développement fournisseurs; il y est également fait mention des règlements et besoins commerciaux. La dernière Section aborde les questions-clés relatives à la pertinence de cette étude pour les pays en voie de développement fournisseurs et fait état des procédures à suivre par les nouveaux venus désireaux de s'implanter sur ce marché.

Marchés d'Europe occidentale

Forte d'une consommation de l'ordre de 6 millions de tonnes évaluée à 7 milliards de livres sterling en 1984, l'Europe occidentale représente un marché considérable pour les produits de la pêche comestibles. Au cours de cette même année, les importations brutes ont atteint plus de 2 millions de tonnes,

soit presque 2 milliards de livres sterling. L'importance relative des importations varie beaucoup selon les pays mais, si l'on s'en tient aux secteurs géographiques, les importations des pays du Nord de l'Europe et de la Méditerranée sont les plus significatives alors que les besoins des pays scandinaves et de l'Europe centrale sont moindres.

La consommation totale augmente lentement et l'on s'attend à ce que cette tendance à la hausse se poursuive en parallèle avec un faible taux de croissance démographique et une augmentation du revenu en termes réels. Les habitudes de consommation se sont éloignées du poisson frais au profit des produits congelés et préparés. La consommation de produits en conserve est restée relativement stable alors que celle, déjà faible, du poisson séché/fumé a décliné.

Un éventail considérable de possibilités pour les produits en question se présente aux pays en voie de développement déjà fournisseurs ou désireux de le devenir, et ce, plus particulièrement sur le marché important de la France, de l'Italie et de l'Espagne, ainsi que, dans une moindre mesure, sur celui de l'Allemagne de l'Ouest. Les principaux créneaux du marché sont: produits crus congelés à bas prix pour l'Espagne; poissons en conserve à prix concurrentiels pour l'Allemagne de l'Ouest; poissons et coquillages de qualité supérieure pour la France et l'Italie.

République Fédérale d'Allemagne

Bien que jouissant d'un haut revenu par tête, l'Allemagne de l'Ouest fait état d'une faible consommation de produits de la pêche par rapport aux autres pays d'Europe occidentale et affiche des goûts traditionnels. En 1984, 400,000 tonnes de produits de la pêche ont été importées, la majeure partie sous forme de poissons congelés.

Si les importations de produits en provenance de pays en voie de développement demeurent dans l'ensemble faibles, il n'en reste pas moins qu'un débouché significatif existe pour les produits en conserve. Ce créneau du marché est sujet à une forte concurrence de prix. Toutefois, si le fournisseur s'avère capable de se conformer aux règles sévères en matière d'hygiène tout en se pliant aux détails relatifs à la présentation du produit, le consommateur fera preuve de moins de discernement à l'égard de la qualité du produit. Un certain nombre de pays en voie de développement ont ainsi développé leurs industries de conserve en se basant partiellement sur leur expérience de fournisseurs de ce marché.

Il existe des organismes gouvernementaux officiels dont le rôle est de conseiller les fournisseurs potentiels des pays en voie de développement. Divers moyens de se mettre directement en contact avec les importateurs sont proposés en Section 2. Il n'est pas rare que ces derniers entendent jouir de droits exclusifs pour assurer la distribution de produits en Allemagne de l'Ouest.

France

La consommation de poisson par tête est modérément élevée en France où le marché global est toutefois de moindre envergure que celui de l'Espagne. Néanmoins, en termes d'importations, ce marché est de loin le plus important d'Europe occidentale. En 1984, la France a importé 475,000 tonnes de produits de la pêche, soit presque la moitié du total pour toute l'Europe occidentale. En ce qui concerne les produits provenant de pays en voie de développement, la France partage avec l'Italie le rôle de chef de file mais importe un plus large éventail de produits que cette dernière.

La diversité du marché français découle de l'importance que le consommateur attache à la variété et du peu de préjugés envers les nouveaux produits. La qualité est également un facteur prépondérant qui, allié à un taux de revenu assez élevé par tête, a donné aux produits de la pêche une valeur unitaire moyenne élevée. L'envergure des importations françaises est la conséquence d'un approvisionnement domestique statique, combinée au fait que les exportations croissent et que la consommation par tête augmente lentement.

Les principaux produits provenant de pays en voie de développement sont le thon et le colin congelés (plus toute une gamme d'espèces de coquillages et de poissons des mers chaudes), ainsi que le thon en conserve, la sardine et les coquillages. La France a des liens étroits, voire même des co-entreprises, avec les pays d'Afrique occidentale, mais se maintient également en contact avec un large éventail de fournisseurs répartis sur l'Amérique latine et l'Asie du Sud-Est.

La présentation du produit est primordiale pour le client français qui se veut satisfait dans ses exigences. Une importante distinction légale est faite entre 'produits congelés' et 'produits surgelés'. L'utilisation de la langue française est obligatoire sur les emballages et une loi, appuyée par des analyses scientifiques, oblige à trouver un nom français équivalent pour tout produit fourni.

Italie

Les niveaux moyens de revenu et de consommation de poisson par tête sont relativement faibles en Italie. Toutefois, ces moyennes dissimulent les importantes variations qui existent d'une région à l'autre. Si le revenu par tête est supérieur à la moyenne nationale en Italie du Nord, la consommation y est en revanche inférieure et ce, bien que la demande s'oriente vers des produits de valeur marchande plus élevée. En Italie du Sud, par contre, la situation est inversée en ce sens que le revenue est plus faible, la consommation plus élevée et la demande davantage orientée vers les produits de moindre valeur marchande.

L'Italie vient en second après la France en tant que principal marché d'importation et se situe au même rang que cette dernière en tant que premier importateur de produits provenant de pays en voie de développement. Ses importations sont dominées par les produits congelés, en particulier thon, gadidés et autres démersaux de mers chaudes. L'importation de coquillages a pris de l'ampleur en raison de la forte demande domestique, elle-même accrue par les besoins de l'industrie touristique durant la période estivale. Les céphalopodes, notamment calmar, crevette et bouquet, moule et praire sont des espèces importantes.

La structure du réseau commercial italien pour le poisson s'avère complexe si l'on considère la multiplicité des canaux qui répondent au vaste éventail des besoins régionaux. De telles variations se reflètent dans la législation régionale sur les produits qui, avec les lois qui gouvernent les 'nouveaux produits' et avec l'importante distinction légale qui est faite entre 'produits congelés' et 'produits surgelés', sont à l'origine des difficultés que rencontrent les pays en voie de développement fournisseurs.

L'Espagne

En dépit d'un revenu par tête relativement faible, l'Espagne fait état d'une forte consommation de produits de la pêche et son marché d'ensemble est le plus important d'Europe. En partie grâce aux besoins de l'industrie touristique, la demande continue de grossir et s'avère particulièrement élevée pour le colin et autres gadidés, les poissons 'bleu', spécialement thon et sardine, et les coquillages.

Les importations représentent environ l'équivalent d'un cinquième de la consommation totale, soit une proportion inférieure à celle des autres marchés importants étudiés supra. L'Espagne représente néanmoins un marché sérieux pour les pays en voie de développement et les principaux groupes de produits y sont similaires à ceux de l'Italie avec le même penchant prononcé pour le poisson congelé et les coquillages. Les céphalopodes, notamment calmar, crevette et bouquet sont d'une importance croissante pour les pays en voie de développement fournisseurs. La valeur unitaire du produit est toutefois faible étant donné qu'une large proportion des importations est destinée à être transformée.

On peut s'attendre à ce que l'entrée récente de l'Espagne (et du Portugal) dans la Communauté européenne ait, sur la structure commerciale, des incidences significatives bien qu'encore imprévisibles. L'Espagne disposant d'une importante industrie de conserve, il se peut que, durant la phase transitoire de son adhésion, la protection des marchés se trouve accrue afin de préserver les divers intérêts de chacun des pays membres. Si cela devait se produire, il est peu probable que les intérêts des pays en voie de développement fournisseurs s'en trouvent mieux servis.

Structures commerciales

Alors que les structures commerciales traditionnelles restent importantes pour les produits frais, l'évolution du schéma de consommation a entraîné un certain nombre de changements dont il ressort une sérieuse concentration du commerce. Confrontés à une diminution de leurs marges bénéficiaires et à un renforcement des règles et du contrôle du marché, les importateurs ont réagi soit en augmentant l'envergure de leurs opérations et le degré de leur spécialisation, soit en accroissant leur engagement dans les étapes ultérieures de la distribution.

La tendance vers des opérations de plus grande engergure résulte partiellement du rôle croissant des supermarchés et hypermarchés dans les ventes de produits congelés et en conserve, ainsi que de l'utilisation d'agents d'achat centraux par les détaillants.

Règlement du commerce

L'expansion de la Communauté européenne a eu une influence prépondérante sur le règlement du commerce qui contrôle les importations. Les fournisseurs extérieurs se trouvent dorénavant confrontés à une série de règles auxquelles tous les pays de la communauté devront se conformer une fois que la Grèce, l'Espagne et le Portugal auront franchi les diverses étapes transitoires. Il est également prévu d'en arriver à une même conformité en ce qui concerne les règles sanitaires. Bien que moins rigoureuses qu'en Amérique du Nord et au Japon, ces dernières le sont toutefois davantage que dans la plupart des autres pays.

Procédures pour les pays en voie de développement fournisseurs

La perspective pour les nouveaux fournisseurs de réussir une percée soutenue du marché de l'Europe occidentale est des plus probables si leur engagement s'inscrit dans une démarche à relativement long terme. Une attention particulière est exigée en ce qui concerne la fixation de prix compétitifs, le contrôle de la qualité et les délais de livraisons. Les procédures pour les nouveaux fournisseurs sont énoncées en Section 6 et une liste des importateurs et points de contact figure en Annexe 1.

La Communauté européenne, qui représente actuellement plus de 90% de l'Europe occidentale, est d'une importance majeure pour les pays en voie de développement, non seulement du fait qu'il s'agit là d'un marché considérable pour les produits de la pêche, mais également en raison de la standardisation croissante de l'éventail complexe de règles régissant ces produits et de l'importance qui est accordée aux pays du Tiers-Monde fournisseurs. Un total de 67 pays ACP bénéficient aujourd'hui de liens commerciaux préférentiels avec la Communauté européenne grâce à la Convention de Lomé. Cette dernière, en tant que convention négociée librement, représente une mesure importante de sécurité à long terme. Avec l'entrée de l'Espagne et du Portugal, il se peut que l'expansion de la Communauté européenne cause certaines difficultés à court terme pour les pays en voie de développement. Celles-ci devant toutefois se résoudre dans le moyen terme, on peut prévoir qu'une expansion du marché se réalisant de concert avec des co-entreprises profite aux pays en voie de développement fournisseurs.

RÉSUMEN

Mercados de la Europa Occidental para productos pesqueros comestibles: perspectivas para las exportaciones de los países en desarrollo

Este estudio forma parte de una serie, en la que se examinan las posibilidades de los productos de los países en desarrollo en los principales mercados de las naciones desarrolladas. El estudio se centra en los países de la Europa Occidental (con exclusión del Reino Unido, que será tratado en un boletín separado), habiéndose prestado particular atención a Francia, Italia, España y República Federal de Alemania. La selección de estos cuatro países se debe a que son los mayores mercados de importación, incluyendo productos procedentes de países en desarrollo.

El estudio abarca productos para consumo humano, a excepción de los aceites marinos y mamíferos. Las principales categorías de productos, identificadas sobre la base de clasificación comercial, son las siguientes:

- Pescado fresco/congelado (SITC 034 (R2))
- Pescado seco/Ahumado (SITC 035 (R2))
- Crustáceos frescos/elaborados (SITC 036 (R2))
- Pescado y crustáceos en conserva (SITC 037 (R2))

Estructura del boletín

La Sección 1 del estudio ofrece una visión general de los mecados de la Europa Occidental para productos pesqueros comestibles, indicándose las característica y variaciones regionales en existencia. En las Secciones 2–5 se presenta un examen detallado de los cuatro principales mercados para los proveedores de los países en desarrollo, incluyendo teglamentos y requisitos comerciales. Finalmente, se examinan los problemas clave de importancia para los proveedores de los países en desarrollo, incluyendo los procedimientos a seguir para quienes desean penetrar por primera vez en dichos mercados.

Mercados de la Europa Occidental

La Europa Occidental representa un mercado de considerable envergadura para productos pesqueros comestibles, con n consumo aprozimado de 6 millones de toneladas, cuyo valor ascendió a £7 mil millones, en 1984. En dicho año, las importaciones brutas se elevaron a más de 2 millones de toneladas, con un valor de caso £2 mil millones. Si bien la importancia relativa de las importaciones varía considerablemente de un país a otro, desde el punto de vista regional, los países de la Europa Septentrional y del Mediterráneo son los de mayor importancia, mientras que los requisitos de los Países Escandinavos y de la Europa Central son reducidos.

El consumo total ha ido experimentando un paulatino incremento, tendencia que se espera continuará, en línea con el lento aumento del indice de población y con el alza de los ingresos reales. La tónica de consumo ha ido apartándose del pescado fresco hacia el pescado congelado y los productos elaborados, mientras, mientras que el sector de los productos en conserva ha permanecido relativamente estático y el pequeño sector de los productos secos/ahumados ha ido en declive.

Existe una importante gama de posibilidades de productos para nuevos proveedores o proveedores ya en existencia, particularmente en los principales mercados (Francia, Italia, España y, en menor grado, la República Federal de Alemania). Los principales segmentos del mercado son: materias primas congeladas de bajo precio para España; pescado en conserva a precios competitivos para la República Federal de Alemania, y pescado y marisco de calidad más elevada para Francia e Italia.

La República Federal de Alemania

A pesar de lo levado de los ingresos per cápita, el consumo de productos pesqueros en la República Federal de Alemania es bajo, en comparación con el de otros países europeos, y las preferencias son tradicionales. En 1984, se importaron 400.000 toneladas de productos pesqueros, en su mayor parte pescado congelado.

Si bien las importaciones procedentes de países en desarrollo son, en general, bajas, existe un mercado de importancia para los productos en conserva. Valga apuntar que, aunque este sector del mercado es altamente competitivo en precios, con tal de que el proveedor pueda satisfacer las estrictas normas sanitarias existentes, junto con detalles de presentación del producto, el consumidor es menos perspicaz por cuanto a la calidad del producto. Son varios los países en desarrollo, que han desarrollado en parte sus industrias conserveras sobre la base de su experiencia en el suministro de este mercado.

Existen organismos ificiales, que prestan asesoramiento a posibles proveedores de países en desarrollo. En la Sección 2, presentamos medios de entrar en contacto directo con importadores. A menudo, los importadores esperarán se les concedan derechos exclusivos de distribución de los productos en la República Federal de Alemania.

Francia

El consumo de pescado per cápita en Francia es moderadamente elevado. Y aunque la envergadura total del mercado es inferior a la española, en términos de importaciones representa, sin duda alguna, el principal mercado de la Europa Occidental. En 1984, Francia importó 475.000 toneladas de productos pesqueros, casi el 50% del total para la entera Europa Occidental. Por cuanto respecta a productos procedentes de países en desarrollo, Francia comparte con Italia el primer lugar, pero importa una gama más amplia de productos.

La diversidad del mercado francés radica en la importancia asignada por el consumidor a la variedad, con aceptación inmediata de nuevos productos. La calidad del producto es asimismo importante. Este factor, junto con los niveles relativamente elevados de ingresos per cápita, ha resultado en valores unitarios medios elevados para los productos pesqueros. La escala de las importaciones francesas es una consequencia de un suministro doméstico estático, aumento de las exportaciones y un consumo per cápita lentamente en alza.

Entre los productos de importancia procedentes de países en desarrollo se cuentan el atún y la merluza congelados, así como diversas especies de marisco y pescado de aguas calientes, y atún, sardinas y marisco en conserva. Valga apuntar que, aunque Francia posee fuertes lazos – incluyendo empresas conjuntas – con los países del Africa Occidental, mantiene asimismo contacto con una amplia gama de proveedores latinoamericanos y del sureste asiático.

El modo de presentación del producto posee gran importancia para el coonsumidor francés, que espera que se satisfagan sus exigencias. En Francia, existe una importante distinción legal entre productos 'congelados' y 'rápidamente congelados'. El empleo del francés en los envases es obligatorio y cada producto debe tener un nombre francés equivalente legalmente obligatorio. Esta ley se cumple mediante análisis científico.

Italia

A pesar de que, en Italia, los ingresos medios y el nivel de consumo per cápita son relativamente bajos, estas cifras medias esconden importantes variaciones regionales. En el norte, los ingresos per cápita son más elevados y el consumo menor, si bien la demanda se halla dirigida hacia productos de valor más alto. Esta situación se invierte en la Italia meridional. Aunque los ingresos son aquí más bajos y el consumo más elevado, la demanda se halla confinada a los productos más económicos.

Italia es el segundo país importador, después de Francia, compartiendo con dicho país el papel de principal importador de productos procedentes de los países en desarrollo. Las importaciones se hallan dominadas por los productos congelados y, en particular, por el atún, los gádidos y otras especies de los fondos marinos de aguas calientes. Las importaciones de marisco han ido en aumento, como consecuencia de la fuerte demanda doméstica, incrementada por las exigencias de la industria turística durante los meses estivales. Valga citar entre las especies de importancia los cefalópodos y, en particular, el calamar, camarones y gambas, mejillones y almejas.

La estructura el comercio italiano del pescado es complega, existiendo una multiplicidad de canales, al servicio de una amplia gama de requisitos regionales. Dichas variaciones quedan reflejadas en la legislación regional sobre productos que, junto con las leyes relativas a 'nuevos productos' y la importante distinción legal entre productos 'congelados' y 'rápidamente congelados', han resultado en dificultades para los proveedores de los países en desarrollo.

España

A pesar de ser un país con ingresos per cápita relativamente bajos, el consumo de productos pesqueros es elevado y, en términos generales, es el mayor de Europa, con una demanda que – debido, en parte, a las exigencias de la industria turística – continúa creciendo. Dicha demanda es especialmente fuerte por cuanto respecta a la merluza y otros gádidos, pescado azul – especialmente atún y sardina – y marisco.

Las importaciones representan alrededor del 20% del consumo total, proporción muy inferior a la de otros importantes mercados estudiados. Esto no obstante, España representa un importante mercado para los países en desarrollo, con grupos de productos similares a los indicados para Italia, es decir, con una fuerte tendencia hacia el pescado congelado y el marisco. Los cefalópodos y, en particular, el calamar, camarones y gambas, poseen una importancia cada vez mayor para los proveedores de los países en desarrollo. Valga apuntar, sin embargo, que los precios unitarios son bajos, ya que un elevado porcentaje de las importaciones se destina a la elaboración.

Se espera que el reciente ingreso de España (y Portugal) en la Comunidad Europea (CE) poseerá un impacto significativo, aunque imprevisible, sobre la estructura del comercio. Dado que España cuenta con una importante industria conservera, es posible que se incrementen las medidas de protección durante la fase de transición, para salvaguardar intereses diversos en mercados miembro individuales. Caso que se produzca dicha protección, no es probable que ello resulte en beneficio de los intereses de los proveedores de los países en desarrollo.

Estructuras comerciales

Mientras que las estructuras comerciales tradicionales siguen siendo importantes para los productos frescos, la cambiante tónica de consumo ha llevado a la introducción de cambios diversos, con una importante concentración comercial. Los importadores han incrementado la escala de sus operaciones, su grado de especialización o su participación en las etapas subsiguientes de la cadena de distribución, como respuesta a la reducción en los márgenes de beneficio y las mayores exigencias de control y regulación del mercado.

La tendencia haci operaciones en gran escala ha sido inducida, en parte, por el papel cada vez mayor de los supermercados e hipermercados, con respecto a la venta de productos congelados y en conserva, así como por el uso de agentes centrales de compra por parte del comercio detallista.

Reglamentos comerciales

La expansión de la CE ha ejercido una importante influencia sobre las normas comerciales que regulan las importaciones. Los proveedores del exterior deben hacer frente ahora a una compleja serie de normas, que tendrán vigor en la entera Comunidad, una vez que Grecia, España y Portugal completen sus fases de transición. Existe asimismo cierta tendencia hacia la introducción de normas sanitarias más consistentes. Aunque dichas normas son menos estrictas que en Norteamérica y en Japón, en general, son superiores a las del resto de los países del mundo.

Procedimientos para proveedores de los países en desarrollo

Es probable que el éxito de todo nuevo proveedor para conseguir una penetración sostenida en el mercado de la Europa Occidental dependa de la adopción de perspectivas a plazo relativamente largo por cuanto a su participación. Se requerirá especial atención en los sectores de la oferta de precios competitivos, control de la calidad y programación del suministro. En la Sección 6 se proporcionan procedimientos para nuevos proveedores, presentándose en el Anexo 1 una lista de importadores y puntos de contacto.

La CE posee considerable importancia para los países en desarrollo, dado que, en la actualidad, abarca más 90% de la Europa Occidental. Dicha importancia se debe no solamente a que representa un mercado de envergadura para los productos pesqueros, sino también a la creciente normalización de los complejos reglamentos relativos a dichos productos y a la importancia asignada a los proveedores del Tercer Mundo. En la actualidad, 67 países Africanos, del Caribe y del Pacífico poseen relaciones comerciales preferenciales con la CE, a través del Convenio Lomé que, en su calidad de convenio libremente negociado, representa una importante medida de seguridad a largo plazo. Es posible que la expansión de la CE con el ingreso de España y Portugal resulte en dificultades a corto plazo para determinados países en desarrollo. Se espera, sin embargo, que, a medio plazo, dichas dificultades serán superadas, y se confiá que la expansión del mercado y la creación de empresas conjuntas con miembros de la CE beneficiarán a los proveedores de los países en desarrollo.

Section 1

Overview of the Western European market

INTRODUCTION

The objective of this study is to examine the prospects for edible fish products of developing country origin and to provide guidelines on approaches which may be adopted in order to realize market potential. The edible fish products have been divided into four broad categories consistent with those used in international trade statistics:

1 SITC (R2) 034 1 to 4: fish, fresh, chilled or frozen, including fillets.

2 SITC (R2) 035 01 to 04: fish, dried, salted or in brine, smoked.

3 SITC (R2) 036: crustaceans and molluscs, fresh, chilled, frozen, in brine or dried, in shell or boiled in water.

4 SITC (R2) 037 1 to 2: fish, crustaceans and molluscs, prepared or preserved.

For ease of presentation the above categories have been abbreviated in the text and tables of the study as follows:

1 Fish, fresh/frozen
2 Fish, dried/smoked
3 Crustaceans, fresh/processed
4 Canned fish and crustaceans

The rationale for using trade classifications to distinguish broad categories of fish products is essentially one of convenience, since the study is concerned with the role of imports in supplying Western European markets, in particular those of developing country origin.

Because the study is concerned solely with fish products for human consumption certain items have been excluded:

- fishmeal (used in animal feed)
- fish and fish waste used in petfood
- live and aquarium fish.

Marine and freshwater mammals are also excluded.

For the purpose of the study Western Europe is defined as comprising the following countries:

(i) within the EC: Belgium, Denmark, France, the Federal Republic of Germany, Ireland, Italy, Luxemburg, the Netherlands, Portugal, Spain, the United Kingdom;

(ii) non-EC (i.e. members or associates of the European Free Trade Association, EFTA): Austria, Finland, Iceland, Norway, Sweden, Switzerland.

Given the size and complexity of the market it has been necessary to select for detailed examination a number of countries capable of broadly representing the market as a whole. The United Kingdom is excluded from selection since it is the subject of a separate study. Criteria for selection were:

- the volume and value of imports and trends in imports;
- the scale of existing supplies of developing country origin and trends in such supplies.

On the basis of the above, four countries were selected for in depth study: France, Italy, Spain and the Federal Republic of Germany (West Germany).

The data utilized for the study have been obtained from national and international trade statistics and from trade sources during visits to major market centres in the selected countries. Some tables have been prepared from more precise data than that shown. As a result there may be apparent discrepancies between the elements of a table and the totals and percentages.

MARKET PROFILE

The Western European market for edible fish products is substantial, with consumption estimated at over 6 million tonnes and valued at over £7 billion in 1984. The population is currently 342.6 million (mid-1984*). The rate of population growth is declining slowly with predictions forecasting total population to decline during the 1990s. For most countries, there is very little prospect therefore that demand will be stimulated through population growth.

Whilst there continues to be a conservative element in consumer tastes and preferences, the hold of traditionally preferred species and products has weakened over the past two decades. Although fresh fish continues to command a large part of the market, its importance has declined, together with that of the much smaller smoked fish product group. Consumption of canned products has remained fairly constant, but its composition has changed, with expanding consumption of shrimp, prawn and tuna. The major growth area in fish product consumption has been for frozen fish and shellfish together with semi-processed convenience and prepared foods. These trends began first in northern Europe and have spread south in more recent years.

Many European countries have substantial domestic fishing industries, especially in the marine sector. A significant proportion of the catch for Spain, Italy and France is caught in developing country waters. However, international trade is of major importance in meeting market needs. Total annual imports exceeded 2.8 million tonnes in 1984, valued at more than £3.5 billion. The four countries selected for detailed study: France, Italy, Spain, and West Germany, dominate import trade, with total imports of 1.4 million tonnes valued at £1.8 billion in 1985. Approximately 25 per cent of these imports were of products originating in developing countries. Per caput consumption and imports to the four countries studied by weight and value and from developing countries are presented in Table 1. The Western European market can be broken down on a broadly regional basis, that is, into Scandinavia, Northern Europe, Central Europe and the Mediterranean. Although within these regions each individual country has its own characteristics, there are similarities between countries that go beyond purely locational proximity. The composition of each grouping and summary market characteristics are briefly described below.

Scandinavia For the purpose of this study this region is defined as Denmark, Finland, Iceland, Norway and Sweden. Fish sectors in these countries are characterized by large, modern fishing industries producing good quality products. Per caput consumption levels are high with Iceland having the highest level in Western Europe at 70 kg live-weight equivalent. However, because population levels are low, high per caput consumption levels do not translate into particularly high levels of total demand. In general, tastes are relatively conservative and cold-water species are preferred.

***Source**: World Development Report 1986.

Table 1

Consumption, imports and exports of fish and fish products for selected countries in Western Europe in 1984

	Per caput fish consumption (kg)	Population (millions)	Estimated fish consumption live weight equivalent '000 tonnes
Germany, Federal Republic of	12	61.0	732
France	24	55.2	1,325
Italy	12.5	57.1	714
Spain	40	38.6	1,544
Western Europe		321	

	Imports			
	Total		of which from LDCs:	
	'000 tonnes	£M	'000 tonnes	£M
Germany, Federal Republic of	411	450	30	49
France	475	736	111	186
Italy	351	527	117	162
Spain	272	270	102	98

	Exports	'000 tonnes				
	Total	of which:				
		Fish fresh, chilled and frozen	Fish dried and smoked	Crustacean fresh and processed	Prepared and preserved	
					fish	crustacean
Germany, Federal Republic of	137	77	2	25	29	4
France	145	108	4	24	8	1
Italy	92	40	2	41	8	1
Spain	200	55	11	99	29	6

Source: Based on: NIMEXE, FAO and Spanish trade statistics

Large surpluses of fish products are available for export, and import requirements are small. The most significant importer in the group is Sweden which also has important trade links with a number of developing country suppliers.

Northern Europe This region is defined as Belgium, France, the Irish Republic, Luxemburg, the Netherlands, the United Kingdom and West Germany. The fish sectors in these countries are characterized by moderate-scale fishing industries which are often in a state of decline. France has been able to maintain its catch largely through agreements to fish in developing country waters. Per caput consumption levels are generally low to medium, those in the Irish Republic and West Germany being the lowest in Europe.

Most countries in the group export generally good-quality fish products but are also substantial importers, with imports showing a rising trend. France has the largest per caput consumption in the group and part of its market requirements are characterized by features of the Mediterranean group described below. Because of its dual nature, a wide range of products is consumed on the French market. Overall, countries in this group consume a higher proportion of products from warm-water species than do Scandinavian countries.

Mediterranean This group is defined as Greece, Italy, Spain and Portugal. Domestic fishing industries, notably those of Spain and Portugal, are of major importance and both of these countries have a significant export trade. Agreements to fish in developing country waters are especially important for Spain and for Italy. Per caput consumption levels within the group are quite varied. Portugal has the second highest level in Europe, about four times that of Greece or Italy. The composition of consumption is, however, fairly similar, with a tendency towards preferences for warm-water and Mediterranean species.

The scale and composition of domestic supplies is generally insufficient to meet demand and Spain and Italy are major importers.

Central Europe This region is defined as landlocked countries, that is Austria and Switzerland. These countries have limited (freshwater) fishery resources and as a consequence have low per caput consumption levels, which in conjunction with relatively small populations means that total market size is limited.

In terms of scale of markets and the degree of importance for imports, Northern Europe and the Mediterranean regions are easily the most significant of the four regional groups. Within these two major groups are the four individual country markets which form the core of this study. Each country market is considered in turn in the following sections. A concluding section covers procedures which potential developing country suppliers are advised to follow in order to penetrate the market successfully.

Section 2

Federal Republic of Germany

MARKET PROFILE

By Western European standards the market in West Germany is characterized by moderate levels of consumption and fairly conservative tastes. Despite high income levels, per caput consumption of fish is only about 12 kg, live-weight equivalent. Consumers are generally more concerned with the price of fish products than with quality, especially for products consumed in the home. However, there are some signs that the younger and more mobile sections of the population are becoming more aware of product quality and are increasingly prepared to try new products.

In 1984 the total market for edible fish was estimated at over 700,000 tonnes, worth about £ 0.7 billion. Almost 40 per cent of total consumption is of herring in various forms, particularly preserves and marinates. Other products worthy of note are various white fish, canned tuna, shrimp and prawn. Two important factors disrupted traditional fish consumption and distribution patterns for small pelagic fish in recent years: the implementation of economic exclusion zones and the ban on the fishing of North Sea herring (1977-80). These disruptions have led to some movement in demand away from herring and towards competing products such as mackerel, sardine and pilchard.

The West German population was about 61.0 million in 1985 and is declining; research suggests that this trend will continue. During the past ten years from 1975 there has been a slow decline in per caput consumption for fish products as a whole. For most individual products there have been relatively small declines in consumption levels but in contrast, there have been important increases in demand for some items, for example, shellfish and frozen fish. Overall negative trends are expected to continue, with at best static per caput consumption levels and a slowly declining population.

Source of supply

With the loss of fishing rights in its traditional fishing grounds and difficulties in exploiting alternative sources, the size of the domestic fleet has declined significantly over the past ten years since 1975, and with it the domestic catch. The latter now stands at about 300,000 tonnes per year. Landings are dominated by cod, redfish, saithe and herring. While cod and redfish catches have remained stable during recent years, there are declining trends for saithe. Herring has not regained its former importance after the lifting of the ban on fishing the species in the North Sea.

West Germany is an important trading nation in edible fish products. There has been a slow but gradual increase in imports as a result of declining catch and stable demand to current levels of over 400,000 tonnes, which in 1984 were worth approximately £ 450 million. The relative importance of imports for West Germany can be seen in Table 2. Exports are over 100,000 tonnes a year, of which two-thirds are fresh/frozen fish. Export quantities have remained fairly constant so that the country has an increasing negative trade balance.

Table 2

Federal Republic of Germany: trade flows of major fish commodities 1979-84

'000 tonnes

	1979	1980	1981	1982	1983	1984
Imports						
Fish, fresh/frozen	260	295	272	278	301	303
Fish, dried/smoked	29	30	28	30	30	30
Crustaceans fresh/processed	16	19	17	16	16	17
Canned fish and crustaceans	61	63	56	55	57	61
TOTAL	366	407	373	379	404	411
Exports						
Fish, fresh/frozen	87	89	88	93	85	77
Fish, dried/smoked	3	2	2	2	2	2
Crustaceans fresh/processed	10	18	16	9	11	25
Canned fish and crustaceans	29	27	24	28	31	33
TOTAL	129	136	130	132	129	137

Source: FAO Fisheries Yearbooks; NIMEXE.

Imports now regularly account for over half of all requirements. Over 300,000 tonnes, 75 per cent of all imports, are of fresh and frozen fish. All increases in import requirements are accounted for by this group since imports have remained constant for other commodity groups. The main participants in trade are other members of the EC, who account for about 60 per cent of the total.

Developing country suppliers

The share of developing country suppliers in the West German market fell from 11 per cent to 7 per cent of total imports during the period 1978–84, or 3,000 tonnes in all (*see* Table 3). The most serious decline has been in the frozen fish category. However, canned products have continued to be the most important group, where the developing country market share has increased to more than one-third. Provided developing countries can meet stringent health regulations, there are important opportunities for new exporters wishing to enter this part of the market.

Table 3

Federal Republic of Germany: imports from developing countries

'000 tonnes

	1978			1982			1984		
	LDCs	Total	%	LDCs	Total	%	LDCs	Total	%
Fish, fresh/frozen	15	194	8	13	278	5	5	303	2
Fish, dried/smoked	–	29	–	1	30	3	–	30	–
Crustaceans fresh/processed	1	6	21	3	16	19	3	17	15
Canned fish and crustaceans	17	64	27	18	55	33	22	61	36
TOTAL	33	293	11	35	378	9	30	411	7

Source: NIMEXE

Markets for individual product groups

Fish: fresh and frozen

Although consumption of the fresh and frozen fish group of products as a whole is steadily decreasing, demand for frozen fish continues to increase. Fresh fish consumption had by 1982 declined by almost one-quarter from its 1978 levels, whilst frozen fish consumption increased and now accounts for two-thirds of the total (*see* Table 4). Whole, headless or filleted fish account for three-quarters of all imports, one-third of which are herring. A high proportion of this fish is then processed before consumption and some is re-exported.

Table 4

Federal Republic of Germany: sales of edible fish products

'000 tonnes

	1978	1979	1980	1981	1982
Herring: raw and semi-processed	189.8	195.9	202.8	192.6	175.9
Fish: fresh, iced	214.9	195.5	190.3	174.7	167.1
Fish: frozen	n.a.	265.9	304.2	303.5	302.9
Crustaceans and molluscs	38.5	43.0	46.7	44.1	52.4

Source: *Jahresbericht über die Deutsche Fischwirtschaft* 1982/83

Domestic production has undergone considerable change in the past ten years since 1975 as a result of the realignment of fishing rights in the region, particularly within the EC, and the subsequent decline of the West German fishing fleet.

Between 1978 and 1982, fillet production fell by more than one-quarter to almost 24,000 tonnes. The drop in production of whole/headless, fresh and frozen fish by two-thirds to about 4,000 tonnes, was even more dramatic.

Despite falling production, exports have been maintained at over 80,000 tonnes. These have been dominated by sea-fish other than herring, of which fillets account for approximately one-half and whole frozen fish for about one-quarter. With little change in export levels and decreasing production, consumption requirements have been met increasingly through imports.

By 1984 imports had reached 300,000 tonnes, valued at £260 million or an average of approximately £860 per tonne. Major imports in 1984 are shown in Table 5.

Table 5

Federal Republic of Germany: major imports of fresh and frozen fish during 1984

'000 tonnes

Fish	Product	Volume (tonnes)
Herring	Mainly fresh or chilled whole but including frozen and filleted	over 90,000
Coalfish	Frozen fillets	31,000
Redfish	Fresh or chilled whole, some frozen fillets	26,000
Saithe	Frozen whole	24,000
Mackerel	Ranging from fresh whole to frozen fillets	21,000
Cod	Ranging from fresh whole to frozen fillets	18,000
Freshwater fish	Trout, salmon and eel	25,000

Source: NIXEME

Most of these products are supplied by EC countries, Scandinavia and North America. Fillet imports have been increasing while imports of whole fish have declined. These trends, increasing imports of fillets particularly cod, saithe and redfish, and declining imports of whole fish were maintained in 1985 and are expected to continue.

As West German importers have sought cold-water species supplied mainly from within Western Europe, developing countries have not fared well during recent years. Total supplies of developing country origin in 1984 had declined to less than 5,000 tonnes or under 2 per cent of the market. The number of supplying countries had also fallen considerably. There was a modest market in 1984 for hake and shark. Hake was in the form of frozen fillets of which 3,131 tonnes were imported from Uruguay and Argentina at an average price of £ 690 per tonne and frozen whole of which 250 tonnes from South America averaged £ 560 per tonne. Whole shark (863 tonnes) was imported from South America and South-East Asia, averaging £1,670 per tonne.

Fish: dried and smoked

Fish consumed in the dried and smoked fish category is mostly herring, and has remained almost constant at just under one kilogram per caput. Imports have been maintained at around 30,000 tonnes a year coming mostly from within the EC and in particular from the Netherlands. Imports from developing countries are almost nil.

In 1984, the total value of imports for the product group was £ 37.5 million or £ 1,250 per tonne. Herring imports in the form of dried, salted and in brine products were 13,000 tonnes and smoked mackerel 3,000 tonnes. Domestic production levels are about two-thirds of the level of imports and there is a very small export trade.

Crustaceans: fresh and processed

Products within the fresh and processed crustaceans group account for only a small proportion of total consumption, but comprise relatively high value items. Demand has been growing quite rapidly, at almost 10 per cent per annum in recent years, with particular emphasis on mussel, shrimp, prawn and squid. Growth has been concentrated in the catering rather than the retailing sector, because demand has been stimulated amongst consumers 'eating out'. Interest in these products has probably been stimulated by consumers' holidays in the Mediterranean region.

Warm-water species of shrimp and prawn are accepted on the market, although they are more susceptible than cold-water varieties to occasional health 'scares', such as that which occurred in the Netherlands in 1983. Demand for shrimp and prawn and for other products is expected to continue to grow although at slower rates than in the recent past.

Increased demand has particularly stimulated domestic supplies which have increased from a little over 20,000 tonnes in the late 1970s, to more than double that quantity. Mussel supplies have increased and are now three-quarters of the total catch. Exports are fairly modest and exhibited a declining trend between 1978 and 1983 but increased in 1984.

Import levels have remained steady at around 16,000-17,000 tonnes annually. In 1984, these were valued at around £ 36 million and as they averaged more than £ 2,100 per tonne they represented the most lucrative part of the import market. Important products are mussel, squid (*Loligo* spp. in particular), crawfish, shrimp and prawn. Developing countries have maintained a fairly constant level of supplies. Thailand exported more than 1,100 tonnes of *Loligo* spp., valued at over £1,600 per tonne, whilst the average value of almost 1,300 tonnes of shrimp (mainly *Penaeid* spp.) supplied by eleven South and South-East Asian countries was about £7,000 per tonne.

Canned fish and crustaceans

The West German market for canned products is one of the largest in the world. This group of products, comprising canned fish and shellfish, preserves, marinates and other preparations, accounted for over half of all edible fish consumption in West Germany until 1981. Consumption has been declining slowly although there are significant differences within the grouping. The most important products are herring preserves and marinates which account for more than half of all consumption in this product group and more than 30 per cent of consumption of fish products as a whole. Herring consumption, however, continues to decline by around 5 per cent a year and by 1982 stood at approximately three-quarters of the 1978 level. For other products the changes over this period have been less dramatic: smoked salmon, saithe in oil and shellfish have experienced small declines; canned sardine and tuna have remained stable and fish salad (fish and vegetables in sauce) has recorded a modest increase.

This sector of the market is highly competitive since consumers are very responsive to price, much more so than to quality. Brand names, a feature of most markets in Western Europe, are unimportant in West Germany as consumers select on the basis of price. Only advertising campaigns linked to competitive price cutting ('price wars' which are an important characteristic of the canned fish market), have been successful in stimulating sales. Quality control regulations are not as stringent as those applied to frozen products.

As consumption has declined there have been changes in the relative importance of sources supplying the market. Exports and imports have both remained constant with exports of approximately 30,000 tonnes annually, or half the level of imports. Consequently the fall in consumption has led to a drop in domestic production. This decline has been most severe for fish marinates and preserves, and each year a small number of canners has gone out of business. There has also been a decline in the production of smoked fish in oil. Canned shellfish products have fluctuated and there have been modest increases in production of fish salad.

Since rising to a peak in 1980, imports have been stabilized at about the 1984 levels of 61,000 tonnes. These imports mainly consist of fish products, with shellfish products generally increasing their share to more than 10,000 tonnes. Canned herring remains the most important item although imports have declined with the recovery of the domestic catch since 1979. Imports of canned bonito, which have increased significantly during the last five years (1979-84), together with sardine and tuna, are the other major items. Imports of anchovy and mackerel have also increased, while those of crab have declined.

The West German market presents developing countries with an important opportunity since it is receptive to new suppliers. As many as 15 countries supply individual products. An important relationship exists between price, product quality and the particular supplier. Imports from developing countries and territories such as Taiwan, Korea and Malaysia have declined. As the quality of products from these countries has improved, such countries have been able to command premium prices and increase supplies to the more lucrative markets of Japan, North America and elsewhere in Europe. New developing country suppliers are entering the West German market and taking their place. Those suppliers able to compete on price and maintain supplies of a satisfactory quality are able to prosper. Relatively recent market entrants include Thailand, the Philippines, Bangladesh, Senegal and Uruguay.

Major products imported during 1984 are listed in Table 6 together with important suppliers and average product values. The value of imports for the whole group was £114.4 million, an average of about £ 1,875 per tonne.

The market share of a number of products of developing country origin has increased, including bonito, tuna, sardine and shellfish. South-East Asian countries predominate and Thailand in particular has succeeded in expanding its market penetration. Trade sources expect the overall size of consumption for the product group to remain constant but that the displacement of traditional products such as herring will continue in favour of items of developing country origin.

Table 6

Federal Republic of Germany: major imports and suppliers of canned edible fish products in 1982 and 1984

Product	1982		1984		
	Quantity tonnes	Important suppliers	Quantity tonnes	Main suppliers (change from 1982)	Average value per tonne
Herring	11,500	Intra EC	12,000	No change	£1,160
Bonito	8,000	South-East Asia	12,000	No change Thailand 7,000 tonnes	£1,500
Tuna	5,500	Taiwan, Senegal	7,000	Developing countries 4,500 tonnes, West Africa South/South-East Asia, (Taiwan 2,400 tonnes)	£1,200
Sardine	1,300	Morocco	7,000	Europe, Morocco (2,800 tonnes)	£1,600
Other crustaceans	1,400		5,500	Mainly Europe, some South-East Asia	£4,000
Other molluscs	1,000		5,500	Mainly Europe, some South-East Asia	£1,900

Source: NIMEXE

TRADE STRUCTURE AND MARKETING CHANNELS

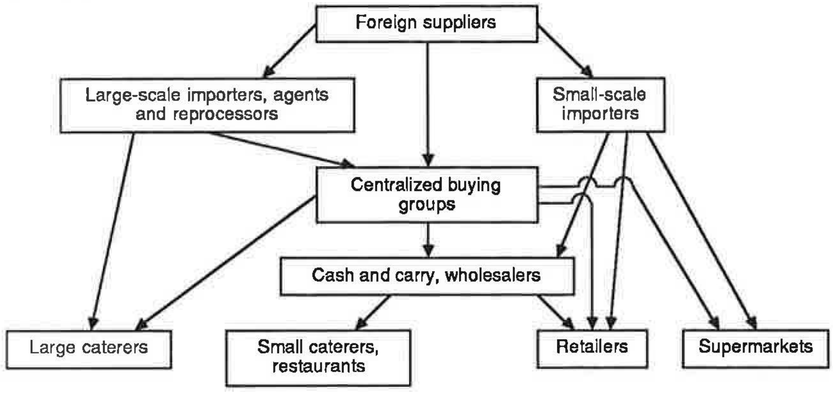
Frozen and processed fish and shellfish

Fresh frozen fish and shellfish are considered jointly because, although individual importers will have a specialization in particular products, they also usually import a range of products from developing countries. This will frequently include fish and shellfish and both frozen and processed products. These products account for about 85 per cent of all fish imports into West Germany.

The structure of the trade for products of developing country origin is outlined in Figure 1. Because of the dominant demand for cold water species,

Figure 1

West German channels: imported fish products (not canned) of developing country origin



this structure only accounts for a very small proportion of total non-canned imports.

Some species are processed and canned before being resold, especially shrimp, of which approximately half of all imports are canned.

Importers and agents are the most important market intermediaries, operating in a similar manner to those involved in canned fish imports. Agents receive a commission for bringing buyer and seller together, arranging shipping and ensuring the satisfactory completion of the contract. Because of the strict quality control of imports of unprocessed fish and the market demand for product quality, however, importers are likely to visit the supplier where significant quantities are involved. Some companies such as Kanzow act in both capacities, that is, as importers and agents.

Re-processors and repackers are generally supplied by importers and agents. Particularly important in this respect for developing countries is the demand for warm-water shrimp, which is increasingly for the cooked and peeled product, or, peeled and de-veined products for breading and battering.

The wholesale and retail trade is dominated by the centralized buying groups who import mainly through importers. They supply their members and clients who include cash-and-carry stores, wholesalers, retailers and the catering trade. Some market under their own label. Large department stores import through importers and in some cases direct where the supplier can meet the very strict quality and delivery requirements. Large caterers buy from importers and processors in bulk, whilst small-scale caterers and restaurants purchase from cash and carry stores and wholesalers.

Canned fish and crustaceans

The structure of the market for canned products is depicted diagrammatically in Figure 2. The channel along which products move depends on the quantity involved and the capacity of the supplier to meet the buyer's scale requirement. Not shown in the diagram are manufacturers, who deal principally with North Sea species of fish, especially herring and mackerel, the only exception being some imports of Spanish sardine.

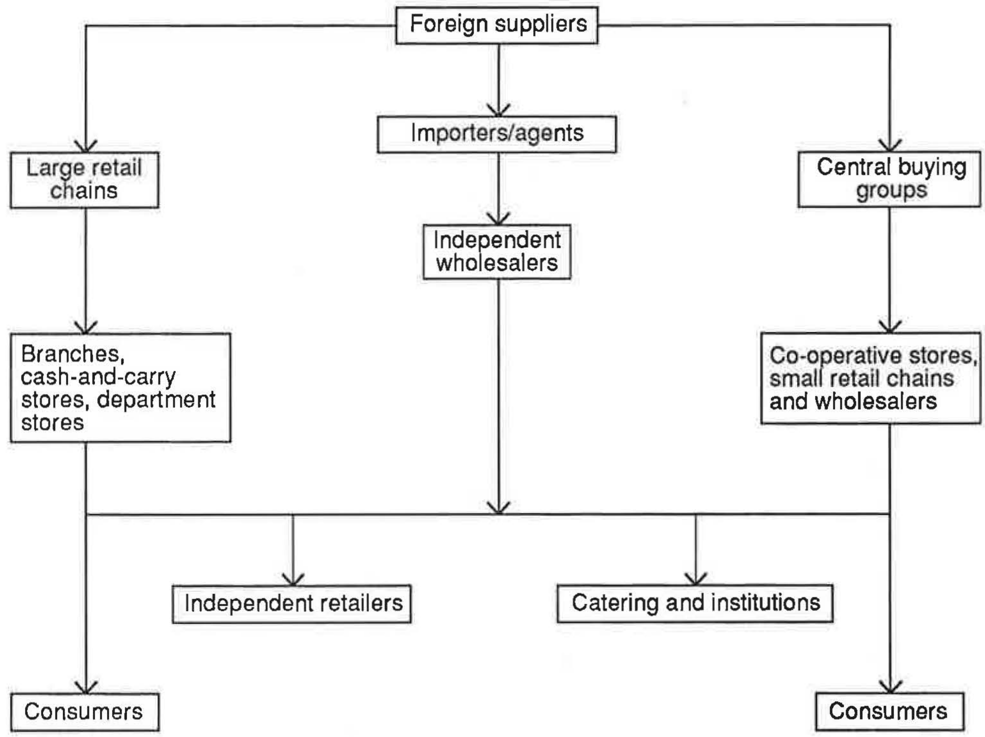
Importers and agents represent the most important market intermediaries for developing country suppliers. They handle over half of all canned fish and shellfish imports and, according to trade source, a much higher proportion of those of developing country origin. They usually have an intimate knowledge of the market's structure and its product requirements. They are also prepared to deal with problems including inconsistent quality, irregular supplies and failure to meet delivery dates often encountered with new suppliers and, in the case of importers, prepared to maintain stocks of suppliers' products. This latter function is extremely important particularly for distant developing country suppliers because even major retailing chains only hold minimal stocks (or in the case of Aldi Brothers, no stocks at all) and require fairly rapid delivery. The quality risks are equally important since, by law in West Germany, it is the importer who is held responsible if quality standards are not met.

While importers actually purchase the products, agents do not. Agents have no direct financial involvement but act as intermediaries between the buyer and seller for which they receive a commission. The agent's role is to bring the two parties together and variously to process the required legal and other documentation relating to health control, transportation and finance. Their activities are largely confined to proven suppliers mainly from developed countries although some have worked successfully with a number of developing country suppliers. Importers also undertake all these intermediate steps between the buyer and the seller.

Potential suppliers can identify prospective importers in a number of ways: through examination of market analysis literature; indirect contact through

Figure 2

Federal Republic of Germany: imported canned fish and crustaceans



third parties such as export agents and trade promotion offices; direct contact at trade fairs; and visits by importers to developing countries. All of these are important for the supplier. As some are passive, depending on an approach from the importer, the most appropriate action is likely to be through official channels or at trade fairs which are very important in West Germany. Lists of important literature, trade fairs and major importers and agents are given in Appendix I.

Major retail chains and central buying groups usually import their large-scale requirements direct from the supplier. Because they are not prepared to assume the risks frequently associated with new entrants their direct dealings with developing countries are limited. Those products of developing country origin which they do market are usually purchased from an importer prepared to guarantee product quality. Since these retailers hold limited stocks, the speed with which a supplier/importer can supply the product is of major importance. This type of retailer tends to operate through an agent in an important supplying developed country.

Smaller-scale retailers who are not part of central buying groups usually purchase imported canned fish products from importers, and are therefore more likely to deal with products from developing countries.

Trade regulations and requirements

Food and health

This section provides a fairly detailed breakdown of food and health regulations since such regulations serve as a model for other countries covered by the study; that is, as products which meet these requirements are likely to be acceptable elsewhere, where regulations may not be so rigorous. The section considers all products jointly unless otherwise specified.

In West Germany goods are subject to spot sampling checks by government inspectors. If goods fail these tests, importers are subject to heavy fines and in the case of persistent violation, to loss of import licences.

Inspections are conducted for residues: pesticides, toxic metals (mercury, cadmium) and substances having a pharmacological effect. The laws governing the quality and transportation of fish products in West Germany are listed in Appendix III, Annexe 1A, together with EC rules and directives (Appendix 3, Annexe 1B) which have to be observed. Fish products are also unacceptable if they exhibit anomalies of smell, taste or appearance; are made with rancid oil; are infested with parasites or have an appearance that has been changed by the use of colouring agents. Certain colouring agents and changes are permitted, in which case the fact that changes have taken place must be indicated. Canned fish is only allowed to contain preservatives, colouring agents and other additives which have been approved for this purpose. In the case of certain marinated products, pastes, salted fish in oil, anchovy-type products, etc., the following preservatives may be used:

- sorbic acid (E 200-203)
- benzoic acid (E 210-213)
- parahydroxybenzoic acid ethyl ester (E 214-219)
- formic acid (E 236-238).

In addition, fresh smoke from natural wood and saltpetre (potassium nitrate) may be used in the production of certain fish products.

The qualitative evaluation of fish and fish products is carried out in accordance with the Guiding Principles of the German Food Book, which constitutes recognized norms for the production, composition, evaluation and designation of these products.

For the transport of fish and fish products there are requirements regarding temperature:

- fresh fish, not frozen, not processed (must always be transported in ice-filled containers): not exceeding +2°C
- fish, frozen and deep-frozen: not exceeding –18°C.

Incompletely sterilized fish products must always be transported in refrigerated vehicles (at approximately 2-4°C), and their packaging has to bear an indication of the fact that their storage life is limited.

There are no special health regulations about fish which deal with hygienic questions in connection with the catching, landing, processing and storing of fish in the exporting country, but such regulations are being prepared.

In order to protect their interests and to carry out trading transactions, importers will require:

- a health certificate issued by a competent authority in the country of origin to accompany the goods;
- a bill of lading and transport details, especially in the case of frozen goods transported in refrigerated containers;
- a commercial invoice;
- a certificate of quality.

Importers will also usually undertake voluntary tests of frozen goods at an accredited laboratory using samples drawn from a consignment, the size of the sample depending on the size of the consignment, which the suppliers have previously recorded.

In the case of frozen shrimp, the importer will usually specify: total plate count, freedom from *Salmonella*, pH value, total volatile nitrogen, organoleptic tests for decomposition and freshness, and net weight. More elaborate tests are usually undertaken for canned shrimp, requiring analysis of: texture, drained weight, chemical additives (particularly boric acid which is totally prohibited in West Germany), quality and state of lacquering, pesticides, mercury and cadmium. Recently, histamines, with a maximum level of 100 p.p.m., have been checked before and during processing as an indication of the freshness of the raw product. The outside appearance and cleanliness of the can is also checked.

Packaging requirements

Most of the wide range of methods for packaging fish in current use are acceptable in West Germany provided they are packed, marked and labelled according to prescribed standards. These are covered by the laws and regulations presented in Appendix III, Annexe 1.

Non-canned products

Product specifications vary from one importer to another. Table 7 provides a selection from the range of fish products in which one company is interested.

Table 7

Typical specifications for frozen products required by the West German market

Product	Detailed requirements	
Pilchard	Butterfly cut	8-12 to 8-14 pieces per kg; fat: 8-13%; block frozen
Mackerel (*Scomber*)	Round	1-2 to 1-3 pieces per kg; fat: 18-24%; block frozen
Mackerel (*Scomber*)	Butterfly cut	4-6 to 8-15 pieces per kg; fat: 14-20%; block frozen
Hake	Fillets	for fish fingers production; block frozen
Dogfish	Belly flaps	23 cm upwards per piece without membrane skin; block frozen
Sole	Fillets, skinless	80-120 to 160-220 g/piece; interleaved IQF
Plaice	Fillets, skinless	80-120 to 120-160 g/piece; IQF
Plaice	Headed, gutted, trimmed	325-375 and 375-425 g/piece; IQF
Prawn (seawater)	Heads-on, shells-on	under 8 to 16/20 pieces per lb; white; block frozen
Shrimp	Cooked and peeled	100-200, 200-300, 300-500 pieces per lb; IQF
Musselmeat (*Mytilus edulis*)	Cooked and peeled	150-200 to 200-300 pieces per kg; IQF
Crab meat (snow or queen)	40/60	block frozen or IQF

Source: Maxein's, Hamburg

The list above covers a significant part of the range of types of packaging used for non-canned fish products, and different degrees of processing from whole, (round), block frozen to cooked, peeled and individually quick-frozen (IQF).

Block frozen is most commonly used by the processing and catering sectors and is the form in which most developing country supplies are imported. Blocks are glazed, or semi-IQF (with a water glaze) in the case of shrimp, wrapped in heat-sealed polythene and waxed in master cartons of 10 or 20 kg (and imperial equivalents). These cartons, usually measuring 20 × 30 × 5 cm, will contain smaller waxed cartons in the case of the smaller species, usually 2 kg (or 1 kg) for shrimp.

IQF, although less important quantitatively, is much more commonly used for higher value products or those for retail sale. Heads-on shrimp for retail sale usually packed in polythene packs of 1-2 kg are then packed in waxed cartons inside master cartons. For catering and reprocessing outlets, heat-sealed polythene bags are adequate.

Canned products

There are no mandatory requirements for bottle, jar or can sizes or for composition and thickness of tin plate although domestic manufacturers usually observe national standards for size (*see* Appendix III, Annexe 1C for examples of can standards). There are mandatory requirements for lacquers and varnishes used on food containers and packages.

The most popular species marketed in West Germany are herring, tuna, sardine, mackerel and anchovy. The packaging methods in common use for those species of importance to developing countries are:

Tuna/bonito: canned, skinless in oil in ¼ club or oblong cans, ½ or 1 lb oval.

Sardine: (a) canned, headed/gutted (also skinless and boneless) or fillets or slices, also smoked, in oil, tomato sauce or other sauces, in ¼ club or oblong cans, ½ lb or 1 lb oval, larger sizes for catering,

(b) salted, dry-salted in barrels or wet-salted in tanks,

(c) made into a paste with binding and flavouring agents.

Mackerel: (a) canned, headed/gutted or split or fillets, in oil, tomato or other sauces, in ½ lb or 1 lb tall or oval cans, also other can sizes ranging from 100 g to 5 kg.

(b) salted, whole-gutted or split or fillets, pickle-salted, packed in barrels or boxes of 10, 25 or 50 lb.

Anchovy: salted, headless, gutted or whole ungutted, packed in barrels; filleted in oil or sauce, flat or rolled, with or without capers, packed in tins, glass jars, etc.; also paste (anchovy paste, anchovy butter, etc.).

Marking and labelling

Prepacked goods in all forms of packaging are covered by the Weights and Measures Law and the Prepacked Goods Regulation which are listed in Appendix III, Annexe 1.

All goods imported into West Germany must display in German:

- the brand name;
- the origin of the goods, and exporter's name;
- a proper description of the goods, including the value determining ingredients, the net weight (or volume) of the product exclusive of ice and packaging materials, and the number of items where required;
- validity date of packaging or consumption.

To be sold in West Germany, the following, in German, must also be displayed on goods:

- the name of the distributor if goods are being sold under another brand name (label);
- storage temperature and period in the case of frozen fish products;
- mercury content in the case of processed food;
- the price per pack and per unit weight in the case of non-standard containers.

There are specific regulations relating to size of lettering and suggested standards which are non-obligatory for size of packs and types of packaging. Any form of presentation considered likely to mislead the consumer is likely to prove illegal.

Tariffs and quotas

In common with the other member countries of the EC, West Germany follows the EC's schedule of tariffs. These tariffs are applied according to the product's value (*ad valorem*) based on their c.i.f. prices. Tariff tables for West Germany are given in detail in Appendix IV, Annexe A. There are no quotas on products of developing country origin.

The tariff levels relevant to each exporting country will be determined by that country's trading relationship with the EC. For ACP members, most products are tariff-free (exceptions include some dried or prepared fish species and some crustaceans and molluscs) under the Generalized System of Preferences (GSP). The highest tariff levels, called 'autonomous rates' are imposed on products originating in countries which have not concluded special agreements with the EC. They are particularly high, in some cases 30 per cent of the product's value, for most fresh and frozen salt-water species of fish and crustaceans, filleted fish and canned fish. Countries which have concluded such agreements are afforded 'most favoured nation' status; their products are subjected to marginally lower 'conventional rates'.

Pricing

A wide range of factors affects product prices. A discussion of their relative importance and recent average import values of a range of developing country products important in West Germany are given in Appendix V. Of major interest are data for canned products, in particular, bonito, tuna, sardine and shellfish, for which developing countries have been able to increase supplies and also a small but fairly lucrative share of the market for frozen shrimp.

Price information can be obtained from market intelligence reports in international sources such as *Infofish Trade News* and *Infopesca Market News and Price Report* both published by FAO and which provide detailed information and are available to developing countries. Supplementary information can be obtained from trade journals including: *Lebensmittel Zeitung* (weekly); *Feinkost Revue* (monthly); *Allgemeine Fischwirtschafts Zeitung* (bimonthly) and *Foodnews* (weekly). Since these journals are referred to by West German importers, agents and others in the fish trade, they are also important references for developing country suppliers.

Procedures for developing country exporters

In this section, various procedures are discussed which developing country exporters might undertake to assess the potential for penetrating the West German market. The section is supported by Appendix I where important contacts and documents relevant to the fish sector in West Germany are listed. It should be read in conjunction with Section 6, which considers a possible export strategy.

The West German market, although exhibiting a number of conservative characteristics, relies substantially on trade for its fish products and is well disposed through Export Promotion Offices and trade fairs to assist external suppliers in general. There are also a number of institutions and organizations which are prepared to assist developing countries in particular, including the Federal Ministry of Economic Co-operation. This assistance takes the form of publications, which explain the structure of the West German market in general, although occasionally dealing with particular fish products; establishing appropriate business contacts in West Germany for the exporter, and occasionally assisting directly with export promotion. There is a reliable data base for market analysis.

Initial contact with importers and agents can be made through these avenues or through personal contact with third parties such as export agents. At some point in this development, letters will need to be exchanged to establish a more formal footing to any arrangements.

If the first contact between the supplier and the importer indicates that the prospects for doing business are good, that is, the indications are that the product and its price are acceptable, the importer will usually require a product sample for examination, normally one master carton. A satisfactory examination of the sample in terms of its quality and taste is a prerequisite to trade.

Some importers will be prepared to advise and assist potential suppliers whose product initially proves to be unacceptable. The extent of this assistance will vary in each situation according to the importer and the supplier but can be expected to increase, depending on the scale of operations and the supplier's previous performance in the market.

This stage will usually be followed by the importer placing a trial order. The importer will usually insist in the case of a new entrant on exclusive rights to the product in West Germany, in which case the supplier should insist on a minimum quantity being marketed in the first year. These quantities can be adjusted during subsequent years according to progress. The exporter will also normally be expected to label the product before shipment and to use the importer's label. Well-established suppliers will have a much stronger bargaining position to the extent that importers will market the products under the supplier's own label.

Section 3

France

MARKET PROFILE

The French market consumes approximately one million tonnes of edible fish products worth more than £ 1 billion annually, making it the second most important market in Western Europe after Spain. Fish is a very important part of the French diet and its internationally famous cuisine. Annual per caput consumption is about 18.5 kg product weight and only exceeded in the Western European market by Spain and Portugal. The quantities consumed have been increasing over the past decade (since 1975) by almost 2 per cent per year, faster than anywhere else in the Western European market.

Growing demand can be partly accounted for by increases in the population of France. In 1985 this was about 55.2 million, but is now increasing only slowly. Future projections predict negative growth rates in the 1990s although the Government is taking active steps to arrest potential population decline. Per caput incomes also increased up to 1982 but subsequently declined in real terms. Probably the most important factor influencing consumption in general and its structure in particular, is the importance attached by the French to cuisine as a measure of the quality of life. Trade sources constantly refer to the quality of a product playing a more important part in selection relative to its price. This situation is more likely to be encountered in France than in almost any other European country.

In the home, great care and time is taken over the preparations for meals and in 1978, almost 90 per cent of households purchased fresh, smoked or dried fish. Eating out is also an important social custom although one that is declining as frozen food options increase. There are many 'ethnic' restaurants, especially Chinese and Vietnamese, which specialize in fish dishes.

The tradition of eating fish every Friday is also declining but market surveys indicate that half the population eat fish products at least once a month, whilst trade sources suggest that the proportion may be much higher. Institutions, which are an important outlet, generally serve fish weekly. This situation is put in context when compared with that for meat which is the main source of product competition. Whilst meat is eaten every day, consumption has declined from peak levels of 140 kg per caput annually. It would appear that fish, which is becoming more widely recognized as a lighter and healthier food, is taking part of the meat market.

Tastes are cosmopolitan. Traditionally cod was the most important fish and products which are close to cod in appearance and taste continue to benefit from the declining cod catch. More than 100 species are eaten, including a wide range of white and blue fish, together with crustaceans and molluscs. There are sizeable North and West African, and Portuguese immigrant populations in France whose influence in the market place has affected the widening of the range of acceptable species.

This receptiveness extends to new products, an area in which consumption patterns are undergoing considerable change. Fresh fish has dominated the market in the past as have traditional methods of preparation whether in the home or in restaurants or other catering establishments. More recently, consumption of frozen, quick-frozen, partially prepared and convenience products has increased markedly. Most households are now accustomed to buying frozen fish products although the rate of increase has slowed. Fast-food outlets utilizing seafood products, which would have been unthinkable in France in 1980, are increasing in number.

The structure of fish consumption varies according to social status and location. Fish is most commonly eaten by those with young families, the elderly and those from the higher income groups, who are also more likely to own freezers and to purchase frozen products. As might be expected, the consumption of fresh fish products remains strong in coastal areas whilst purchases of frozen products are highest in the Paris region and in the east of the country.

Source of supply

France has a long tradition as a fishing nation and retains a strong artisanal component within its fishing fleet. The industry has a strong lobby through producer organizations which protect its interests and examine the potential for exploiting underutilized resources.

Despite limitations on fishing rights and quota restrictions, the domestic catch has only fluctuated within 2-3 per cent of the mean; in 1983 the catch was 784,000 tonnes live weight. Agreements with developing countries to fish in their waters, especially in West Africa, have played an important role in maintaining the catch in spite of these quotas.

Almost half of all domestic landings are demersals, one-third are shellfish and the remainder, pelagics. The most important, each exceeding 50,000 tonnes, are shellfish (oyster and mussel) and fish (tuna and saithe). Others worthy of note (each exceeding 20,000 tonnes) are whiting, sardine, herring, hake and mackerel.

The importance of trade as a source of supply is outlined in Table 8. At a time of fairly static domestic catch and increased domestic consumption, there have been increasing levels of exports. As a result, import levels have increased by a greater amount to secure adequate supplies. Between 1979 and 1984 exports increased by 44,000 tonnes, while imports rose by 85,000 tonnes. France's trading deficit over this period has risen from 289,000 tonnes to 330,000 tonnes.

Table 8

France: trade flows of major fish commodities 1979-84

'000 tonnes

	1979	1980	1981	1982	1983	1984
Imports						
Fish, fresh/frozen	215	214	228	230	245	248
Fish, dried/smoked	18	19	16	19	16	17
Crustaceans fresh/processed	82	89	99	107	110	119
Canned fish and crustaceans	75	79	83	85	93	91
TOTAL	390	401	426	441	464	475
Exports						
Fish, fresh/frozen	77	89	97	109	122	108
Fish, dried/smoked	4	6	4	4	4	4
Crustaceans fresh/processed	15	17	17	21	25	24
Canned fish and crustaceans	5	5	6	6	7	9
TOTAL	101	117	124	140	158	145

Source: NIMEXE

Exports have been dominated by unfilleted fresh and frozen fish of a wide range of species, especially tuna, but also saithe and herring. During the past six years exports of all frozen and fresh fish have increased by almost two-thirds, going mainly to other EC countries. Fresh and frozen shellfish exports, mainly cuttlefish and to a lesser extent crab, shrimp and squid, have increased by a similar proportion during this period.

Import demand in the French market for fish products is strong and imports increased annually during the period 1979-84, at rates which have fluctuated between 2 per cent and 6 per cent, and by the end of that period account for almost half of all supplies. In 1984 they were worth £ 736.4 million. This situation has taken place in spite of the market being less attractive to suppliers in comparison with those operating in United States dollars. By the end of 1984, the French franc had declined to 44.4 per cent of its 1980 value against the United States dollar.

Given the increasing population and importance attached to fish in the household budget, together with a substantial and steadily increasing export trade, it is expected that import demand will be at least maintained at current levels, and continued slow expansion is likely.

Developing country suppliers

As a group, developing countries have increased their share of the French market and now account for almost one-quarter of all imports. The importance of supplies from developing countries for fish products, comparing 1982 and 1984, is shown in Table 9. The prospects for supplying unprocessed fish to France in the future look good. However, because of the persistence of trade legislation to protect domestic manufacturers, few developing countries will share in the benefits of increasing demand for value added products.

Table 9

France: imports from developing countries

'000 tonnes

	1982			1984		
	LDCs*	Total	%	LDCs	Total	%
Fish, fresh/frozen	28	230	12	33	248	13
Fish, dried/smoked	2	16	13	1	17	6
Crustaceans, fresh/processed	24	107	22	24	119	20
Canned fish and crustaceans	37	85	44	53	91	58
TOTAL	91	438	21	111	475	23

Source: NIMEXE **Note:** * less developed countries

Markets for individual product groups

Fish: fresh and frozen

Consumption of items in the fresh and frozen fish group accounts for about half of the total for all fish products in France. The proportion is increasing as consumption of frozen fish increases significantly. However, fresh fish continues to dominate this group of products in spite of a slow decline in consumption.

There has been little significant change in the total quantity of demersal and pelagic fish landed over the period 1979-83 except for the decline in cod. While there has been a significant increase in the herring catch with the lifting of the ban on fishing in the North Sea, and to a lesser extent an increase in the sardine catch, the mackerel catch has undergone a decline. Exports of tuna, saithe and herring have increased while mackerel and other whole or filleted fish in this category have declined.

During the period 1979-84, imports increased by 15 per cent, 33,000 tonnes, in order to meet the increase in domestic demand. In 1984 imports were worth £321 million or almost £1,300 per tonne. Important products and the quantities imported are outlined in Table 10.

Table 10

France: major imports of fresh and frozen fish in 1984

Product		Volume tonnes
Cod	Whole fresh and filleted fresh and frozen	39,000
Makerel	Frozen (and fresh) whole	30,000
Sardine	Frozen (and fresh) whole	22,000
Tuna		18,000
Coalfish		10,000
Herring		10,000
Sole		8,000
Hake		6,000
Freshwater fish	Mainly salmon and trout	29,000
Other salt-water fish	Fresh not filleted, frozen and filleted and frozen not filleted, including: John Dory, monk fish (tails), red mullet, sea bass, pandora (French; pageau), pollock, gurnard and snapper	40,000

Source: NIMEXE

There has been a steady increase in tuna imports and some increase in 'other salt-water' species. Herring imports have remained stable while sardine imports have almost halved.

Developing countries have fared reasonably well during this period as can be seen in Table 11, their market share showing a modest increase between 1982 and 1984 at a time when the level of imports was also increasing. The major products of developing country origin and details of volumes and unit values are shown in Table 11.

Table 11

France: developing country suppliers of fresh and frozen fish in 1984

Product		Volume tonnes	Main supplying country/region	Average value per tonne
Tuna	Yellowfin	6,000	Cote d'Ivoire, South America and South-East Asia	£750
	Other	2,000	Cote D'Ivoire	£530
Hake	Frozen not filleted	1,000	Argentina	£610
	Frozen, filleted	6,000	Mainly Argentina	£620
Sardine		2,800	Morocco	£350
Other salt-water	Chilled not filleted	3,357	Senegal, Morocco and Argentina	£2,500
	Frozen not filleted	1,500		
	Frozen, filleted	3,700	Senegal and South-East Asia	£1,300

Source: NIMEXE

Countries such as Senegal and Morocco have been successful at supplying exotic species such as grouper, swordfish, sea bass and dolphin fish. These products are either new or have only recently been tried in the market. The prospects for this group generally are good. Developing countries, other than those involved in joint ventures with French companies, however, will find it difficult to participate in the increasing production of convenience foods.

Fish: dried and smoked

There is relatively low consumption of products in the dried and smoked fish group in France, mostly concentrated in the Christmas and Easter holiday seasons. Domestic production of smoked products, which are the most important, is concentrated in the Boulogne area and is apparently declining. It is unlikely that consumption is increasing.

Trade has been virtually stagnant between 1979 and 1984. In 1984, 17,000 tonnes were imported worth £ 26 million, or an average of £ 1,500 per tonne. Imports of developing country origin amounted to only 560 tonnes. There is a modest annual export of around 4,000 tonnes.

Crustaceans: fresh and processed

Shellfish consumption has been increasing steadily. Species which are particularly important are mussel, oyster, shrimp and prawn, crab, scallop and cephalopods. Consumption of mussel, which accounts for almost one-third of the total for the group, and of shrimp and prawn has been increasing steadily between 1978 and 1984. Although there was a slight decline for shrimp and prawn in 1984, the indications are that trade recovered during 1985 and the trend continues. Demand is very strong during the winter months and very low during the summer. Crab and cephalopod consumption have been maintained while there has been a gradual decline for oyster and scallop.

Products in this group account for approximately one-quarter (over 200,000 tonnes) of the domestic catch. The catch has been declining recently as has the proportion of consumption that is met by domestic landings. Mussel and oyster amount to almost three-quarters of the catch, currently in roughly equal proportions, although the former is increasing while the latter is decreasing. There is a modest but increasing export trade which is dominated by cuttlefish, shrimp, crab and squid.

More than one-third of consumption is met by imports, which increased by 45 per cent between 1979 and 1984. In 1984, those for crustaceans and molluscs totalled 119,000 tonnes or 25 per cent of all imports. Important products are listed in Table 12.

Table 12

France: major import species of shellfish in 1984

Product		Volume tonnes
Mussel		43,000
Shrimp and prawn	*Pandalidae*	10,000
	Crangon	3,000
	other	11,000
Squid	*Loligo*	5,000
	Illex	3,000
Crab and crayfish		8,000
Snail		7,000
Scallop		3,000
Cuttlefish		4,000
Lobster (including live and tails)		2,000
Norway lobster		3,000
Crawfish		1,550
Other molluscs (mainly other than frozen including clam and sea urchin)		11,000

Source: NIMEXE

The value of these imports was £ 214 million, slightly more than one-third of the value of all imports, with an average value per tonne of £1,800. Mussel and shrimp and prawn increased steadily in the period up to 1984.

Important products, major developing country suppliers and average prices are as shown in Table 13.

Table 13

France: major imports of developing country shellfish in 1984

Product	Volume tonnes	Main supplying countries/regions	Average value per tonne
Shrimp and prawn			
Species, other than *Pandalidae*	9,444	30 countries involved dominated by Senegal and Gabon	£ 4,600
Cuttlefish	3,730	Thailand and South-East Asia	£ 130
Squid (*Loligo*)	3,257	Thailand, India	£ 1,150
Snail	1,095	Indonesia	£ 1,700
Octopus	997	Tunisia	£ 1,400
Crawfish	849	Cuba	£10,500
Lobster	611	Cuba	£ 4,400

Source: NIMEXE

Between 1979 and 1984 imports of canned fish and crustaceans increased by 21 per cent and now account for approximately three-quarters of consumption in this group of products. In 1984, 91,000 tonnes worth £175 million, or an average of over £1,900 per tonne were imported. Developing countries were important participants in this expanding trade with products of developing country origin increasing from 37,000 tonnes to 53,000 tonnes and the market share from 44 per cent to 58 per cent. Major products imported and developing country participation in 1984 are shown in Table 14. The prospects for increasing supplies to France are good for tuna and shrimp and prawn and promising for sardine, molluscs and other crustaceans.

Table 14

France: major canned fish imports in 1984

Product	Volume in tonnes	Major developing country suppliers	Average value per tonne
Tuna	33,000	Senegal and Côte d'Ivoire supply 90 per cent	£1,600
Sardine	12,000	Morocco (8,000 tonnes)	£ 876
Mollusc	8,000	Korea (700 tonnes)	£ 830
Crustaceans other than crab (mainly shrimp)	8,000	Thailand (2,500 tonnes) Cuba (1,700 tonnes)	£2,300
Fillets in breadcrumbs or batter	6,500	—	—
Crab	5,000	Thailand (2,700 tonnes)	£3,400
Anchovy	4,000	Morocco (3,000 tonnes)	£1,900
Mackerel	500	—	—
Salmon	3,000	—	—
Herring	2,000	—	—
Caviare	1,394	Iran (1,394 tonnes)	£2,900

Source: NIMEXE

Trade structure and marketing channels

To understand the structure and operation of the French market, it is important to know that small-scale traditional operations are dominant. The French market is characterized by a large number of lobbies and interest groups including fishermen, consumers, canners, trade unions and ship owners. In this situation, the relatively small number of importers does not constitute a strong lobby. While France has a heavy requirement for imports to satisfy demand and trade is therefore important, regulations do favour domestic producers, often representing difficulties for importers and occasionally acting as disincentives to trade.

Frozen fish and shellfish

The most important points in the physical structure of frozen fish import distribution are the two series of major ports at the periphery of the country and a small number of major internal urban markets. The first series of ports begins in western France along the Brittany and Normandy coastlines, and the second is along the Mediterranean coast. The major urban markets are Paris, Lyons and Toulouse.

The most important group in the marketing chain for imports, particularly those of developing country origin, is importers who generally prefer to deal direct with the supplier. Agents, many of which are located outside France, play a secondary role. Agents are employed particularly where a regional trade or product specialization is required, such as the Netherlands for frogs' legs. Importers, particularly the major ones, devote a significant amount of time to travelling in search of business and suitable raw materials as well as inspecting suppliers' plants. Not surprisingly, a number of them act as agents for other importers in Western Europe.

There are three types of importer operating in France, which has an important bearing on the type of subsequent distribution. Most importers are generalists, buying a range of species and products which they sell to wholesalers either direct or through wholesale auction markets. Some intermediate processing may be carried out before sale. A second group of importers specialize, either according to the areas they trade with or the products they deal with. They tend to sell direct to caterers and retail outlets. Because of increasing competition, high operating costs and more complex marketing regulations, there is an increasing need to specialize. There is also an increasing tendency for importers to be involved in processing in order to safeguard their markets. This may involve either existing products or development of new ones. For some sub-groups of products there are now small numbers of major importers who initiate price movements in that sector of the industry. A third, relatively minor group of importers is manufacturers, wholesalers and agents who import periodically to meet their immediate requirements.

Regional advantage in trading has led generally to southern parts of France trading within the Mediterranean region and with North Africa, northern areas of France with Europe and North America and western areas of the country with other suppliers. Shellfish importers, especially those importing warm-water crustaceans, and fish species such as sea bream, red snapper and grouper are mainly located in the Mediterranean.

The main wholesale fish market, one of the biggest in Europe, is at Rungis, situated on the outskirts of Paris near Orly International Airport. It services the central regions of France and is an important outlet for imports, although these are usually relatively small consignments. Most ports where domestic landings take place also have wholesale auction markets but these are of limited importance for imports. The main exception to this is the major port of Boulogne, which because of its proximity to the Belgian market and parts of the West German market is an important re-export point.

Containers of part or whole consignments have become an important means of direct sales from importers to wholesalers and distributors, for subsequent reprocessing and repacking.

Other sections of the marketing chain have also undergone major change since about 1970 and have generally become increasingly concentrated. However, there is still a large number of fishmongers (about 9,000-10,000) who handle the largest quantity of fish and dominate the fresh and smoked fish trade. Although their importance continues to decline, especially away from coastal areas, they have begun to withstand competition brought about by the introduction of frozen products through co-operation over purchase of supplies and through the formation of central buying groups.

There has been an enormous increase in the number of freezer centres, supermarkets, hypermarkets and large household goods distribution chains, each of which handles increasing quantities of frozen fish. Although as a group they dominate frozen sales, they handle less than the traditional outlets when all fish products are considered.

Wholesalers have moved away from the traditional pattern of regional fragmentation. A small number of central purchasing groups have also been established to distribute fish products.

Canned products

The French canning industry is largely concentrated in Brittany and Boulogne. Because of high labour costs it is threatened by imports from developing countries, but receives EC protection. A number of companies are increasing their production of canned products, particularly tuna, in West African subsidiaries before importing into France. The long-term prospects for the industry may rest on its ability to modernize further.

Imports are becoming increasingly important as the domestic canning industry contracts and focuses on high-quality products. This trend is expected to continue creating opportunities for lower-cost producers. An important route into the French market is through joint ventures. The largest quantities of developing country canned products, tuna, originate in West Africa and are imported by the French company involved in the joint venture.

Most other developing country exports, particularly sardine from Morocco, shrimp from Thailand and molluscs, are usually imported through large importers. They usually specialize in canned products, deal direct with the exporters and market under their own label. Although there are many retail outlets selling canned fish, an increasing proportion of imports passes through high volume outlets such as supermarkets and hypermarkets.

As with fresh and frozen products, agents or brokers acting on commission play a secondary role with canned products. They usually market under the packer's or manufacturer's label and sell to wholesalers and retail organizations. The latter, especially the supermarket chains and department stores with big food departments, also import direct. In that case they usually use the manufacturer's label.

Trade regulations and requirements

Food and health

There are strict quality control measures operating throughout the French fishery sector. While these regulations have remained unchanged, the stringency with which they are applied has increased in recent years with increased public awareness of the importance of health standards throughout most of Western Europe. Public awareness has also increased as a result of health scares associated with sickness after eating fish, especially warm-water species. In general, legislation is less demanding for canners and cookers than for importers of raw materials.

A distinction is made between the two types of freezing. 'Surgelé' indicates that the product was frozen quickly at -50°C. 'Congelé' indicates slower freezing at a higher temperature, which, to the French buyer, produces a lower quality product. In either case, products must be stored at -18°C.

The name of the product is all-important to satisfy French regulations. Where no French equivalent exists, a name must be created. The importance of this cannot be underestimated and should be resolved before a promotional campaign is embarked upon. A case frequently cited is that of the Canadian flounder, sold as 'Filet de Chambaud'. The regulations altered the name to 'Filet de flétan noir' and sales fell by 80 per cent, probably because of the unfamiliarity of the new name with the public. Electro-phoresis of fish proteins or microscopic analysis are used to authenticate labelling. False identification of species is considered to be fraud.

There are three types of health certificates, one each for:

- fresh, chilled or frozen products;
- salted, dried or smoked products or preparations;
- shellfish to be eaten raw and for products such as sea urchin and sea squid for immediate consumption.

For canned products regulations are not compulsory although in due course these are expected to be brought into line with EC regulations. There may be expectations of size of fish which suppliers should check with importers.

Quality requirements are likely to be met when processing temperatures have been adequately controlled and in the absence of contamination or smell in the final product.

All imports of fish and fish products require an open licence which is normally granted immediately. It is issued by the Office of External Economic Relations and is valid for six months.

Packaging requirements

There are no packing standards in France and, although most packaging methods are acceptable, sound commercial practice is advised. These are covered by European Community laws and regulations in Appendix III Annexe 1B.

Non-canned products

The quality and price of produce offered to French importers is of major importance. The buyer will expect quality and product form standards to be met exactly, regardless of the product. Provided prices and quality are satisfactory, other important characteristics are texture and 'whiteness' (in the case of 'white' fish) and organoleptic qualities of flavour and lack of odour. Sample specimen checks will include: visual assessment of skin colour, eye brightness, membrane wall condition, odour around the gills and analysis (discussed below). The objective is to ensure that frozen products are as near as possible to being 'fresh'. White fish fillets should be skinless, boneless, layer-packed and preferably frozen on board in units of 0.5, 1.0, 1.5 or 10 kg in master cartons of 10, 12, 16 or 20 kg. Portions which are block frozen should be 100-200 g for institutions and 150-200 g for homes and restaurants.

The following are examples of requirements for some fish:

Shrimp

Raw; heads-on should be top quality, frozen alive on board. IQF with a maximum of 5 per cent glazing.

Peeled; block frozen.
Firm flesh and resembling fresh shrimp.
Grading not necessary (done by importer), but if done,

- for heads-on shrimps, raw or cooked - counts/kg: under 10, 10/12, 20/30, 30/40, 40/60, 60/80, 80/100, 100/120 or 100/130; sometimes also 120/150;
- for headless shells-on shrimps – count/lb: under 12, 12/16, 16/20, 21/25, 26/30, 30/40, 40/50, 50/60, 60/70, 70/80, 80/90, 90/120, 120/150;
- for peeled and broken shrimps - count/lb: 90/120, 120/200, 200/300, 300/500.

Monkfish	Must be handled immediately upon landing to avoid yellowing, which renders the product unmarketable. The head must be chopped off and the hood pulled over the meat. Both skinless fillets and tails are in demand, in sizes of under 500 g-1 kg, and1-2 kg and larger.
Skate wings	Immediate handling is also imperative to avoid ammonia. Wings must be cut off, peeled and trimmed. Requested sizes are of under 500 g, 500 g-1 kg and 1.5-2 kg.
Dogfish	As with skate, ammonia will develop in this species if not handled immediately. It should be skinned and blanched. Here, French consumers require backs, and all sizes are acceptable.
Squid	There is a strong market for IQF or frozen-on-board *Loligo* and *Illex*, in all sizes and qualities. Some importers request the peeled product.
Crawfish	Soft-shelled and hard-shelled live, and frozen, are all in demand and must all be cleaned and purged. Size is important, and the maximum is 10 cm.

Source: ITC and trade sources.

Canned products

There are no mandatory requirements for the composition or thickness of packaging materials. As a general guide, developing countries exporting to France who meet the French national standards (Appendix III, Annexe 1) and the packaging methods (Section 2) *Canned Products*, p. 26, required by the market in West Germany, can expect to satisfy the needs of the French market.

Marketing and labelling

Labelling, describing the contents, country of origin, additives used and various other information (listed in detail in Appendix III, Annexe 2), using the French language, are all mandatory. Labelling must be an integral part of the package. There are no special marking regulations.

Tariffs and quotas

In common with the other member countries of the EC, France follows the EC's schedule of tariffs discussed above in Section 2 and listed in detail in Appendix IV Annexe 1 A. France has no bilateral quotas with any developing countries.

Pricing

A wide range of factors affect product prices. Recent average import values for a range of developing countries important in French trade are shown in Appendix V. As a major importer from developing countries the French market is of interest for a wide range of products. These include fresh/frozen fish, tuna and hake in particular but also sardine and other salt-water fish; fresh and processed crustaceans, mainly shrimp and prawn which constitute a lucrative market together with cuttlefish and squid; and canned products. The latter group comprises tuna, sardine, anchovy, crab and other crustaceans and offers high average prices for good quality.

As for West Germany, price information can be obtained from market intelligence reports in international sources such as *Infofish Trade News* and *Infopesca Market News and Price Report*.

Procedures for developing country exporters

The preferred contact is directly between the supplier and the importer which may be set up through agents as third parties. In October each year the Salon International de l'Alimentation (SIAL) is held in Paris at which important companies from the French fish market are present. This is the most important opportunity presented to exporters for direct contact with the French market. The largest French importers are also represented at the major trade fairs in West Germany and Spain. Government assistance to developing countries is provided by the French Centre for Foreign Trade, which seeks to bring together exporters and importers who have the potential to do business with one another; it has been particularly active since 1972.

Most French importing firms belong to FIPA (Féderation des Importateurs des Produits Alimentaires) and FICUR (Syndicat National de Fabricants de Produits Surgelés et Congelés) who are usually prepared to assist enquiries from exporters.

Documentation requirements are as follows:

- commercial invoice, three copies in English and French bearing the name and quantity of goods, shipper, consignee, French port, itemized expenses and terms of sale. Need not be legalized. Two copies must be sent by air mail to the French importer;
- air waybills, nine copies on standard IATA forms;
- bills of lading, no specific regulations;
- shipper's export declaration, four copies. These are not required on shipments valued at $250 or less, except when moving under a validated export licence;
- health certificate, from the veterinary service of the exporting country in the language of that country and French;
- French import certificate;
- certificate of origin. This may have to be certified by the Chamber of Commerce in France, or by a Chamber of Commerce or French consulate in the country of origin.

Quotations should be in French francs or other freely convertible currency, c.i.f., port of destination.

French exchange control regulations prohibit advance payment, except for minimal down payment, for imported goods. Depending on the sector of activity, terms are generally from 60-day end-of-month to 90-day end-of-month but are very often more liberal. Accepted drafts which provide for payment at the time agreed upon and which are negotiable are to be preferred to other types of transfer.

Section 4

Italy

MARKET PROFILE

Per caput fish consumption in Italy puts the country within the lower consumption group of Western European countries, and there are strong regional differences in trade and consumption patterns. Although Italy has a long Mediterranean coastline, over-fishing has resulted in a severe decline in catch in these waters and the domestic fleet has had increasingly to undertake more distant ventures. Demand is increasing slowly and the market now accounts for more than 700,000 tonnes annually worth about £0.75 billion.

Italy's population was about 57.1 million in 1985, but increasing only very slowly. It is forecast that total population will begin to decline by 1990. Increasing imports and declining exports combined with a relatively stable domestic production would appear to indicate that fish consumption is increasing over and above levels that can be attributed to population change. Such per caput consumption increases are modest however and unlikely to exceed 1 per cent per annum. The current level of per caput consumption is of the order of 12.5 kg in liveweight equivalent.

Traditionally, in Italy as in Spain there is strong demand for fresh fish. Preferred products include 'blue fish' especially tuna, bream, hake, sardine, anchovy, mullet and shellfish. The range of products consumed is not as wide as the French market. Consumer resistance, which used to be markedly against flat fish such as dover sole, and black fish such as saithe, still exists to some extent (for example, pink angler fish-tails are acceptable, but not violet-coloured ones) although consumption of these and other 'new' products has been increasing.

Consumption of fish products outside the home is important. As in Spain, institutions are an important outlet. Trade sources estimate that as much as 90 per cent of frozen shrimp are consumed in restaurants, the remainder in the home. However, home consumption of frozen fish products is now increasingly significant, being correlated to increasing home ownership of freezers and microwave ovens. Fast-food chains are becoming more important, displacing traditional pizzerias, with significant sales of fish products.

The increased consumption of frozen products in the last ten years (much later than in northern Europe) has been facilitated by changes in marketing practices, particularly the advent of supermarkets with an increasing number of outlets selling frozen fish. Fresh fish consumption, which had been increasing, has begun to decline as frozen products consumption has increased. Trade sources suggest that thawing frozen goods to improve appearance and their subsequent sale as 'fresh' may be prevalent, making definitive statements about consumption of these sub-groups difficult.

There are marked regional differences in the level of consumption and its composition in Italy. Per caput consumption in southern Italy exceeds 20 kg, but is less than 10 kg in Northern Italy and Rome. The basic underlying cause for this differential is income distribution. Southern Italy, being one of the most economically disadvantaged areas within the EC, has average per caput incomes which have generally been less than two-thirds of those in the more prosperous North and incomes have also declined in relative terms. People in the southern and central areas spend a greater proportion of their income on food. Fish, in particular cheaper fish products, are favoured over more expensive fish and meat. Conversely, the higher incomes of northern populations allow them to be more interested in the premium-priced products, and they are also more receptive to new products. Fresh fish consumption is significantly higher in southern Italy.

Sources of supply

The Italian fishing industry has undergone a significant recovery in terms of total catch since 1977 when a low point of 342,000 tonnes was reached. This decline had resulted from over-fishing in the Mediterranean and the introduction of economic exclusion zones in more distant waters. By 1983 the total catch had risen to 480,000 tonnes. The recovery was made possible by entering into fishing agreements with developing countries in West Africa and Latin America which had underutilized fishing resources. The growth in catch had slowed down however and between 1979 and 1983, it rose by only 7 per cent.

The fishing industry continues to be dominated by the Mediterranean not only in terms of number of boats and tonnage involved, but also the quantity (more than half) of all fish caught. In the past, important species were blue fish, white fish especially hake, cephalopods and clam. The blue fish catch has declined, nowhere more dramatically than in the case of Mediterranean tuna.

Although blue fish still remains the dominant group, especially for sardines and anchovy, quantities are subject to significant fluctuation. These fluctuations are also a feature of domestic production of clams and to a lesser extent cephalopods. There are modest domestic supplies of mussels and shrimp which are tending to increase.

Within the West European context, Italy is an important trading nation and particularly so for developing country suppliers. Increasing demand has been met by a small increase in domestic production, a reduction in the important export trade and in particular by increasing imports. Details of trade between 1979 and 1984 are shown in Table 15 below.

Exports, which are dominated by clam (sold to Spain) and fresh and frozen sardine, have been less than 10,000 tonnes per year since 1979 (declining to

Table 15

Italy: trade flows of major fish commodities 1979–84

'000 tonnes

	1979	1980	1981	1982	1983	1984
Imports						
Fish, fresh/frozen	169	160	160	182	171	182
Fish, dried/smoked	44	42	32	37	37	42
Crustaceans, fresh/processed	65	70	64	82	85	102
Canned fish and crustaceans	26	26	20	20	26	25
TOTAL	304	298	276	321	319	351
Exports						
Fish, fresh/frozen	69	53	49	41	32	40
Fish, dried/smoked	2	2	3	2	1	2
Crustaceans, fresh/processed	35	28	34	36	37	41
Canned fish and crustaceans	7	5	7	9	9	9
TOTAL	113	88	93	88	79	92

Source: *FAO Fisheries Yearbook*; NIMEXE levels significantly below the other countries examined in this study). The main cause of this decline has been a drop in sardine exports to less than one-third of their 1978 levels. Clam exports however continue to increase steadily and exceeded 30,000 tonnes per year in 1984. The export levels for the other commodity groups have remained constant.

Although imports declined in 1980 and 1981, the overall trend has been upward and the total reached 351,000 tonnes, valued at £526.8 million in 1984, 15 per cent above the level in 1979. Slightly more than half of these in terms of volume are of fresh and frozen fish. While the total imports in this group have continued to increase steadily, their share of the total has declined because of a dramatic increase in the import of crustaceans and molluscs. The latter increased by 57 per cent from 1979 to 1984 to reach 102,000 tonnes.

Imports of dried, salted and smoked fish remained static.

Developing country suppliers

Italy is the most important market for fish for developing country products in Western Europe, in terms of volume. 117,000 tonnes of fish were imported in 1984. Although these quantities may be inflated to some extent by the inclusion of 'imports' from Panama caught by Italian fishermen under a flag of convenience, the Italian market is nevertheless very important for developing country exporters. The importance of the different product groups is outlined in Table 16 below. The most important group is fresh and frozen fish where developing countries supplied 73,000 tonnes in 1984 and their share of the market increased to 40 per cent. While developing country supplies to Italy have been increasing, their share of the total import market had declined slightly, from 36 per cent to 33 per cent between 1982 and 1984. A major factor in this has been developing countries' inability to increase their supplies of crustaceans and molluscs which continues to be the most rapidly expanding part of the Italian import market.

Table 16

Italy: imports from developing countries

'000 tonnes

	1982 LDCs	Total	%	1984 LDCs	Total	%
Fish, fresh/frozen	68	182	37	73	182	40
Fish, dried/smoked	0	37	1	0	42	0
Crustaceans, fresh/processed	42	82	52	39	102	38
Canned fish and crustaceans	4	20	22	5	25	22
TOTAL	115	321	36	117	351	33

Source: NIMEXE

Markets for individual product groups

Fish, fresh and frozen

In 1984, the fresh and frozen fish group of products accounted for 182,000 tonnes of imports valued at £257.3 million, or approximately £1,400 per tonne. Italy has a large canning industry and requires substantial quantities of raw material to replace reduced Mediterranean tuna supplies in order to meet domestic demand. The most important developing country products and major suppliers are shown in Table 17.

Almost half of all imports are of tuna, most of which is destined for canning. The market for canned tuna has become increasingly competitive and in 1984 there was a 15 per cent increase in tuna imports over the previous year to

85,000 tonnes. This ended a fairly static five-year period for the product. Trade sources expect that strong demand for canned tuna will continue, thereby holding out good prospects for raw material imports.

There is also a steady demand for demersals, in particular hake, cod, plaice and sole, for each of which supplies to the market have been increasing. Hake is proving an acceptable alternative to other more expensive forms of white fish and in the view of trade sources, has good future prospects. Consumption of plaice fillets, although they are much more expensive, has been rising, particularly in northern Italy, for which increased imports have been needed.

Blue fish imports have experienced improved demand; in particular, mackerel, anchovy and tuna. Countries able to supply species similar to those in Table 17 have good prospects where they can compete for price. As a case in point, Moroccan sardine supplies have been increasing.

Table 17

Italy: major imports of fresh and frozen fish in 1984

Product		Volume (tonnes)	Developing country suppliers	Average value per tonne
Tuna	0301.22 whole yellowfin;	53,400	Panama 11,000 tonnes, Venezuela 8,000 tonnes, Seychelles 3,500 tonnes	£ 990
	0301.24 other, whole;	4,300	Venezuela 1,700 tonnes, Seychelles, Mexico	£ 870
	0301.26 other, gilled and gutted;	18,000	Philippines 8,000 tonnes, Venezuela 2,000 tonnes	£1,090
	0301.36 frozen not for industrial manufacture;	4,400	Venezuela, Philippines, Cuba	£1,110
Hake	frozen mainly unfilleted;	85,000	Argentina 2,000 tonnes, Uruguay, Chile	£ 600
Plaice	frozen fillets	10,000		£1,840
Mackerel	whole frozen and chilled	9,000	Morocco 700 tonnes. Whole frozen	£ 460
Cod	frozen mainly whole	5,600	Argentina (3,600 tonnes) mainly whole Uruguay. Whole	£ 750
Shark	mostly frozen/filleted	5,200	Not filleted	£2,250
Dogfish	not filleted	3,500	Mauritiania (1,000 tonnes) South America. Not filleted	£1,600
Anchovy	chilled	2,000		£1,000
Salt-water	chilled not filleted	23,000	Argentina, Morocco	£3,000
	frozen not filleted	12,000	Panama, 3,600 tonnes; Mauritania 2,700 tonnes, Morocco, West Africa, South America	£1,070
	frozen filleted	6,000		£1,890

Source: NIMEXE

Shark, dogfish and, to a lesser extent, redfish are popular in Italy. Although they are carnivorous species and particularly liable to contravene the very strict national frozen fish regulations concerning mercury content, supplies have been increasing.

Import demand for other species of salt-water fish has remained steady overall, although frozen products have been increasing at the expense of those that are chilled and fresh. This is part of a national trend which appears to be gaining pace slowly as housewives increasingly purchase the cheaper frozen products. Important species include mullet, grey mullet, grouper, goby, bogue and halibut. A number of other species are also considered by the trade to have good market potential; sea bream (currently mainly satisfied by domestic catch), grouper, snapper and sea bass.

Developing countries have performed well in this section of the market, supplies rising by 30 per cent between 1978 and 1984. Most of the major beneficiaries have been countries in South America and South-East Asia. Venezuela (tuna), Argentina (hake, cod and other species), Mauritania (dogfish and other species), the Philippines (tuna) and the Seychelles (tuna), together with a number of other countries, now participate in this market on a significant scale. The products which they supply, particularly tuna and hake, are expected by the trade to maintain good prospects.

Fish, dried and smoked

Italy represents one of the biggest import markets in Europe for dried and smoked fish although total consumption is modest and unlikely to exceed 1 kg per caput. Imports have remained fairly static at about 40,000 tonnes a year. In 1984, imports were valued at £ 95.2 million or an average value of £ 2,250 per tonne. Imports from developing countries are negligible, totalling only 149 tonnes in 1984. The main suppliers are in Western Europe, particularly Norway. Major products are: cod (30,000 tonnes), mainly whole dried and salted, wet-salted in brine and filleted, and anchovy (7,500 tonnes) either dried, salted or in brine. Smoked products, which are mainly consumed at the end-of-the-year holiday, are double-smoked. Exports in this group are minimal.

Crustaceans, fresh and processed

Consumption of fresh and processed crustaceans has traditionally been above average for Western Europe and is now about 2.75 kg per caput and increasing slowly. Domestic supplies have not increased sufficiently to meet this demand and as exports have also slowly increased, there has been a significant increase in imports. This has become one of the most interesting areas of the Italian market. In 1984, 102,000 tonnes were imported, worth £129 million or £1,270 per tonne. It is worth noting that consumption of this group of products is affected positively, as in Spain and southern France, by the substantial number of tourists from northern Europe who visit the area during the summer months and with whom such 'exotic' species are popular. Fish soup and 'fritto misto' are two typical dishes comprising shrimp, cephalopods and fish which are popular both with Italians and with tourists.

The most important species are the cephalopods, with significant quantities of squid, octopus and cuttlefish being consumed; shrimp and prawn; and mussel and clam. The relative importance in consumption of individual species tends to be reflected in the quantities that are imported. Major imported products are shown in Table 18, together with important developing country suppliers. The various species of squid dominated the import scene and accounted for a high proportion of the sharp increase in imports between 1983 and 1984. Demand is particularly strong for *Loligo* and *Illex*. There have also been significant increases in imports of cuttlefish and snail and steady increases in imports of octopus, shrimp and prawn. In contrast, imports of frozen molluscs and mussel have declined.

In general, consumption of individual species is not differentiated regionally. A major exception is shrimp and prawn and other similarly high-value crustaceans, for which demand is much higher in northern Italy (possibly as much as three-quarters of the total) and to some extent those areas, mainly coastal, favoured by tourists.

The general pattern of trends for individual species discussed above is expected to continue. For the group of products as a whole only slow growth in demand is anticipated. Fluctuations in demand can be expected as the domestic catch of different species varies. Exports within this group, almost entirely accounted for by clam caught domestically, will not affect import demand (although the latter may be affected by canned shellfish exports; *see* following section).

Table 18

Italy: major imports of fresh and processed shellfish in 1984

Product		Volume (tonnes)	Main developing country suppliers	Average value per tonne
Squid	*Loligo*, frozen	25,000	Thailand 5,000 tonnes	£ 960
	Illex, frozen	9,400		£ 660
	Todarodes	5,000	Argentina, Uruguay	£ 600
	Total	42,000		
Octopus		15,000	Panama (3,500 tonnes), Mauritius (3,000 tonnes) Morocco, Tunisia	£ 990
Shrimp and prawn	Mainly penaeous species	7,000	Argentina (3,300 tonnes), Cuba, Tunisia, Bangladesh	£3,780
	Pandalidae	5,500	Argentina (3,500 tonnes)	£3,100
	Crangon	400	Tunisia (150 tonnes)	£5,700
	Total	13,000		
Mussel		12,000	Spain	
Cuttlefish		9,300	Panama (1,400 tonnes), Mauritania (900 tonnes), West Africa	£ 960
Snail		3,000	Tunisia (2,300 tonnes)	
Norway lobster	Frozen	2,300		
Other molluscs (particularly clam)	Mainly frozen	4,500	Thailand (2,000 tonnes), Tunisia (800 tonnes other than frozen), South-East Asia	

Source: NIMEXE

Developing countries have been major participants in the trade of fresh and processed crustaceans, supplying 39,000 tonnes in 1984 or 38 per cent of all imports. As a group they constitute a major supplier of most imported species, in particular: warm-water shrimp, which is acceptable on the Italian market, squid, octopus, clam and cuttlefish. The main developing country suppliers and those with whom Italy has strong trade links (*see* also *Fish, fresh and frozen*, above) are: (i) Thailand (squid and clam); (ii) Argentina (shrimp, prawn and squid); (iii) Tunisia (snail, shrimp and prawn, clam and octopus) and Mauritania (octopus). Particularly favoured are South-East Asia and South America, which have proved capable of meeting requirements and have established themselves in the market.

In spite of their major role, the fortunes of developing country suppliers have varied in recent years. In 1982 their share of the import market was 52 per cent or 42,000 tonnes. The following year total imports for this group of products increased marginally while developing country supplies fell further to 37,000 tonnes and a share of only 44 per cent of the market. In 1984 there was a sharp rise (20 per cent) in imports and although developing country supplies increased, their share of the market fell again to 38 per cent. This situation has resulted from sharp declines in some products offsetting gains by others. Two species which have been adversely affected are squid and clam. In the case of squid, there has been increasing competition with Eastern European countries, Poland in particular, where the need for foreign exchange has resulted in low prices. In the case of clam, there has been a decline in the demand for frozen molluscs, a market almost completely dominated by supplies from South-East Asia, particularly Thailand.

For the remaining products in this group, trade sources forecast a continuation of the good prospects, the main increases being in developing country supplies. Particularly encouraging is the market for shrimp and prawn. This market continues to expand and developing country supplies rose from 5,075 tonnes in 1983 to 9,250 tonnes in 1984. The supply of *Crangon* spp., to a market traditionally dominated exclusively by European suppliers, has recently started from Tunisia. Quality is important and even though they are in short supply Italian traders speak highly of shrimp from the Côte d'Ivoire, whereas other suppliers have been turned away once prices rise. There are also encouraging prospects for cuttlefish, which, being smaller and cheaper than Atlantic varieties, have increased in popularity (notwithstanding the increase in French supplies in 1984). There was an increase in imports of Tunisian snail in 1984.

Canned fish and shellfish

There is a large demand for canned fish in Italy. Tuna, which according to trade sources is eaten at least twice a week on average during the summer months, sardine and anchovy dominate the market. Supplies are dominated by production from the Italian canning industry which utilizes domestically caught and imported raw material. There is a modest export trade, mainly in canned sardine. Competition in the canned tuna section of the market is intense. The four major suppliers to the market frequently utilize television as a medium through which to advertise their products, each spending £0.25 million annually.

Imports of canned products have remained fairly static at around 25,000 tonnes per year over the period 1979-1984. In 1984, they were valued at £44.9 million or an average of £1,770 per tonne. The most important product quantitatively is raw fillets in batter or breadcrumbs and deep frozen. This product is mainly supplied by West Germany and Norway to a market that has increased substantially over the six-year period up to 1984 to 10,000 tonnes a year.

There are regulatory difficulties in introducing new products to the Italian market. Trade sources forecast a good demand for products such as crab sticks once they are cleared legally and can be supplied to the Italian market. Although ultimately developing countries can expect to participate in the market for products such as these, the technology to produce them is not at present established.

Imports from developing countries, mainly of conventionally canned products in oil or sauce have remained fairly static at just under one-quarter of the market and amounted to 5,429 tonnes in 1984. Important products and main supplying countries in 1984 are shown in Table 19.

Table 19

Italy: major developing country suppliers of canned edible fish in 1984

Product	Volume (tonnes)	Main developing country suppliers
Mackerel	6,600	Morocco 3,000 tonnes, Ecuador
Tuna	3,500	Côte d'Ivoire, Senegal
Crustaceans other than crab	1,300	Cuba
Other fish preparations	1,300	Peru
Sardine	900	Morocco

Source: NIMEXE

Trade structure and marketing channels

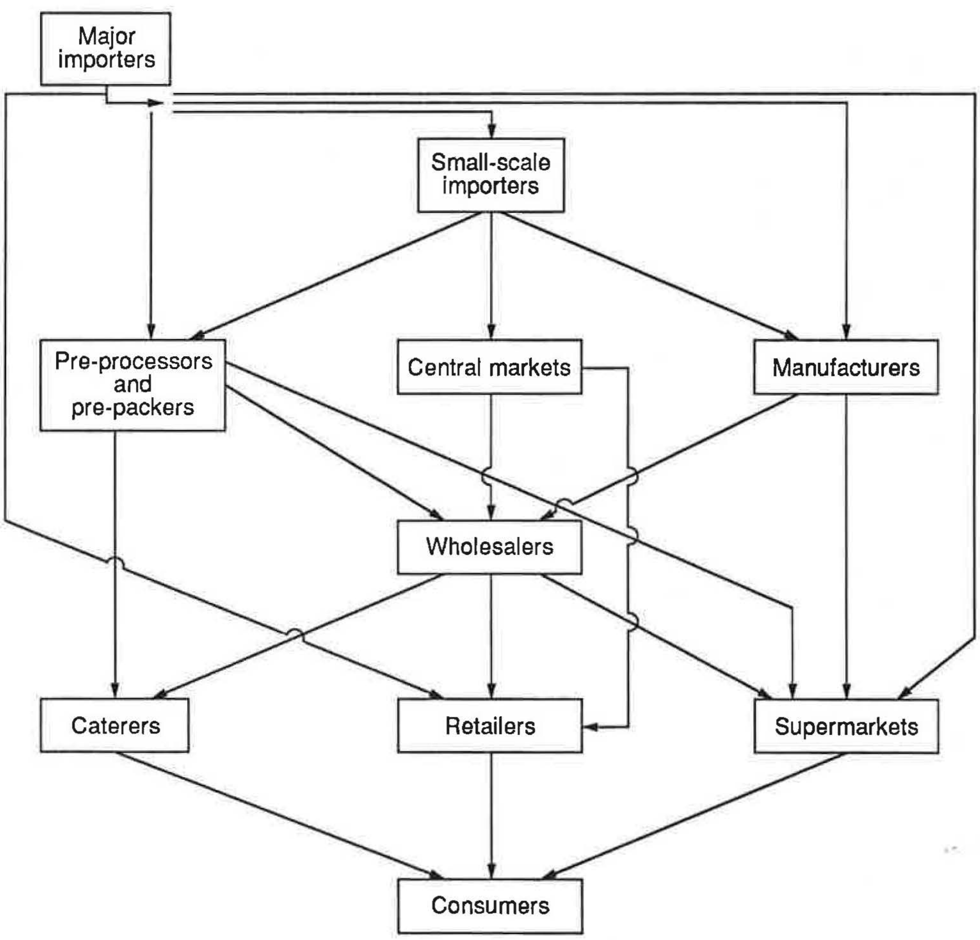
Frozen and processed fish and shellfish

The Italian market, comprising as it does a wide range of channels between producer and consumer with localized consumer preferences, is complex. As elsewhere in Europe, it is strongly based on tradition through trust and long-established contact. Although there are many channels by which products reach the consumer, these are changing in importance and the structure is undergoing a gradual evolution which is expected to simplify the market and improve integration. The main distribution channels for imports are shown in Figure 3. This indicates the complexity of the market with the important role played by the major importers and agents through whom all imports are channelled.

It is frequently claimed that the Italian market is a difficult one for new suppliers. Although there are idiosyncrasies, a number of which act as deterrents to trade, this claim is not borne out by the increasing number of developing countries which are exporting to Italy and the variety, in terms of the quantities and range of products involved.

Imports enter Italy overland from or via other adjoining European countries, by air, or through Italian sea-ports, with the latter being most important for developing country imports. Although a number of ports are involved, by far the most important are Genoa and Livorno on the north-west coast. Whereas fish consumption per caput is highest in southern Italy, the main outlets are the large urban markets, particularly those in Milan, Turin and Rome, which are mainly situated in northern Italy. They are particularly important for developing country exports, some of which are also distributed overland to southern Italy.

Figure 3
Italy: main distribution channels for fish imports*



Developed from trade sources

*Frozen, chilled and fresh

When exporting to Italy, developing country suppliers usually deal direct with the Italian importer. Agents are also important, either located in the developing country itself or the adjoining region where a number of suppliers may be involved, or dealing with another importer located elsewhere in Western Europe. Importers are more likely to use an agent where the latter has well-established contacts with suppliers in a particular region, or is a specialist dealing with a particular product. It is common for importers to seek agreements allowing them exclusive distribution of a country's products on the Italian market.

The majority of importers of developing country products are situated in northern Italy and Rome. The larger importers with their own cold stores and refrigerated trucks are able to supply markets throughout Italy. It is not uncommon for them to supply smaller importers, some of whom are located in southern Italy.

Distribution patterns are changing, with the importance of wholesalers diminishing. This is because supermarkets are handling increased quantities, obtained direct from the importer, and because a number of importers have become further involved vertically in distribution, owning their own retail outlets. Some importers supply around 20 per cent of their throughput direct to supermarkets.

A number of changes are taking place at the retail/consumer end of the marketing chain. Supermarkets such as Sesselunga and large chain stores which have been established since about 1970 have increased the number of outlets for frozen food. According to trade sources, 20 years ago there were only ten shops in Rome selling frozen fish, a figure which has since risen substantially. One importer is now proposing to set up a frozen-food supermarket where fish products would be sold direct to consumers. Nevertheless, the unexpected growth of fast-food chains which deal, amongst other items, with breaded fish portions, has surprised many of those involved in the Italian market.

Small shops supplying fresh fish continue to be important in the South however. They are supplied by relatively small-scale wholesalers who mainly purchase imported fish products from large wholesalers in the North. A high proportion of the domestic catch is consumed locally.

There is a large number of central fish markets owned by the municipalities in urban areas throughout Italy. Although they are primarily concerned with the auction of fresh produce and the total quantity of imports handled is much smaller than through the channels already described, they are important for frozen imports, especially for smaller consignments of fish and shellfish. Importers rarely send large consignments for auction. The biggest and most important are in the large urban centres. The main market is in Milan where supplies landed at northern Italian sea ports, for example Genoa, are auctioned the following day. Numerous trade sources claimed that fish products are fresher than those available at the coast. Most purchases at the market are made by wholesalers, although there are some sales to retailers and a small proportion direct to the consumer.

A number of Italian companies have entered into joint ventures with mainly West African countries and in one case with China. One company, Etruria, involved in joint ventures is currently experimenting with a consumer pack produced in the source country; such developments may affect market structure.

Canned fish and shellfish

Most developing country imports pass through importers or their agents to wholesalers and then to consumers through small retailers. Importers usually specialize in canned products and market under their own label. The moderate quantities imported through agents or brokers on a commission basis are usually marketed under the manufacturer's label. Agents usually sell to wholesalers and retail organizations. The importation process is considerably simplified where the companies concerned operate joint ventures, particularly where they have their own canneries overseas as in West Africa; some mackerel is imported from Senegal.

The market structure has undergone some change with the increase in supermarkets and large chain stores, although fairly modest in comparison with that being experienced by the frozen trade. Large retail organizations also import direct; in which case, since the quantities are relatively small, they market under the importer's or the packer's label.

Trade regulations and requirements

Food and health

Imports should be from an authorized plant in a country in which there are strict health regulations recognized by the Italian health authorities. Otherwise, in order to qualify, as some Thai and Argentinian factories have done, authorization must be requested through official (embassy) channels, requiring detailed information. Sanitary certificates can then be issued in the country of origin stating that: the products have been processed and packed in an approved and sanitary manner; no colouring and/or chemical additives have been used; the products are fit for human consumption and have been subjected to an efficient freezing process and then stored at -18°C or lower. In the case of shrimps, those that are frozen will only be admitted 'shells-on'.

An important legal distinction is made in Italian regulations between 'frozen' (congelati) and 'deep frozen' (surgelati). To qualify as frozen, products must be frozen evenly within four hours and then held at least at -18°C. To use the term surgelati, plants and the country itself must apply to the Italian health authorities for special approval. Even if a product has been quick frozen, developing country suppliers are advised to mark their produce congelati because the process for approval for surgelati is time-consuming and can lead to considerable delays in expediting orders. Similarly, all English terminology, such as 'deep frozen' or 'IQF' should be avoided on markings where this might lead to misrepresentation. The practice of cooking the product and then refreezing is acceptable, otherwise no frozen products are permitted to undergo any thawing at any stage before entering Italy. The principle of covering all frozen products with the same legislation is seen by the Italian industry as a sound one. It is not known if moves in this direction are likely to bring about changes in the near future.

In addition, imports must have an accompanying certificate of analysis stating that the mercury content is less than 0.7 p.p.m. and an exporter's declaration that all packages carry the following information: product type; name and address of producer; net weight and country of origin.

The regulations concerning organic and chemical additives used in foodstuffs' preparation were published in the 18 June 1971 issue of the *Gazzetta Ufficiale* by ministerial decree. The amount of potassium iodide permitted in salt (sodium chloride) used for manufacture is 2 g per 100 kg of salt (15 July 1976 ministerial decree). Some colouring materials are prohibited for use in foodstuffs or foodstuffs packaging.

Packaging

Packaging materials used in supplying other Western European markets should be acceptable in Italy as there are no packaging standards for fresh or canned fish products. Frozen food must be sold in sealed packages. These packages must be the containers in which the fish or product was frozen, and must: (a) be adequate to protect the product from changes in quality, (b) prevent contamination of the product, (c) be airtight and watertight. Clear plastic bags are the most common packaging form, and are usually heat-sealed. Quick-frozen products must display an expiry code.

Non-canned products

Fish quality is an important requirement, especially for fillets. Requirements will vary according to the individual importer and the market they supply. Some importers are only prepared to discuss requirements with the supplier in person, and some re-pack imported products or carry out some further processing before distribution: thawing and re-packing in polythene bags in smaller quantities; tailing and heading fish; portioning hake and washing octopus. Hake fillets should be packed interleaved and preferably frozen individually. Shrimp should be as red as possible and not pale, in the following categories:

- large, whole, raw, block-frozen in 5 lb blocks or IQF in 5 kg bags, preferably *Penaeus* species in the following counts per kg: under 5,6/10, 11/15, 16/20, 21/30, 31/40, 41/50, 51/60, 71/90, 61/70,

(The preferred size range is from 11-15 to 31-40)

- shells-on tails, raw, block-frozen in 5 lb blocks or IQF in 2 kg bags, in the following counts per lb: 21/25, 26/30, 31/40, 41/50, 51/60, 61/70, 71/90, 91/110

(The preferred size range is from 41-50 to 71-90)

- small, raw, peeled and deveined IQF, packed in 1 lb, 1 kg or 2 kg bags, in counts of 100-200 per lb.

Caterers, being conscious of the time and costs involved in defreezing and cooking large quantities, are becoming increasingly interested in smaller packs, which enable them to extend the scope of menus. Re-packing in 5 kg and 2 kg polythene packs from imported master cartons of 10/20 kg to meet this demand is common. A popular catering pack is the 6 x 2 kg carton.

Canned products

There are no mandatory requirements for packaging materials in Italy. Developing country suppliers can expect to meet local market requirements for the product if they comply with the product standards outlined in the *Canned Products* section of Section 2. The standards presented in Appendix III Annexe 1 C would satisfy the requirements of the Italian market.

Marking and labelling

Although some products do not require a label stating country of origin, developing country suppliers will usually supply this in the absence of an instruction to the contrary from their importer. The requirements for frozen products, discussed above, must be clearly marked on all packs and part packs. Canned fish labels must show the nature of the contents, the net weight, and the name of the manufacturer or brand or trademark. This information must be stamped into the tin, lithographed on it, or soldered to it. Printed paper labels alone are usually not permissible. Where salt has been used, the amount of potassium iodide used must be marked. All markings must be in Italian and use the metric system of weights and measures. There are no stipulations as to how markings should be made other than that they should be made clearly.

Tariffs and quotas

As with the other member countries of the EC, Italy follows the EC's schedule of tariffs. These tariffs are applied according to the product's value (*ad valorem*) based on their c.i.f. prices. Tariff tables relevant to Italy are given in detail in

Appendix IV, Annexe 1 A. There are no national import quotas on products of developing country origin or bilateral ones which affect developing countries. Trade agreements are operated bilaterally through the EC.

The tariff levels relevant to each exporting country will be determined by that country's trading relationship with the EC. For ACP members, most products are tariff-free (exceptions include some dried or prepared fish species and some crustaceans and molluscs) under the Generalized System of Preferences. The highest tariff levels, called 'autonomous rates' are imposed on products originating in countries which have not concluded special agreements with the EC. They are particularly high, in some cases 30 per cent of the products' value, for most fresh and frozen salt-water species of fish and crustaceans, filleted fish and canned fish. For countries which have concluded such agreements, and are afforded 'most favoured nation' status, products are subjected to marginally lower 'conventional rates'.

Pricing

A wide range of factors affects product prices. A discussion of their relative importance and recent average import values for a range of developing country products important in Italian trade are given in Appendix V. The Italian market is particularly interesting for fresh and frozen fish supplies, where prices are above average for the Western European market, particularly for tuna and hake and a number of other salt-water species. Conversely, although there is also a good market for octopus, different species of squid, cuttlefish, shrimp and prawn, prices for these products are less lucrative than elsewhere in the Western European market.

Procedures for developing country exporters

It is considered essential that the exporter establish contact with importers or their agents. This can either be achieved through official representatives in Italy or through the local Italian embassy. Direct contact is preferable, however. The Fiaro di Milano which is held in Milan each April, effectively the centre of the Italian fish import market, provides an opportunity for exporters to meet important traders in that market. The Italian Institute for Foreign Trade is a public agency with 74 offices overseas, seven of which run Trade Centres. Although primarily concerned with the promotion of Italian exports, it is the only Italian public organization promoting trade. Italy has no organization promoting either imports to Italy or the interests of developing countries.

Difficulties experienced by Italian importers dealing with LDC supplies concern those of checking the authenticity of a sample and the supplier's ability to maintain the same quality in a subsequent consignment. Problems are also experienced with non-delivery, probably resulting from the supplier's wish to seek more lucrative markets elsewhere. Some of the idiosyncrasies and apparent inconsistencies of the Italian market experienced by suppliers are:

- *stringent health quality*; for example the 0.7 p.p.m. limit on mercury content in imported frozen fish is not applied to similar supplies of domestic origin;
- *local import laws*; since these can vary from province to province and are subject to change, importers are constantly on the look out for the best border point for entry into Italy;
- *legislation for products new to the Italian market*; this may result in significant delays and is a serious disincentive preventing interested importers and processors from investing in the necessary promotion.

Potential exporters should supply product samples (which do not normally attract duty). Quotations should be in Italian lire or US $ c.i.f. port of entry. A payment is normally made by letter of credit or sight draft. All imports of fish products require a licence which is usually granted immediately and remains valid for six months. Italian importers are only able to obtain foreign exchange on the basis of this licence.

The importer can be expected to advise on changes in regulations and provide necessary forms. Goods for importation should be accompanied or preceded by the following documents:

- air waybills, nine copies, on standard IATA forms;
- bills of lading, no regulations. May be made out 'To order'. State country of origin;
- sanitary certificate;
- certificates of origin, three copies are required showing merchandise value and certified by a recognized Chamber of Commerce. These are required where goods are transitting through another (Western European) country;
- commercial invoice, three signed copies; give detailed information on weights, origin, values and all expenses signed by hand, in ink by shipper and sent to importer. Special forms and consular visas are not required;
- consular fees, legalization of certificate of origin (when requested):
  From $1 to $800—$2.36
  From $801 to $3,200—$5.88
  Over $3,200—$11.76;
- legalization of commercial invoice (when required): $5.88 per commercial invoice;
- shipper's export declaration, four copies (not required for shipments valued at $250 or less, except when moving under a validated export licence).

Section 5

Spain

MARKET PROFILE

Spanish consumption of fish per caput is high and only exceeded by the Scandinavian countries and Portugal in Western Europe, where it is one of the most important markets. The total annual value of the market is an estimated £1.5 billion. As a major importer of fish and fish products, particularly those of developing country origin, important adjustments have and are being made by Spain and her trading partners as a result of Spain joining the EC.

Fish is an important part of the Spanish diet and probably eaten at least once a week by most families. Spanish cuisine includes many well-known fish dishes such as paella. Live-weight consumption averages almost 40 kg per caput, a figure which is affected by the substantial tourist population during the summer season. A wide range of products is consumed, many of which either originate or can be caught in developing countries waters. Important products include fish, dominated by hake, tuna and sardine; crustaceans, mainly shrimp and prawn; and finally molluscs, especially squid and octopus together with significant quantities of mussel, cockle and clam.

Consumption patterns are changing in response to changes in both prices and the availability of products. The range of products and the volume of all products consumed are increasing, as are average prices. These changes are most clearly seen in the increased consumption of frozen and processed products. Although change in Spain has come later than in other countries included in the study and demand remains strong for traditional products in some sectors of the market, it is no longer appropriate to think of the Spanish market as being a conservative one.

Spain has a population of approximately 38.6 million (1985). Between 1961 and 1982, this was increasing at 1.02 per cent per annum. Projections by FAO forecast that between 1982 and 2000 the rate of increase will slow to 0.73 per cent a year, which would lead to a population of 43.2 million by the year 2000. Income levels in Spain are lower than in the other countries in the study; less than half of those in France and West Germany. Recently growth in the economy has been fairly static and as elsewhere in Europe, incomes have declined in real terms. In spite of these lower income levels, within the Western European context the Spanish market is orientated towards high-quality items. A highly developed refrigerated distribution system using trucks ensures that fresh fish is available throughout the country and almost one-third of all edible fish products consumed is in that form.

Sources of supply

Although the Spanish fishing fleet is the largest in the world, most of the vessels are small and non-motorized. Numbers are declining as the fleet continues to undergo considerable change. While the domestic catch has declined from levels of about 1.5 million tonnes in the mid-1970s to between 1.0 and 1.2 million tonnes*, frozen landings have increased and now account for one-quarter of the total catch. The Spanish fishing industry has lost access to important traditional fishing grounds in the North Atlantic through the restructuring of fishing rights, and has experienced a major decline in the Mediterranean as a result of pollution and over-fishing. When compared with many other major fishing nations in Western Europe, Spain has withstood the various economic difficulties well as a result of its companies entering into joint-venture agreements with countries with underutilized fishing rights, particularly developing countries.

Spain is also an important fish trading nation. The fluctuating nature of the Spanish market can be seen in Table 20. In the face of declining domestic catches and fluctuating export markets, increasing domestic demand has been met through a substantial increase in imports. Imports have trebled since the mid-1970s and now fluctuate around the 300,000 tonnes-per-year level. In 1984, 272,000 tonnes valued at £ 270 million were imported and Spain, with Italy, is the fourth major Western European importer by volume after France, the United Kingdom and West Germany, and the fifth in terms of product values.

Levels of exports tend to fluctuate at about 200,000 tonnes per annum. In spite of fluctuations in export levels, Spain continues to be the major exporter of edible fish products within the selected countries. The most important exports are fresh and processed crustaceans and frozen fish, although there are also sizeable exports of canned products.

Table 20

Spain: trade flows of major fish commodities 1979-84

'000 tonnes

	1979	1980	1981	1982	1983	1984*
Imports						
Fish, fresh/frozen	121	135	133	175	112	111
Fish, dried/smoked	31	38	30	28	20	20
Crustaceans, fresh/processed	90	103	94	115	117	132
Canned fish and crustaceans	3	4	4	5	9	9
TOTAL	245	280	261	323	258	272
Exports						
Fish, fresh/frozen	55	36	71	85	72	55
Fish, dried/smoked	12	14	7	5	7	11
Crustaceans, fresh/processed	84	59	106	81	82	99
Canned fish and crustaceans	57	50	67	50	37	35
TOTAL	208	159	251	221	198	200

Source: FAO Fisheries Yearbooks; NIMEXE
Note:*Edstadistica Mensual del Commercio Exterior, Ministerio de Economia y Hacienda

Developing country suppliers

Developing countries have been major participants in this increased trade. In Table 21, imports from developing countries have been grouped according to the major categories. By 1981, the developing country share of all imports had risen to 45 per cent.

*The variation in estimates acknowledges the problem of under-recording on catches from small vessels without freezing equipment.

Table 21

Spain: imports from developing countries

'000 tonnes

	1981			1984		
	LDCs	Total	%	LDCs	Total	%
Fish, fresh/frozen	79	132	60	70	111	63
Fish, dried/smoked	3	30	10	2	20	10
Crustaceans, fresh/processed	33	95	35	29	132	22
Canned fish and crustaceans	2	4	50	1.5	9	17
TOTAL	117	261	45	102.5	272	38

Source: Estadistica Mensual del Commercio Exterior, Ministerio de Economia y Hacienda

Markets for individual product groups

Fish, fresh and frozen

In Spain, more than 20 kg of fresh and frozen fish are eaten per caput; this accounts for about half of all edible fish products consumed. The group is dominated by fresh fish, most of which is landed from domestic or European fleets. However, the demand for fresh fish products and their share of the market is declining as frozen fish products become more acceptable. Frozen fish requirements are rising and being met by increased domestic landings and imports. The efficient distribution system which evolved for the fresh trade is well-placed to adapt to the requirements of marketing frozen fish.

Another feature of the Spanish market is the increasing amount of preliminary processing that takes place before the product finally reaches the consumer. This results from trends similar to those seen elsewhere in Europe, that is, of increasing interest in convenience (labour-saving) foods and rising incomes in some sectors of the economy.

Table 22

Spain: major imports and suppliers of fresh and frozen fish, 1983-84*

Product	1983		1984		
	Volume in tonnes	Main supplying countries	Volume in tonnes	Additional suppliers	Changing quantities supplied by developing countries
Hake	23,000	Europe, West Africa	23,000	South America	Increasing
Tuna	21,270	Europe, Central and South America West Africa	14,642	South-East Asia	Stable
Blue whiting	10,000	South America	N/A*		
Cod	9,633	Europe	3,500		
Sardine	149		7,600	Morocco	Increasing
Mackerel	3,460	Europe, Ecuador	4,370		Stable
Sole	2,800	Morocco	4,000		Fluctuating
Anchovy	1,054	Europe, Morocco	3,000		Stable
Ling	2,300	Europe			
Other salt-water not filleted	25,300	West Africa South America South-East Asia	30,400		Increasing
Other saltwater filleted	2,800	Poland	5,000		Declining

Source: Estadistica Mensual del Commercio Exterior, Ministerio de Economia y Hacienda
***Note:** N/A = not available

The most popular product is hake, which enjoys a popularity similar to that of cod in northern Europe; demand for hake continues to expand. Other products for which expectations in the trade are that demand will continue improving, are those which are already well established in other parts of Western Europe. These include blue fish and white demersals. Of particular interest are flounder, redfish, fresh turbot and salmon. There are also good prospects for the specialist high-value baby eel market. In contrast, the potential for relatively low-value products, such as sardine from Morocco, which face higher tariffs, are not so encouraging. Spanish traders however fear the prospect of Moroccan imports entering Spain via the EC, effectively at concessionary tariff rates.

Trade is important for this group of products. During the period 1979-84, Spain had a trade deficit averaging about 70,000 tonnes annually. The most important imported products, the areas supplying those imports and the effects that trade changes are having on developing country suppliers are shown in Table 22. In 1984, 111,000 tonnes were imported, valued at £100 million, an average of £890 per tonne. World-wide, 40 developing countries participated, with West Africa (including Morocco), South America and South-East Asia dominating. The major export is frozen tuna.

Fish, dried and smoked

Consumption of the dried and smoked group of products is declining as in many other countries in Western Europe, as incomes rise and demand switches to convenience foods. Nevertheless, within the group there are a number of specialist high value products for which there is a steady demand. These include high quality smoked products from salmon and herring. Even though the demand for cured (mainly whole, salted) cod has declined recently, it still accounts for 75 per cent of imports by weight and value. Annually only about 5,000 tonnes other than cod are imported. There is a small market for dried anchovy.

In 1984, 20,000 tonnes were imported in total for this group, at a cost of £26 million, or an average of £1,280 per tonne. This represents a decline of almost 50 per cent over the previous six years. The quantity supplied by the ten developing countries involved was small and came mainly from South America and West Africa. Exports are also declining, as is the size of the modest trade deficit. These trends are expected to continue, limiting the opportunities for developing countries to supply the Spanish market.

Crustaceans, fresh and processed

There has traditionally been high consumption of the fresh and processed crustacean group of products in Spain, second only to fresh and frozen fish. The most popular species are squid, shrimp, prawn, mussel and clam. Important dishes for which these are used include paella and fried squid rings, as well as more exotic ones such as squid cooked in its own ink. Shrimp is eaten throughout the year but particularly so at Christmas. It is cooked whole and part of the traditional way of eating it is to suck the head. The flavour and absence of black spots on the head (melanosis) are important aspects of the quality, normally only considered possible with fresh or unfrozen products. Chemical sprays are in current use, however, which, if applied at the time of freezing, maintain product quality. This has extended the scope of more distant sources to supply the market. There is a very lucrative market for live products (mussel, cockle, crab, lobster, spider crab and clam).

The decline in domestic supplies, particularly from the Mediterranean, has considerably affected this part of the Spanish market. Molluscs dominate the catch, particularly cultured mussel and cephalopods (mainly octopus). A major sector for domestic production is the culture of live species in Galicia in north-west Spain. The crustacean catch is quite small.

As a consequence of good demand, trade is strong and there are significant quantities of both imports and exports. Major exports are mussel, which are substantial, and cephalopods, mainly octopus. However, imports dominate and in recent years have exceeded exports by about 30,000 tonnes a year. In 1984, 132,000 tonnes were imported valued at £135 million, or an average of about £980 per tonne.

Squid is the most important group, the most sought-after species being *Loligo*. Because of over-fishing and conflicting policies between Spain and the EC resulting in the imposition of import taxes, supplies have been difficult, with prices being affected accordingly. Between 1983 and 1984, supplies of *Loligo* declined from 10,369 tonnes to 3,910 tonnes. In 1984 the average price was over £1,600 per tonne, almost double that of £833 per tonne for other species (mainly *Illex*). These supply and price trends continued into 1985.

Table 23

Spain: major imports and suppliers of fresh and processed shellfish in 1983-84

Product	1983		1984	
	Volume in tonnes	Main supplying countries	Volume in tonnes	Developing country change
Squid	31,319	Europe, Asia	42,910	Increasing
Clam	32,908	Italy	30,410	
Shrimp + prawn	12,528	Europe, South America	12,500	Fluctuating
Cuttlefish	8,280	Morocco, Europe South-East Asia	9,900	Fluctuating
Octopus	5,541	Mauritania, Morocco, South-East Asia	6,700	Increasing
Crab	4,576	Europe, Senegal	4,000	Increasing
Other molluscs	11,366	Africa, South-East Asia	14,890	Increasing

Source: Estadistica Mensual del Commercio Exterior, Ministerio de Economia y Hacienda.

In 1984, 39 developing countries were actively involved in exporting to Spain. Developing country products, particularly those which are either unprepared or only partially processed, for which good prospects are anticipated by importers are: brown shrimp, which is now proving increasingly acceptable to Spanish consumers more accustomed to those caught in northern waters; frogs' legs; octopus; prawn; shellfish and live crustaceans. Most of these sub-groups' prices averaged between £900 and £1,200 per tonne in 1984, an important exception being live mussel, which averaged £5,000 per tonne. The prospects for live products are good, although limited to those countries in reasonable proximity to the market. Experience of developing countries to date with live products has been mixed, some difficulties having been encountered in meeting quality requirements.

Canned fish and crustaceans

Canned products traditionally consumed are tuna, sardine, mussel and anchovy, although more recently squid and octopus have become increasingly popular. Products are fairly standard throughout the country, those in olive oil, tomato sauce or escabeche (ground red pepper) bases being most in demand. The only notable exception is Catalonia, which is famous for canned sardine in pickle, supplied under the 'Porron' label. According to trade sources, quality is more important than price for canned products and quality is certainly more important than in the other countries in the study. Domestic consumption is increasing as convenience foods become more popular and manufacturers develop new products. Growth has been stimulated by the development of new sauces and the use of raw material such as octopus. Although exports have declined a modest positive trade balance operates.

Spain has one of the most highly developed canning industries in Europe which together with that of Portugal, represents almost half of the EC's total capacity. The industry uses domestic and imported raw material to manufacture products for the home market and for export.

Imports have slowly increased from a very low base over the six-year period to 1984. In 1984 itself, 9,000 tonnes were imported worth £12 million or almost £1,400 per tonne, involving ten developing countries. The most important products are molluscs (excluding mussel) and frogs' legs which have increased recently to the point at which they now represent almost 90 per cent (7,200 tonnes) of imports for the group. The average value of these products was £1,248 per tonne. The share of developing countries in this trade has increased (coming mainly from Asia). Given the competitive structure of the Spanish canning industry, this trend is expected to continue for countries which enjoy access to EC markets after Spain joins the Community.

TRADE STRUCTURE AND MARKETING CHANNELS

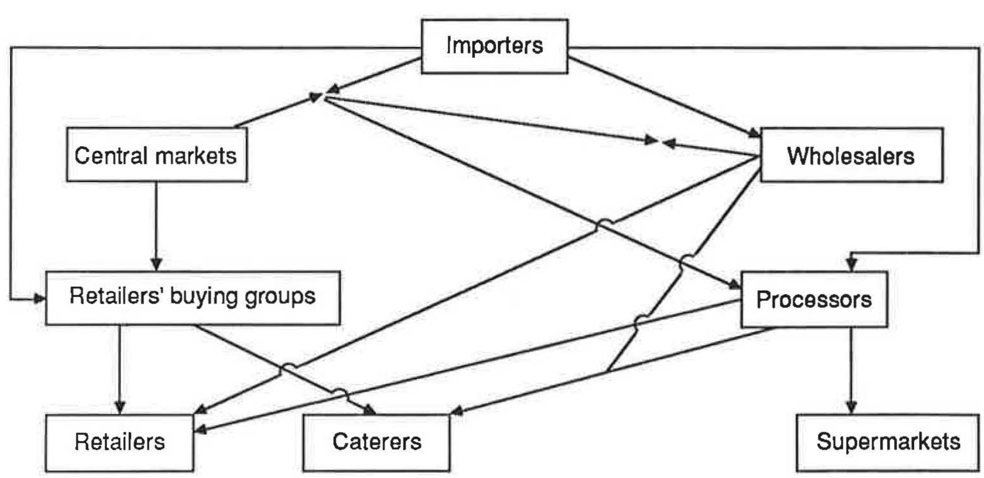
Frozen and processed fish and shellfish

The Spanish market comprises many long-established companies whose methods of operating are based on personal contact and trust. In the case of importers, most know their suppliers and their purchasers personally. Some of those involved take the view that the distribution system is now out of date and that large multinational organizations and packers will come in and take over the market. They are watching keenly the progress of companies such as Pescanova and Findus which have already entered the Spanish market.

Spain has a long history of trade and fishing based on the many ports situated along its long coastline and on its islands, where population centres have grown up with these activities as an integral part of the local economies. Madrid is well placed strategically near the geographical centre of the country and acts as the focus for the national distribution and marketing system for edible fish products. The structure of the market is shown diagramatically in Figure 4 below.

Figure 4

Spain: distribution of imported edible fish products (not canned).



***Source:** Trade sources

Imports mostly enter the country at one of the major ports which include Vigo, La Coruna, Las Palmas and Cadiz, which also handle large quantities of domestic supplies. Merca Madrid, the modern central market recently constructed at Vallecas on the outskirts of the capital, is one of the most important in Europe. Many of Spain's major importers and internal distributors are represented at the market. Agents and brokers carry out an important function acting as intermediaries by buying and selling. Other important markets of this type are located in Bilbao and Barcelona. The ports and the central markets are connected by good road, refrigerated truck and communications networks. The markets receive edible fish products from the ports and cater for the consumption requirements of their hinterlands as well as the needs of the processing industries that have grown up locally. The largest of them also supply exports. Barcelona for example has important links with the French market. All of the major ports and many of the smaller ones have their own port markets.

Retail outlets continue to be dominated by the estimated 13,000 small-scale fishmongers, although their importance is declining numerically and in terms of the volumes of fish that are handled. Changes in distribution structure are taking place along the lines of those already well established in northern Europe and discussed in Sections 2 and 3. Increasing concentration of activities and scales of operation are taking place at most stages of the marketing chain and the indications are that supermarkets now handle the greatest quantity of processed crustaceans and molluscs.

As is often the case, fresh fish consumption is high in the coastal areas where frozen consumption is low, whilst the pattern is reversed inland. Distribution is influenced by holidays which tend to be spent in the coastal areas, so that in summer demand is stimulated considerably. Many schools have canteens so that there is a significant switch in product flows during school holidays away from the catering to the retailing/supermarket sector.

Canned fish and crustaceans

The large-scale manufacturers are mainly concentrated in Galicia in north-west Spain with smaller canneries in Valencia, Castillon, Thon and the Basque country. The former group dominate the export market and supply areas of Spain not met by the smaller producers who are mainly concerned with fulfilling the requirements of their immediate localities. Approximately half of this internal trade goes to Catalonia and the Canaries and the remainder to the rest of Spain. For tuna, production is well developed and prices of canned products are fairly stable. Price stability is a result of the abundant freezer storage space available to importers, enabling them to even-out fluctuations in the price of raw materials. The degree of sophistication which exists in the manufacturing sector enables it to respond quickly to changes of price in markets with export potential.

As the number of supermarkets increases, the distribution patterns are changing and it is likely that supermarkets now exceed the *mayoristas* (wholesalers) in terms of the quantities handled. Another important change has been the growth of buying groups of *minoristas* (small traders), purchasing direct from the manufacturers.

With increasing market complexity and competitiveness and high interest charges on stored raw materials, manufacturers have turned away from importing direct, to buying from importers. Their need is for regular supplies of raw materials which are purchased from a range of importers according to prevailing price and product requirements.

Trade regulations and requirements

Food regulations have undergone considerable change recently in order to bring them in line with those in the EC. At the time of the market survey

(1985), a **certificate of origin** was required if there were any possibility that product quality might be suspect because of the nature of the product or its source. The expectation among those interviewed in the private and public sector was that certificates would soon become mandatory for all imports. Agreement on names by which fish species are known in the EC, translated into Spanish, was reached with the Commission and these became operable on 1 January 1986.

All imports of fish and fish products require an import licence or an import declaration which are valid for periods of 15 days, 45 days or 6 months. These can be extended and are issued by the Directorate General of Tariff Policy and Imports in the Ministry of Commerce and Tourism.

Occasionally however import licences are needed urgently, for example in cases where (i) documents warning of impending arrival of shipment have been delayed, or (ii) an existing licence has expired. In that case licences can be issued the day after application (which must be delivered telegraphically) and are usually for 15 days' duration. The most common licence is for 45 days which takes account of unknown delivery dates and so allows for some delay in delivery. Such licences are also issued for products, such as frogs' legs, where delivery of a consignment may be phased. The ease with which licences can be extended will also depend on any changes in market situation since the original licence was issued.

Importers complain of delays in the granting of import licences for certain products from time to time, which act as a constraint on trade. The strong fishermen's and vessel owners' lobby, which would like to severely curtail imports, frequently lobbies the Government on the grounds that exporting countries are dumping.* Import bans have been imposed although this is unusual since unless there are proven grounds, such action contravenes General Agreement on Tariffs and Trade (GATT). Agreements for licences for the re-export of products which have undergone some processing after originally entering Spain duty-free, are very difficult to obtain.

Health

Strict health standards are enforced by the Servicio Oficial de Inspeccion Vigilancia y Regulacion de Exportaciones (SOIVRE) at the point at which imported fish products enter Spain. These health and quality specifications are set out in the Communication Oficial del España. Those covering the importation of fish are subjected to periodic revision. Those currently operating date from June 1971, the most recent revision being No. 204 of 22 August 1984.

Briefly, the legal structure is one in which immutable *laws* are passed by Parliament which can be modified by *Royal Decrees*. Within this structure, SOIVRE has a remit to pass and enforce regulations. Recent changes have brought them closer in line with those operating within the EC. While differences existed formerly on imports and exports with various countries, these have now largely been standardized.

Once the goods intended for importation have met the required standards of: presentation; classification and general appearance; minimum quality standards; mercury content; bacteriological tolerance levels and commercial requirements, SOIVRE issues a health certificate permitting customs agents to accept the produce. The health standards are even higher for live fish where imports are subjected to the same degree of control over purification and veterinary inspection as domestically cultured products.†

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*Selling at below the costs of production, thereby implying an export subsidy.
†Sites are inspected every morning by veterinary officers who test the water in the culture tanks before issuing certificates which permit sale. During the first 48 hours the raw material is purified by passing sea water with acceptable concentrations of chlorine through culture media.

Packaging

Traditionally, in Spain, the way a product was presented was not considered an important indicator of quality and relatively little attention was paid to its appearance and the contribution it might make to product sale. Attitudes are now changing and are affecting the presentation of a wide range of products as in many other countries. Suppliers view these changes unfavourably, although many are reluctantly conforming in order not to be left behind. During the field survey, a major long-standing supplier of live molluscs to the Madrid market was informed by one of their purchasers that they would need to include a promotional picture card in nets of clam. Previously a paper slip indicating producer and origin had sufficed. The implications for developing country suppliers are that even though there are no packaging regulations, attention should be paid to product presentation.

Non-canned products

Most frozen products are imported in 10 kg and 24 kg block-frozen packs. Importers are increasingly interested in adding value to the product by supplying the 2 kg and 1 kg packs required by the increasingly important supermarket outlets. They are interested in individually quick-frozen products but some processors are separating after thawing and then re-freezing, selling the polythene wrapped product in 14/15 kg master cartons divided into halves.

Specifications for imports of major products include:

hake:	125, 325, 465, 700, 1,150 and 1,250 g per piece, whole or headed and gutted;
sardine:	whole, IQF or block frozen;
squid:	whole or rounded, block frozen;
mussel:	pre-cooked, shelled in 200 kg packs, 150 pieces/kg fresh (and oyster) half or wholly shelled.
clam:	5kg nets.

The following is an example of the range of product presentations which one important processor is using to supply the market:

- formed plastic or polystyrene base inside a sealed polythene wrapper bearing coloured picture, legal markings, description of contents and instructions for storage and preparation. Typical dimensions for 250 g: 180×115×26 mm.
- strengthened polythene wrapper; as above without inner base or coloured picture.

The product is usually marketed in 250, 300, 400, 500, 1000 or 2,000 g packs in cartons of 5, 6, 6.4, 7.2, 8, 10 and 20 kg. Typical carton contents:

24×250 g packs in 6 kg carton (dimensions 370×245×157 mm)
16×400 g packs in 6.4 kg carton
20×1000 g packs in 20 kg carton

Live molluscs

Live molluscs must be packed inside suitable material such as fern fronds contact-packed to prevent dehydration during transit and protected within robust wooden framing.

Canned products

As an indication of product acceptability, one of the biggest canners in Spain has the wide range of canned presentations listed below. Their cans are made of tin and aluminium, and are rectangular, oval, square, round or club, either lithographed on the can or with decorated cardboard boxes containing the can. Some examples are:

- anchovy (in various sauces) sold in cartons of 100 x ½ rectangular cans; lithographed or in decorated boxes with opening key, weighing 55 g, 30 g net or 85 g, 50 g net;
- tuna (in olive oil): cartons of 100 x ¼ oval lithographed.
  170 g, 120 g net
  cartons of 60 x ½ oval lithographed
  330 g, 250 g net;
- mussel (in various sauces): cartons of 12 x large lithographed tins 110/120 - 130/140 pieces 1,400 g, 1,200 g net.

Marking and labelling

There are official labelling and marking regulations for products to enter Spain. Labels must include details of:

- country of origin;
- producer's name;
- importer/distributor;
- commercial trade mark, name and Latin equivalent;
- product form, grade, additives and colourants and metric weight.

Products should be packed in order to withstand normal handling during transit.

Tariffs and quotas

The general policy in Spain in the past has been that there should be no restrictions on imports of products where they cannot be met by domestic supplies. Otherwise there are high tariffs to protect domestic production. Again, this has been modified to some extent because of Spain's entry into the EC. The objective is for the policies to coincide, although this may take some time.

Variable duties are determined according to the market situation, prices and supplies, and are published every Friday in the Official State Bulletin. The most recently available statement on tariffs at the time of the field survey in 1985 is given in Appendix IV Annexe 1B. The value is based on the normal price of the product, the cost of transport and other expenses to the point of entry.

Fish is covered in Chapter IV, Part IV, Section V, Articles 173-176 of the Act of Accession. The contrast between the degree of protection imposed on different products is highlighted by the duty at that time on albacore (35,000 pesetas per tonne or £156) and that on tuna (10 pesetas).

For most species on which duties are imposed, there is expected to be a seven-year transition period during which tariffs are gradually removed; 10 per cent per annum for the first three or four years and 50 per cent during the remaining period. For sardine, the situation is much more complex in order to secure the incomes of the French sardine fishing industry. There will be a ten-year transition and tariffs will be removed according to origin as follows in chronological order:

Spanish Mediterranean
French Atlantic
French Mediterranean
Spanish Atlantic

Import quotas

Global quotas are set annually for products to be controlled. These determine the maximum amount in pesetas for which licences will be issued in total. There are no seasonal quotas.

Pricing

The wide range of factors which affect product prices are discussed in Appendix V together with a summary of average import values for important fish products in 1984. Of particular interest to developing countries are: frozen and fresh fish such as hake, tuna and blue whiting; molluscs, in particular squid, cuttlefish and octopus and some canned products, particularly molluscs. In general, the prices paid by the Spanish market are significantly lower than in other countries included in the study.

Procedures for developing country exporters

The importer is the all-important point of contact for the exporter. Although Spain has strong trade links with developing countries, it has no prominent bodies specifically set up to promote their interests. It is possible for exporters to contact potential importers through Spain's official representatives overseas or through their own official representatives. However, the most effective means of establishing contact will either be indirectly with the importer, through importers in another European country who have been supplied successfully by the exporter, or at trade fairs.

The second step may involve a visit by the importer to the exporter's premises, the sending of product samples to Spain (not subject to duty unless of high value) for examination or, commonly, by the ordering of a modest initial consignment. Quotations should be provided in US $ or another freely convertible currency, and metric weights and measures.

The consignment should be accompanied by the following documents:

- certificate of origin which must be supported by a reputable body (usually agreed in advance where an approved organization has not been previously used);
- commercial invoice. This is acceptable in English and may include the declaration or origin;
- bill of lading;
- health certificate;
- list of contents. While this is not compulsory it will facilitate customs clearance on entering Spain.

Payments are normally made by letter of credit.

Appendix I contains address lists of important institutional contacts, agents, importers and processors and other media such as trade fairs and trade associations in Spain which can be approached by the potential developing country supplier.

Section 6

Considerations for developing country exporters

INTRODUCTION

This section draws on the detailed country survey presented in previous parts of the bulletin and focuses attention on important issues that prospective exporters must address if they are to exploit their potential to market fish products in Western Europe.

In order of importance, the most important markets are France, Italy, Spain, West Germany and the other countries not included in the detailed survey. There is a substantial range of possibilities for different species and product forms. The main product segments are: low-priced frozen raw materials for manufacturing in Spain; competitively priced canned fish in West Germany and higher-quality fish and shellfish in France and Italy.

There are a number of factors which effectively constrain trade. These include tariffs, surcharges, licences, standards and various national policies. In spite of these constraints, a large number of developing countries are trading with Western European countries. There are good overall prospects for this trade to increase both for existing and new suppliers.

MARKET APPROACH

The Western European market's requirements are straightforward; exporters should supply products according to specifications previously agreed with the importer. Essentially this refers to quantity, quality, form, price and place. It is a major characteristic of successful exporters that they are able to fulfil these obligations consistently.

During the market survey for this study, numerous examples were cited of suppliers being unable to meet contract requirements. This was attributed to inadequate product quality, unsatisfactory packaging, insufficient quantity, late delivery, or even non-delivery of consignments. The reasons for these failures are numerous, but include that of suppliers pursuing more lucrative markets elsewhere. Behaviour by traders in Western Europe is still biased towards long-standing personal contact, with business agreements based on trust. Failure by suppliers to meet contractual arrangements is viewed unfavourably by the importer, leaving a negative impression which is likely to be passed on to other importers in the particular segment of the market in question.

Since a wide range of possible products, suppliers and markets has been dealt with in this bulletin, it will only be practical to make very general recommendations on the type of export strategy to be adopted. The case considered here refers in general to a new entrant to a market with the objective of long-term supply. The principles involved in such a carefully structured approach will also act as a guide to the short-term/seasonal types of supplier, and to existing suppliers wishing to extend their product range in the market.

An appropriate strategy which has been well tested is one based on a gradual, phased entry into a market. Developing countries initially tend to enter Western European markets on a tentative basis, selling a small quantity of a particular product. Having made a successful start, increasing levels are supplied. The rationale for this is that experience with a particular market is gradually absorbed and made use of as supply levels are increased.

A number of steps have to be undertaken in this approach.

- **Preliminary knowledge of the market.** Although the EC can be viewed as one market and there is an increasing degree of consistency which extends beyond tariffs, there is often sufficient variation to require the exporter to examine the specific situation in particular importing countries. Of importance are the competitive situations in those countries and the prospects for the sale of the product(s) under consideration.
- **Identification of that part of the market to be supplied.** On the basis of a preliminary assessment, the segment of the market to be supplied is selected. This defines:

  (i) the country;

  (ii) region and/or customers in that country;

  (iii) the specific product.
- **Contact with importer/agent.** This is an important step since it can also have (during negotiations) a bearing on market identification and will certainly influence the success of the venture. The importance of selecting a sympathetic agent who is convinced of the merits of marketing the exporter's product(s) in preference to other competing suppliers, cannot be overstressed. The supplier should expect to provide the importer with a satisfactory product sample (discussed below).
- **Determination of an appropriate volume of supplies.** Small export shipments will be made during the initial stages, subsequently building up as knowledge and understanding of a particular market increase. Once the exporter begins to supply that market, the experience of doing business will provide new insights and provide the opportunity for importer and supplier to examine the prospects for expansion. This could involve either increased supply of the same product or a wider range of products.

A strategy of this nature enables the exporter to keep long-term objectives in view. Within this wider context, operational changes can be made in response to changes in supply and demand in the market. In this respect, such a strategy has similar implications for seasonal suppliers who need to be able to move in and out of the market without adversely affecting their standing amongst importers.

OTHER CONSIDERATIONS

Samples

Once the product to be supplied has been identified, samples must normally be arranged. Although in some cases the importer will visit the supplier and inspect the plant and the product, in most cases the supplier will be required to provide a sample of the product(s). The importance of this stage for creating business opportunities cannot be overstated. The sample will usually be the first tangible evidence for the importer of the supplier's ability to provide an acceptable product. If the importer does not consider it suitable for meeting his market requirements, he will refuse to accept it and the opportunity will usually have been lost for good. There are cases of importers not even bothering to reply to an initiative from a potential supplier because the sample submitted was unacceptable.

The supplier should find out from the importer the specifications required of a sample and then take every precaution to see that they are met. These will usually be closely aligned to those outlined for the products discussed in this study for which the market has been assessed. The product itself should be clean, of the correct size or count per kilogram, colour, taste and smell and packed together in the manner prescribed. It will be necessary to supply a master carton, correctly packed, in an acceptable container, clearly and appropriately labelled and clean.

Joint ventures

Where a developing country has fish resources with unrealized potential sufficient to attract the interest of an importing country, one means of proceeding is through a joint venture. Such ventures involve varying degrees of joint participation in exploiting this potential between the Western European importer and the developing country exporter. In essence, the developing country trades a share of its relatively abundant fisheries resources, in return for the technical and management expertise (often with capital assistance) and market access, with which the developing country may be relatively poorly endowed.

It has not been possible in the context of this study to assess the overall benefits of joint ventures to developing countries. What has been observed is that levels of supplies reaching the market through this mechanism have increased substantially and that those supplies are usually able to satisfy market requirements. For the importer, the degree of control over supplies and quality, and the ability to be able to meet his specific needs are important, and joint ventures are proving increasingly popular with companies in Spain, Italy and France.

Spain in particular is heavily dependent on access to other countries' waters and has fishing agreements with at least twelve countries, including most of the major fishing nations from Morocco down the western coastline of Africa, and Mozambique, especially for tuna. There are more than 100 joint ventures dominated by Morocco and Argentina but including numerous other South American and West African countries.

The EC laws encourage private joint ventures with Third World countries provided they meet certain requirements. The EC regulations which apply to ACP countries wishing to gain access to the market at the preferential rates of duty are laid out in the Lomé Convention. These require the following:

- fresh or frozen fish from the sea; that the products must be caught and despatched by vessels registered or 50 per cent owned by nationals from member or ACP states or sailing under the appropriate flag or vessels for which 50 per cent of the crew and officers are nationals of signatories of the Convention;
- that fresh or frozen fish were hunted or fished within the exclusive economic zone of the ACP country.

It appears likely that joint ventures will continue to constitute an important option for those developing countries wishing to exploit the potential of their under-utilized fishing sectors or those denied duty-free access. Joint ventures are expected to increase in importance, particularly for countries such as Spain, France and Italy which are seeking to reduce their deficits in fresh and frozen fish.

THE EUROPEAN COMMUNITY

This bulletin has highlighted the importance of the Western European market for fish products of developing country origin. A dominant feature of that market is the EC. In the decade to 1982, Community fish trade increased by 66 per cent. The average annual increase in value terms, over 11 per cent, has been well above inflation levels. While exports and imports have been increasing, the average unit value of imports (£1,300 per tonne) has increased much faster and in 1982 was more than double that for exports (£600 per tonne).

The Community, with a population of 319 million consumers (1984) and annual fish consumption over 5 million tonnes has a trade deficit of between 600,000 and 1 million tonnes. Demand for fish products is increasing as populations continue to increase slowly and with modest increases in per caput consumption.

The importance attached by the EC to developing countries is reflected in the Lomé Convention which is a freely negotiated convention. A total of 67 developing countries, 47 in Africa, representing a population of about 350 million, now have preferential ties with the EC. This presents an important degree of long-term security for trade. Coupled with the market for fish products within the Community, the prospects for developing countries are likely to remain favourable.

An important influence on those prospects for exports to Western Europe from developing countries over the five years from 1986 will be Spain's (and Portugal's, to whose market the following remarks are equally applicable) membership of the EC. Before their joining, protracted negotiations took place, concerning, amongst a whole range of other issues, the conditions that will apply to fishing within the Community's waters and to trade in fish products between members. The terms of the agreements reached and the related tariffs will affect the structure of trade.

The major objective was to minimize social and economic disruption resulting from expansion. This was difficult given the often conflicting interests between the various fish processing and trading institutions within the twelve countries. As with previous expansions of the EC there will be a transitional period during which tariffs on products traded between Spain and the rest of the EC will gradually be removed. This will vary from immediately, post-1986 (for example, in the case of canned tuna) to ten years (for example canned sardines).

The fish industry in Western Europe is complex and in a constant state of change. These dynamics will be further complicated by the effects of a changing scale of tariffs, making it difficult to assess future market developments. However, there are a number of expected trends.

Firstly, trade in fish products between Spain and Portugal and the rest of the EC will increase. The pace and direction of flow of these increases will depend partly on the competitiveness of an individual country's products in terms of quality and price, and on tariff levels. All other things being favourable, trade in a given product would be expected to develop faster the more quickly tariffs are removed.

Secondly, as experience develops during the transitional period and the effects on the fish industry are manifested, further negotiated changes to the current legislation can be anticipated. Given the relative strength of the fishing and processing lobbies (as against that of the importers) and the current political climate, protection of the market rather than liberalization is expected at least in the short term. This will be to the general disadvantage of exporting developing countries.

Thirdly, because of significantly lower labour costs, there is expected to be good market potential in the Iberian Peninsula (Spain and Portugal) for fish raw materials for processing into product lines for which there is strong demand in other EC countries. Given the size and efficiency of the canning industries in the Peninsula, which represent 50 per cent of the capacity of the expanded EC, there is considerable scope for increased trade in canned fish products. Part of the canned market for products such as mussel, sardine and mackerel, in which Spain has a competitive advantage, will be captured from the EC's traditional 'non-ACP' suppliers.

The effects these changes will have on the individual developing country wishing to export to Spain will depend on the prospects for the particular products involved, the vigour with which the market is sought and that country's relationship with the EC. For the latter, this would take precedence over that country's existing relationship with Spain. This implies a gradual change-over from Spain's traditional suppliers to countries enjoying preferential treatment with the EC. Those countries with companies involved in joint ventures with Spanish companies will continue to enjoy indirect access to the Spanish (and European) market for products caught in their waters.

Some increase in protection is likely during the transitional phases following EC enlargement as the interests of different sections of individual countries' fish sectors are accommodated. This may operate against the interests of individual developing country suppliers. These protective measures are not expected to persist beyond the medium term however, after which the gradual removal of formal barriers to trade and an anticipated growth in the market will potentially be to the advantage of developing countries with preferential ties with the EC.

Appendices

APPENDIX I: ADDRESSES OF IMPORTANT CONTACTS AND SOURCES OF INFORMATION

This appendix contains five annexes covering the whole of the Western European fish market. Four annexes concern the countries which were the subject of the detailed field study and a fifth concerns all other countries. The addresses given are considered to be the most appropriate first point of contact in each of those countries listed for the developing country supplier.

Annexe 1: The Federal Republic of Germany

(i) Important institutional contacts

Address	*Remarks*
Deutsche Gesellschaft für technische Zusammenarbeit (GTZ) GmbH Postfach 5180 D-6236 Eschborn 1 Tel: 06196-401 1 Telex: 417405 GTZ	German Agency for Technical Co-operation Ltd. The official organization for German technical assistance to developing countries. Numerous publications in English relevant to the German fish market. Introduction to traders.
ANUGA Messe und Ausstellungs GmbH Cologne Postfach 210760 5000 Cologne 21	World Food Market, Cologne, every other year; September/October. One of the foremost trade fairs in the world. Major fish trade representation providing suppliers with an opportunity to meet those in the West German market and also elsewhere from within Western Europe.
Waren-Verein der Hamburger Börse e.V. Plan 5 2000 Hamburg Tel: (040) 32 64 14	Import trade association for a range of products including canned and deep-frozen fish. Assists with statistics information, establishes trade contacts (all in English). Assistance to developing countries a priority.

(ii) Agents, importers and processors

Manfred Maxein – International Postfach 710248 D-2000 Hamburg 71 Tel: 040/640 63 64, 640 26 61 Telex: 2/174805 fima d Telegram: FIMAXEIN, Hamburg	Importers of a range of frozen pelagics, demersals and shellfish. Suppliers to other West European markets as well. Representatives in Argentina, Belgium, Chile, Denmark, France, India, Japan, Canada, Peru, Spain, Taiwan, Thailand, United Kingdom, United States.

Nölting Gebruder Alsterchaussee 9 Postfach 13 20 18 2000 Hamburg 13	Import agents for canned fish; tuna, herring (and similar) and some frozen shrimp, swordfish and baby clam.
Standard Ubersee Handels GmbH 2000 Hamburg 13 Rothenbaumchaussee 3	Import agents for canned fish productions; crustaceans, tuna, herring (and similar).
Kanzow GmbH, Hammerbrookstrasse 90 2000 Hamburg 1	Importer of high quality frozen fish and crustaceans.
Mesrs Frigo Food GmbH Grosse Elbstrasse 141 2000 Hamburg 50	
Messrs Aussenhandelsgesellschaft Forum GmBH Sonninstrasse 28 Postfach 10 22 06 2000 Hamburg 1	Importer of canned tuna, sardines, pilchards. Supplies the Co-op chain.
Ce Te De Import and Export GmbH, Amsinckstrasse 45 2000 Hamburg 1	Import agent for canned tuna and frozen shrimp.

(iii) Buying groups

Edeka Zentrale AG New York-Ring 6 2000 Hamburg 60	The largest buying group in Europe with about 26,000 retail outlets, 50 wholesalers; own brand 'Euco'.
Coop Handels- und Produktions-Aktiengesellschaft (HAPRO) Buying office: Forum-Gesellschaft Marketing und Werbung mbH & Co. Sonninstrasse 28 2000 Hamburg 1	Almost 4,000 member retail outlets and 18 wholesalers; services 1,200 Co-op supermarkets, 250 small discounters and 19 self-service stores.
Aldi Einkauf GmbH, oHG Eckenbergstrasse. 16 Postfach 13 01 16 4300 Essen-Kray	Has about 1,300 discount stores ('Aldi' brand). Major retailer of canned fish products.

(iv) Other useful addresses

(a) Trade fairs

IKOFA Munchener Messe- und Ausstellungs-Gesellschaft mbH Postfach 121009 8000 Munich 12	International Exhibition of the Food Industry, Munich. Even years, September. Only secondary in importance to ANUGA.
INTERNORGA Hamburg Messe und Kongress GmbH Jungiusstrasse 2000 Hamburg 36	International Fair for the Hotel, Catering and Bakery Trades, Hamburg; annually in March.
IKA/HOGA/FAST FOOD Heckmann GmbH Messen und Ausstellungen KG Kapellenstrasse 47 6200 Weisbaden	International Culinary Art Exhibition and Hotel and Catering Exhibition, Frankfurt; every two years in October.

Overseas Import Fair 'Partners for Progress', Berlin AMK Berlin Ausstellungs-Messe-Kongress GmbH Messedamm 22 1000 Berlin 19	Annually in September.
KULINARIA AMK Berlin Ausstellungs-Messe-Kongress-GmbH Messedamm 22 1000 Berlin 19	German Gastronomy and Foodstuffs Exhibition, Berlin; annually, October/November.

(b) Trade and professional organizations

Bundesstelle für Aussenhandels information (BFAI) (German Foreign Trade Information Office) Blaubach 13 Postfach 108007 D-5000 Cologne 1 Tel: 2057-1 Telex: 8882735 BFAK D Telegraphic address: BAFA KOLN	Information and contacts. Objective: to promote trade particularly with developing countries. Publications include *'How to Approach the German Market'*.
Bundesverband der Deutschen Fischindustrie und des Fischgrosshandels e.V. Museumstrasse 18, III 2000 Hamburg 50 Tel: (040) 38 18 11 Telex: 02 12578	Association for the West German fish industry and processors.
Deutsches Tiefkuehlinstitut e.V. An der Flora 11 Cologne-Riehl	West German frozen food association.
Arbeitsgemeinschaft der Deutschen Fernost-Fachimporteure e.V. Gotenstrasse 21 2000 Hamburg	Association of West German importers specializing in the Far East.
Aussenhandelsvereinigung des Deutsche Einzelhandels e.V. Weyerstrasse 2 5000 Cologne	Foreign trade association of the West German retail trade.
Verband des Deutschen Nahrungsmittel-grosshandels e.V. Adenauerallee 45 5300 Bonn	West German food wholesale trade association.
Bundesvereinigung deutscher Einkaufsverbände Neumarkt 14 5000 Cologne 1	Federal group of West German purchasing associations.
Bundesverband der Deutschen Feinkostindustrie e.V. Reuterstrasse 151 5300 Bonn 1	Federation of the West German speciality foods industry.

Address	Remarks
Centralvereinigung Deutscher Handelsve treter- und Handelsmakler-Verbande Geleniusstrasse 1 5000 Cologne	Central organization of West German sales representative and commission agent associations; provides sample contracts between supplier and representative.

Annexe 2: France

(i) Important institutional contacts

Address	*Remarks*
Bureau de Promotion des Exportations Ètrangères Centre Français du Commerce Extérieur, (CFCE) 10, avenue d'Iéna F-75783 Paris CEDEX 16 Tel: 505.30.00 505.33.17 505.33.28 Telex: 611934 CFCEP F Telegraphic address: CENCOMEX PARIS	Office for the Promotion of Foreign Exports French Centre for Foreign Trade Statistics and other information.
Syndicat National des Fabricants de Produits Surgelés et Congelés (FICUR) 3 rue de Logelbach 75847 Paris Cedex 17 Tel: 227 4051/227 8492	National Association of Producers of Quick-Frozen and Frozen Products.
FIPA (Federation des Importateurs des Produits Alimentaires) 171 avenue Victor Hugo Paris 16 eme Tel: 727 1906	Federation of Food Product Importers.
Syndicat National du Commerce Extérieur des Produits Congelés et Surgelés 3 rue de Logelbach 75847 Paris Cedex 17 Tel: 227 4051/227 8492	The National Syndicate for External Trade in Frozen and Quick-Frozen Products.

(ii) Agents, importers and processors

Markensea 12 rue Charles Tellier 13014 Marseille Tel: (91) 98 9098 Telex: 440 523 F MAKESEA	Importation, processing and catching of frozen warm-water species. Some fresh. Shrimp, cuttlefish, octopus, frogs' legs and fish.
Crustimex 20 Quai du Lazaret 13002 Marseille Tel: (91) 91 17 25 Telex: 44 06 36	Importer, some processing. Mainly shrimp and prawn.
Surgelés Barogel 17 Rue de la Republique 13002 Marseille Tel: (91) 91 92 60 Telex: 410648, 410657	Importer and reprocessor; warm-water species; frozen fish and shellfish including shrimp, squid, mussel, cuttlefish and frogs' legs.

La Surgelation Alimentaire 7 Rue de Verdun 62200 Boulogne sur Mer	Processors.
J M Allum BP 377 62205 Boulogne Cedex Tel: (21) 33 92 22 Telex: 11 00 53	Import agents; frozen monkfish, squid, hake and sole fillets, prawn. Also reprocessing shrimp.
Interpral S A 38 rue du Louvre 75001 Paris Tel: 261 56 13 Telex: 220495	Major importer, reprocessor and canner; crustaceans, tuna and pelagics.
Compagnie du Froid Alimentaire 4254 rue Charles Heller 94400 Vitry Tel: 680 85 55 Telex: 27 07 04	Frozen food importers and processor. Wide range, including fish fillets, frogs' legs and squid.
IFAFOOD 38 Avenue de l'Opéra 75002 Paris Tel: 266 12 02 Telex: 21 05 98	Import agent for frozen and processed fish; hake, canned crustaceans and pelagics.
PRIMEL S A BP 8 29228 Plougasnou Tel: (98) 678122 Telex: 940549	Importer and processor of crustaceans and frozen fish; wide range of shellfish and fish products; live crustaceans.
Gelmer 207 rue des Margats 62206 Boulogne-sur-Mer Tel: (21) 33 92 15 Telex: IMPORT-EXPORT 110043	Importer and processor; range includes frozen warm-water species; shrimp, frogs' legs, crab and pelagics.

(iii) Retail organizations and buying group
(potential importers other than where stated)

Casino-Epargen 24 rue de la Montat 42008 Saint Etienne Cedex	Approximately 2,000 small and 100 large stores.
Codex-Una Rue du Chemin Blanc 91160 Congjumeau	1,500 stores; sometimes buying direct or through Socadip.
Paridoc 258 avenue Napoleon Bonaparte (BP 2) 92502 Rueil-Malmaison	4,000 retail stores.
Radar-Camas 25 rue Francois ler 75008 Paris	2,000 shops, 170 supermarkets, 20 hypermarkets.
Sapac – Prisunic 102 rue de Provence 75451 Paris Cedex 09	Large distribution chain in France.
SCA 3 rue Paul Cézanne 75361 Paris Cedex 08	Buying; approximately 300 of its own stores and a similar number of affiliated outlets.

Socadip 24 rue des Oliviers Senia 319 94537 Rungis-Cedex	Solely distribution. Important, representing 12 major groups (not importing).
Société Général des Co-opératives de Consommation (SGCC) 27 Quai le Gallo 92100 Boulogne	7,000 shops including 300 supermarkets and 40 hypermarkets.

(iv) Useful addresses

(a) Trade fairs

SIAL 42 rue de Naples 75008 Paris	International Food Exhibition, Paris; even years, November.

(b) Information

The *Annuaire Interprofessionel de la Surgelation* published by FICUR Information and Advertising Agency 17 rue Treilhard 75 Paris 8e	Provides information on the frozen trade sector.

Annexe 3: Italy

(i) Important institutional contacts

Address	*Remarks*
Istituto nazionale per il commercio estero (ICE) Via Liszt 21 PO Box 10057 I-00100 Rome-EUR Tel: 59921 Telex: 611603 612282 612614 613231 613350 Telegraphic address: INACE ROME Inquiries to be addressed to: Co-operation with International Organizations (CROI)	National Institute for Foreign Trade; provides statistical and other information to developing country suppliers and trade contracts.
Associazione Nazionale Importatori di Prodotti Ittici Freschi e Congelati (ANTIEPI) Corso Venezia, 47/49 20121 Milan Tel: 02/7750320	National Association of Importers of Fresh and Frozen Fish.
Associazione Nazionale Importatori Prodotti della Pesca Conservati (ANI PESCA) Pinza G G Belli, 2 00153 Rome Tel: 06/5818640-5817162 Telex: C/O 680214 SNEIOA I	National Association of Importers of Preserved Fish.

(ii) Agents, importers and processors

(Importers act as agents unless otherwise stated)

Etruria Spa Piazza Bertarelli 2 20122 Milan Tel: (02) 861851 Telex: 33 40 57	Importer of frozen fish; reprocessing and canning. Involved in joint ventures with West African countries and China.
Giolfo & Calcagno Spa Via Ovada 1A Casella Postale 5598 16158 Genova-Voltri Tel: (010) 636141 Telex: 270154	Importer and processor; frozen shrimp, small pelagics, molluscs and hake. Interested in other warm-water species and occasionally tuna. Small number of retail outlets. Also based in Livorno.
Europesca Spa 71 Via Sammartini 20125 Milan Tel: (02) 683033, 683046 Telex: 330304	Importer. Frozen cephalopods, monkfish and shrimp. Interested in exotic species.
Findus Italia Via Paolo di Dono 3/A 00143 Rome Tel: (06) 54491 Telex: 610260, 610572	Leading processor of frozen fish and shellfish. Not an agent.
Tontini Pesca Via della Camnuccia Rome Tel: 983090/1/2/3/4/5 Telex: 611442	Frozen fish importers. Squid, sea bass, red mullet. A range of warm-water fish species is acceptable.
Pesclaudio Spa Via Ponte Vetero 18 20121 Milan Tel: (02) 801446/7/8/9 8690537 879956 Telex: 312550, 335191	Imports through agents and direct. Frozen shrimp, crustaceans, hake, cuttlefish, squid and octopus. Retail outlets.
Pescagel Spa 42 Via Copernico 20125 Milan Tel: (02) 6073802 6883761 6883763 6883256 Telex: 330526	Importer and processor of a wide range of frozen shellfish and fish including shrimps, squid, cuttlefish, lobster and hake and cod fillets.

(iii) Other useful addresses

Associazione Nazionale Conservieri Ittici e delle Tonnare Pescaconserve Via Baldo degli Ubaldi, 112 00167 Rome Tel: 06/6220895	National Association of Preserved Fish Producers.
Federazione Nazionale delle Imprese di Pesca (FEDERPESCA) Corso d'Italia, 92 00198 Rome Tel: 06/851125-864198	National Federation of Fish Enterprises. Oriented towards domestic industry but useful source of statistics.

Istituto Italiano Alimenti Surgelati 7 Via Senato Milan	Italian Frozen Food Institute.

Annexe 4: Spain

(i) Important institutional contacts

Address	*Remarks*
ALIMAR (Asociatiôn Espánola de Importadores de Alimentos del Mar) Orense 68 Madrid 20 Tel: Telex: 46642-FATS	Spanish Association for Importers of Sea-Food Products. Important source of information and for establishing trade contacts. It has links with other associations in the Spanish market.

(ii) Agents, importers and processors

Mariscos Currás, S L Cangas de Morrazo Pontevedra Spain Tel: 30 05 05 30 10 99 Telex: 88153 Jocu E	Importers of frozen fish, live crustaceans and some fresh fish.
Pescanova S A PO Box 424 Vigo Tel: (986) 452233/452100 Telex: 83072 PESVA E 83168 PESVA E 83083 PESVA E	Large multinational company. Substantial involvement in joint ventures, processing and distribution. Wide range of species and products, focusing on gadiforms, cephalopods and crustaceans.
Frigorificos Berbes S A Avenido Orillamar 99 Vigo 2 Tel: 297700 Telex: 83020	Manufacture of a wide range of shellfish products. Fish species processed include hake and cod. Purchases direct from importer.
Angel Lopez Soto Vigo Tel: 424333/424566 Telex: 63225	Importer of shellfish and sardines. Canning sardines and some reprocessing.
Export Import ERALA S A Avenido Orillamar 83 Vigo 2 Spain Tel: 98C1 295535 295392 295485 295812 Telex: 83347 LAER E	Importer of frozen hake (and fillets) cephalopods and crustaceans. Some re-processing.
Julian Gonzalez Narvaez 47 28009 Madrid Spain Tel: 274 4391 274 5150 274 6318 274 9699 Telex: 49290 JGON E	Importer and processor of frozen fish and shellfish. Also wholesaling.

Pasapesca S A
Avenida de les Drassanes 6–8
Planta 16
Barcelona 1
Spain
Tel: 3186366 (5 lines)
Telex: 51788 PESC E

Masso Hermanos S A
Plaza de Compostela 23
Apartado 1503
Vigo
Tel: 211204/5/6
Telex: 83.073 BALEA E
Telegrams: MASSO

Largest canners in Spain. Producers of a wide range of canned products using sardine, tuna, anchovy, cephalopods and crustaceans. Purchase from importers.

Frigorificos Delfin
c/Leon 52-54
Fuenlabrade
Madrid
Tel: 690 5651
690 5601
Telex: 45117 FRID-E

Importer and processor of frozen crustaceans.

Jose N Soriano Balaguer
Avenida del Puerto 246-4°, 14a
Valencia
Tel: 367 23 54/323 68 14
Telex: 6240-64 140-62344

Importer of sea-food products.

(iii) Other useful addresses

(a) Trade fairs

ALIMENTARIA
FOIM
Av. Maria Cristina
Barcelona 4

International Food Fair, Barcelona; every two years; March.

(b) Trade Associations

Federación Nacional del Comercio al por Mayor y la Industria de Elaboracion de los Productos del Mar
Alcala 117-Bajo Dcha
Madrid-9
Tel: 403 4105-403 4300

National Federation of association concerned with import, processing and distribution of fish products.

Alvamar S A
Plaza de los Mostenses 1-3
28015 Madrid
Tel: (91) 242 0903-04
Telex: 42197

Represents freeze-trawler owners and the Association for Spanish companies involved in joint ventures.

Annexe 5: Other Western European markets

Except where additional services are available, which are listed accordingly, the organizations in this section provide the following services to importers:

1 General statistical information on the national market
2 Information on sales opportunities
3 Information on import requirements and procedures
4 Lists of importers
5 Information on trade fairs
6 Assistance with establishing contacts with the trade.

Austria

Address	*Remarks*
Bundeskammer der Gewerblichen Wirtschaft Stubenring 12 A-1010 Vienna Tel: 52.15.11 Telex: 111871 BUKA A Telegraphic address: BUHAKA WIEN — AUSSENHANDEL	Austrian Federal Economic Chamber. Foreign trade promotion. Arrangements with trade fairs. Free advertisement of product offers in trade bulletin and to importers.

Belgium

Office belge du commerce extérieur (OBCE) 162 Blvd Emile Jacqmain B-1000 Brussels Tel: 219.44.50 Telex: 21502 BEXPO B Telegraphic address: BELPROMEX	Belgian Office for Foreign Trade.

Denmark

Import Promotion Office Danish Chamber of Commerce Børsen DK-1217 Copenhagen K Tel: 15.53.20 Telex: 19520 CHAMCO DK Telegraphic address: MERCHANTS GUILD	Assistance to the importers, particularly those from developing countries; showrooms for display.

Finland

PRODEC-IMPORT Lapuankatu 4 SF-00100 Helsinki 10 Tel: 43.131 Telex: 124500 PROD SF Telegraphic address: PRODEC HELSINKI	The Finnish Import Promotion Office for Products from Developing Countries. Assistance with contacts and trade fairs. Free advertisement in quarterly bulletin.
The Finnish Foreign Trade Association Arkadiankatu 4-6 B PO Box 908 SF-00101 Helsinki 10 Tel: 69.591 Telex: 121696 TRADE SF Telegraphic address: FOREIGNTRADE	

Irish Republic

Irish Export Board
Merrion Hall
Strand Road
Sandymount
Dublin 4

Netherlands

Centre for the Promotion of Imports from Developing Countries (CBI)
Coolsingel 58 (5th Floor)
PO Box 30009
3001 D A Rotterdam
Holland
Tel: 13 0787
Telex: 27151 CBIBZ

A very wide range of services is available to the developing country supplier including:

- information on marketing techniques and business practices in the Netherlands;
- company profiles of importers, wholesalers, agents, distributors etc., by product line;
- information on buyers actively seeking supplies of a specific product in specified quantities;
- arrangements for contacts when visiting the market;
- merchandise testing: showroom product testing on marketing possibilities by potential buyers and product specialists;
- marketing seminars in Western Europe for management teams of private and public companies and organizations in developing countries;
- establishment of national and regional trade promotion centres in Rotterdam, with technical and financial support;
- in-service training and consultancies in the framework of bilateral co-operation between CBI and national export promotion organizations;
- announcement in the CBI monthly news bulletin of exporters' offers, visits, participation in fairs, exhibitions and all other information of interest to the Netherlands business community. Appears in the last week of every month, free of charge.

ROKA
Royal Dutch Fair
Jaarbeursplein
PO Box 8500
3503 RM Utrecht
Netherlands

International Trade Fair on Provisions and Fine Foods and Beverages, Utrecht, Netherlands; every two years; February.

Norway

NORIMPOD
Øvre Vollgate 11
PO Box 8147 Dep
Oslo 1
Tel: 11.20.25
Telex: 18670 HDEP N
Telegraphic address: HANDELS LISENS
Attention: NORIMPOD

Norwegian Import Promotion Office for Products from Developing Countries. A range of services is available to developing countries suppliers including:

- information on marketing techniques and business practices in Norway;
- free advertisements of product offers in a quarterly-issued bulletin to Norwegian importers;
- names of buyers seeking supplies of a specific product in specified quantities;
- arrangements for contacts when visiting the market;
- trade fair and exhibition assistance;
- showroom for product display.

Sweden

Import Promotion Office for Products from Developing Countries (IMPOD)
Norrmalmstorg 1
PO Box 7508
S-10392 Stockholm
Tel: 24.48.40
Telex: 13426 SWEDIMPS
Telegraphic address: SWEDIMPORT

A very wide range of services is available to developing country suppliers, including:

- information on marketing techniques and business practices in Sweden;
- lists of importers, wholesalers, agents, distributors, etc., by product line;
- names of buyers seeking supplies of a specific product in specified quantities;
- arrangements for contacts when visiting the market;
- trade fair and exhibition assistance;
- showrooms for product display;
- advice on and planning for marketing in Sweden;
- product adaptation and development for the Swedish market;
- trademark assistance for the Swedish market.

Switzerland

Office suisse d'expansion commerciale (OSEC)
Avenue de l'Avant-Poste 4
CH-1001 Lausanne
Tel: 20.32.31
Telex: 25425 OSEC
Telegraphic address: EXPORT OFFICE

Swiss Office for the Development of Trade. Trade fair and exhibition assistance.

APPENDIX II: NAMES OF FISH SPECIES IN EUROPEAN LANGUAGES USED IN SELECTED MARKETS

This Appendix contains a list of the fish species referred to in this study in English with equivalent names alongside in Latin, German, French, Italian and Spanish. In the case of Latin, the names given are usually of the species (spp.) or sub-species accepted in most Western European markets.

These (as groups) may therefore include sub-species which are untried in those markets and contact with intermediaries is recommended in cases of doubt. The German, French, Italian and Spanish names are of equivalents which are acceptable to the West German, French, Italian and Spanish markets.

English	Latin	German	French	Italian	Spanish
Albacore	Thunnus alalunga	Weisser Thun	Germon	Tonno bianco alalonga	Atun blanco
Anchovy	Engraulidae spp.	Sardella	Anchois	Acciuga	Anchoa
Bigeye tuna	Thunnus obesus	Grossaugen Thun	Thon Obese	Tunno obeso	Patudo
Bluefin tuna	Thunnus thynnus	Roter Thun	Thon Rouge	Tunno	Atun (rojo)
Blue ling	Molva dypterygia	Blaulerg	Lingui Bleue	Molva aszurra	
Bogue	Sarda spp.	Bonito, Pelamiden	Bonite	Pelamita	Bonito
Bonito	Boops boops	Gelbstriemen	Bogus	Boga	Boga
Clam	Mya arenaria	Sandkleeffmuschel	Clam	Vongole	Mejillion
Cockle	Cardidae spp.	Herzmuschel	Coque	Cuore edule	Berberecho
Cod	Gadus morhua	Kabeljau	Cabillaud	Merluzzo bianco	Baca Lao
Conger	Congridae spp.	Conteraal	Congre	Grongo	Congrio
Crab	Callinectes sapidus	Kurzschwanz – Krebs	Crabe	Granchio	Cangre jo
Crawfish	Palinurus	Languste	Langouste	Aragosta	Langostas
Crayfish	Cambarus	Flusskrebs	Ecrevisse	Gambero di fiume	Cangrejoderio (Camaron; S America)
Cuttlefish	Sepia	Sepia	Seche	Seppia	Jibia
Dogfish	Squalidae spp.	Dornhai, Dornfisch	Aiguillat	Gattuccio	Galludo, mielga
Eel	Anguillidae spp.	Aal	Arguille	Anguilla	Anguila
Flatfish	Heterosomata	Plattfisch	Poisson Plat	Pleuonettiformi	Pez Plano
Flounder	Platichthys flesus	Flunder	Flet	Passera Pianuzza	Platija
Flying squid	Todarodes Sagittaties	Peilkalmar	Calmar	Totano	Volador, tota
Goby	Gobiidae spp.	Grundeln	Gobie	Gobido, ghiozzo	Gobido
Grey mullet	Mugil cephalus		Muge cabot	Cernia, Sciarrano	
Grouper	Serranidae spp.	Zackenbarsch	Merov		Mero, cherna, cherne
Haddock	Gadus aeglefinus	Schellfisch	Aiglefin	Asinello	Eglefino
Hake	Merluccius	Seehect	Merlu	Nasello	L. Merluza Sm. Pessadilla
Halibut	Hippoglossus	Heilbutt	Fletan	Halibut	Halibut, fletan, hipogloso
Herring	Clupea Harengus	Hering	Hareng	Aringa	Arenque
Horse mackerel	Trachurus	Bastardmakrele	Chinchard	Suro	Jurel
Ling	Molva	Leng	Lingue	Molva	Maruca
Lobster	Homarus	Hummer	Homard	Astice	Bogavante
Mackerel	Scomber	Makrele	Maguereau	Maccerello	Caballa
Mullet	Mugilidae spp.	Meerasche	Muge, Mulet	Cefalo, Muggino	Lisa, galupe, capiton, mujol
Mussel	Mytilidae spp.	Miesmuschel	Moule	Mitilo	Mejillon
Octopus	Octopus	Krake	Poulpe	Plopo di scoglio	Pulop
Oyster	Ostreidae spp.	Auster	Huitre	Ostrica	Ostra
Pilchard	Sardina pilchardus	Pilchard	Pilchard	Sardina	Sardina, Pilchards
Plaice	Pieuronects platessa	Scholle	Plie	Passera	Solla
Pollack	Pollachius	Pollack	Lieu Jaune	Merluzzo giallo	Solla
Prawn	Palaemon serratus	Krabbe	Crevette	Gamberello	Camarones, Cameron gouba
Redfish	Sebastes	Rotbarsch	Sebaste	Scorfano di Norvegia	Gallinera nordica
Saithe/coley	Pollachuis virens	Seelachs	Lieu noir	Merluzzo nero	Carbonero
Sand eel	Ammodytidae spp.	Sandaal	Lancon	Cicerello	Lanzon
Sardine	Sardina pilchardus	Sardine	Sardine	Sardina	Sardina
Sea bass	Serranidae spp.	Zackenbarsch	Serranide, Bar	Spigola, Persicospigola perchia	Mero, cherne
Sea bream	Sparidae spp.	Meerbrasse	Dorade	Pagro, pagello, occhialone	Esparido
Shark	Squaliformes	Haifisch, Hai	Requin	Squalo	Tiburone
Shrimp	Crongonidae spp.	Garnele, Krabbe	Crevette	Gamberetto gambero	Quisquilla Gamba
Skate	Rajidae spp.	Rochen	Raie	Razza	
Snapper	Lutjanidae spp.	Schnapper	Vivaneau	Lutianido	
Sole	Solea vulgaris vulgaris	Seezunge	Sole	Sogliola	Lenguado
Sprat	Spattus sprattus sprattus	Sprotte	Sprat	Spratto, papalina	Espadin
Trout	Salmo gairdnerii	Forellen	Truite	Trota	Calamar
Tuna	Thunnidae spp.	Thun	Thon	Tonno	Trucha
Turbot	Psetta maxima	Steinbutt	Turbot	Rombo chiodat	Atun
Whiting	Merlangus merlangus	Wittling, Merlan	Merlan	Merlano	Rodaballo

Source: *Multilingual Dictionary of Fish Names*

APPENDIX III: REGULATIONS

Annexe 1: The Federal Republic of Germany

A Laws and regulations (As of July 1980)

1 Gestetz über den Verkehr mit Lebensmitteln, Tabakerzeugnissen, kosmetischen Mitteln und sonstigen Bedarfsgegenstanden (Law of trade in food, tobacco products, cosmetics and other consumer goods) of August 15, 1974, last amended on August 24, 1976.

2 Verordnung über die Zulassung von Zusatzstoffen zu Lebensmitteln (Approved additives regulations) of December 20, 1977, last amended on April 30, 1980.

3 Verordnung über Hockstmengen an DDT und anderen Pestiziden in oder auf Lebensmitteln tierischer Herkunft (Regulation establishing tolerances for DDT and other pesticides in or on food of animal origin) of November 15, 1973, last amended on August 29, 1978.

4 Verordnung zum Schutze der Gesundheit bei giftverdachtigen Fischfangen (Regulation concerning health protection in the case of fish suspected of containing poisonous substances) of August 21, 1950.

5 Verordnung über Hochstmengen an Quecksilber in Fischen, Krusten-, Schalen- und Weichtieren (Regulation establishing maximum allowable levels of mercury in fish, crustaceans and mulloscs) of February 6, 1975.

6 Tierseuchengestz (Epizootic diseases law) – revised text – of March 28, 1980.

7 Guiding principles of the German food book for fish, crustaceans and molluscs and products made thereof of March 10 and 11, 1966.

8 Guiding principles for deep-frozen fish and fish products of March 15 and 16, 1972 (Supplement to Federal Bulletin No. 207 of November 3, 1972).

9 Verordnung über die Kennzeichnung von Lebensmitteln (Food labelling regulation) – revised text – of January 25, 1972, last amended on December 20, 1977.

10 Gestz über das Mess- und Eichwesen (Law of Weights and Measures) of July 11, 1969, last amended on January 20, 1976.

11 Verordnung über Fertigpackungen (Prepacked goods regulation) – revised text – of December 20, 1976, last amended on December 14, 1979. The guidelines for the design of packaging for prepacked goods are included in the bulletin of the Federal Ministry of Finance and that of the Federal Ministry of Economics, No. 2/77 (p. 23 *et seq.*), respectively.

B European Community

12 Council Regulation (EEC) No. 103/76 of January 19, 1976 concerning the establishment of common marketing rules for certain fresh or refrigerated fish, last amended by Regulation (EEC) No. 3049/79 of December 21, 1979.

13 Council Regulation (EEC) No. 104/76 of January 19, 1976 concerning the establishment of common marketing rules for shrimp of the genus *Crangon*.

14 Regulation (EEC) No. 2142/70 of October 20, 1970 concerning the establishment of a common organization of the market for fish products.

15 Gesetz zu dem Ubereinkommen vom 1.9.1970 über internationale Beforderung leicht verderblicher Lebensmittel und über die besonderen Beforderungsmittel, die für diese Beforderung zu verwenden sind (Law based on the convention of September 1, 1970 on the international transport of perishable food and the special means of conveyance to be used for this purpose) of April 26, 1974.

C Cans for fish products: drawn and seamed (measurements in cm)

Rectangular cans for fish products:	A82 × 57 × 17
Rectangular cans for fish products:	A100 × 58 × height
Rectangular cans for fish products:	A105 × 73 × height lid bottom for cans
Rectangular cans for fish products:	A123 × 76 × height lid bottom for cans
Rectangular cans for fish products:	A179 × 109 × 47
Rectangular cans for fish products:	A219 × 159 × height
Rectangular cans for fish products:	A240 × 230 × height
Oval cans for fish products:	B128 × 77 × 24
Pointed oval cans for fish products:	B148 × 81 × height
Pointed oval cans for fish products:	B160 × 107 × 34
Blunt oval cans for fish products:	C135 × 76 × 24.5
Round-ended oblong cans for fish products:	D148 × 81 × height
Round-edged oblong cans for fish products:	D150 × 54 × height
Lids for cans: round-ended oblong	D210 × 80 × height

Source: DIN (West German National Standards) 2044

Annexe 2: France

Labelling and marketing standards*

For French fishery products the use of the French language is mandatory on labels, presentations or advertising leaflets, instruction manuals, and warranties and other products information leaflets by Law No. 75-1349 of 31 December 1975. The law forbids the inclusion of foreign words for which there are no French equivalents; a practical guide is the series of notices concerning development of the French language that have been published in the official journal and that contain approved French-substitute words.

For processed foods, the law requires that outer wrappings of pre-packaged foods for human or animal consumption show clearly in French the exact description of the product, name of manufacturer, packer or seller, country of origin, quantity, list of ingredients, etc. Additives contained in goods must also be indicated. In addition, the date the product was manufactured must be present on the outer wrapping or container of preserved or semi-preserved foods; the date foods were frozen must be present on the outer wrapper of quick-frozen foods. While the responsibility for compliance with this law is that of the importer, foreign suppliers are assuming the responsibility for translating the material to ensure continued access to the market. In addition, some importers are requesting that translation be done by the overseas supplier.

Additives in foodstuffs for human and animal consumption are subject to special labelling requirements. In particular, containers and packages must bear in large letters the nature of the sale (retail, wholesale, etc.), the composition of the mixture with indication of percentage of monosodium glutamate, and the purpose or directions for use.

The presence and amount of sorbic acid or its salts should be specified on the labels of preparations intended for use in the manufacture of food and pre-packed products intended for retail sale.

The country of origin marketing regulations of France fall into three categories: (i) the products which require an indication of origin in accordance with the law of 20 April 1932, and subsequent decrees issued under that law; (ii) the products requiring a mark of origin under the provisions of other laws; and (iii) the products which might require corrective markings so as to dispel any mistaken impression that they were manufactured in France.

***Source:** *FAO Infofish Register of Import Regulations for fish and fishery products* (1984 update)

The law of 20 April 1932 also requires that all imported foreign products should not bear marks, names, signs, or indications of any sort which might lead to the belief that the products originated in France, or in a country other than their real country of origin.

Any product using the name of a French firm or a branch of a foreign company in France would have to be followed by the above corrective mark of origin as well. The mark of origin may be stamped, stencilled, embossed, sunken, printed, or done in any manner that is legible.

Any reference to curative or preventive properties with respect to human or animal diseases, particularly through advertising or denomination, as well as any statement tending to distinguish a product from other similar products is prohibited.

Labelling must be an integral part of the packaging. Information on the label must be in French, written in clear letters and placed together on one part of the label, easily visible and readable under normal display conditions. Symbols may be used if allowed by international conventions or provided for specifically. Information on the label must include the following, in addition to requirements previously established.

- Sales denomination which informs the consumer of the precise nature of the product, independent of the trade name or brand name.
- Name or company name and address of the individual or legal entity responsible for the manufacture, packaging or marketing of the product (unless officially exempted). Authorized symbols may be used.
- Name of the country of origin if omission of this might cause confusion as to origin.
- Net weight or volume expressed in units of measurement legal in France, unless exempted.
- For perishable products, the date by which the product must be removed from the shelf and, if applicable, storage instructions and the recommended temperature at which the shelf-life has been estimated; this is included in the packager's responsibility; fresh fruit and fresh vegetables are not subject to these requirements.
- An enumeration, in decreasing order of importance, of the components of the products, unless officially exempted by reason of previous legal definition.
- An enumeration of the various categories of additives contained in the product, followed by a standard official indication identifying each additive, unless officially exempted by reason of previous legal definition.

The appropriate ministry may fix the sole net weight or volume at which products may be sold. Products may not be sold after expiration of the shelf-life date. The mass or volume of a pre-packaged product must have been actually weighed under the responsibility of the pre-packer, using a legally appropriate instrument; packaging must include a notation making it possible to identify the pre-packer.

There are no special marking regulations. However, according to sound shipping practices, packages should bear the consignee's mark, including port mark, and they should be numbered unless the shipment is such that the packages can be readily identified without numbers.

APPENDIX IV: TARIFFS AND IMPORT TARIFF QUOTAS

Trade among the member countries of the EC is duty-free. Exceptions are made for Greece, which joined the Community in 1982, and Spain and Portugal, which joined in January 1986. They have been granted transitional or phasing-in periods. The tariffs which apply throughout the Community and separately for Spain are detailed in Annexes 1 A and 1 B respectively.

As provided for by the Brussels Customs Valuation Convention, *ad valorem* duty is based on the 'normal price' or the price that can be obtained in a transaction involving goods imported for domestic consumption under conditions of free competition between independent sellers and buyers of the imported goods at the time the duty becomes payable. To the normal price are added freight, insurance, commissions and all other charges and expenses incidental to the sale and delivery of the goods to the point of entry into the customs territory of the EC, in order to arrive at the value of the imported goods for customs purposes.

A number of countries and groups of countries have preferential duties. Greenland has tariff-free access to the EC market and the Faroe Islands are subject to a low tariff rate on their principal fish export, due to their links with Denmark. Members of the EC grant preferential tariff treatment to imports from numerous Third World countries under a variety of special trading arrangements. The arrangements include:

Free trade agreements: Applicable to members of the European Free Trade Association; i.e. Austria, Finland, Norway, Sweden and Switzerland.

Association agreements: Applicable to Turkey which has stated its intention of becoming a full-fledged member of the EC. Reciprocal free trade is being implemented gradually. Association agreements are also applicable in a more limited sense to Algeria, Egypt, Jordan, Lebanon, Morocco, Tunisia, Cyprus and Malta.

Preferential trading agreements: Applicable to Israel.

Import tariff quotas are shown in Annexe 2.

There are several categories for tariffs within the EC. The relationship a developing country has with the Community, preferential or otherwise, has a major influence on the prospects for supplying the West German market.

Members of the EC have a 'free market' and pay no tariffs on exports to other member countries. This category includes Overseas Countries and Territories (OCT's). Full tariff concessions are also granted to the African, Caribbean and Pacific countries (ACP's), signatories of the Lomé Convention. Those Least Developed Developing Countries (LDDC's) eligible by EC Resolution No. 3321/80 of 1980* are also granted preferential terms but are required to pay duty on a limited number of products. Signatories to the General Agreement on Tariffs and Trade (GATT) and countries enjoying Most Favoured Nation status, pay all tariffs at conventional rates (pertaining to conventions). All other countries, for whom the market is correspondingly less attractive, pay duty at the full autonomous, rate.

The degree of market protection tends to be higher for products which are produced, and in particular, processed within the EC. The range of duties levied are highest for canned products, which almost entirely fall within the range of 20-30 per cent, and lowest for processed crustaceans and molluscs which are only caught in tropical waters. Tariffs are intermediate for processed fish, tending to be within the 15-20 per cent range. Although the extensive range of frozen and fresh fish species and products demonstrate a wide range of tariffs, most fall between 15 per cent and 25 per cent, not exceeding the upper of these limits.

* Countries are required to inform the EC of the authority nominated to issue certificates of origin (Form A) in order to become eligible.

Annexe 1: European Community tariffs

A The ten countries

Valid from January 1984

TARIFF

CODE	CATEGORIES	DUTY Autonomous (%) or Levy (L)	Conventional (%)	G.S.P. (%)
03.01	Fish – fresh (live or dead) chilled or frozen:		12	
	A. Freshwater fish:			
	1) Trout and other Salmonidae:			
	a) Trout	16		
	b) Salmon	16	2.8	
	c) Lake white fish	Free	8	Free
	d) Other	Free	10	
	2) Eels (*Anguilla* spp.)	10	3.8	
	3) Carp	10	8	
	4) Other	Free		Free
	B. Salt-water fish:			
	1) Whole, headless or in pieces:			
	a) Herring:			
	i) From 15 February to 15 June:		Free	
	Fresh or chilled	Free		
	Frozen	Free	Free	
	ii) From 16 June to 14 February:		15 a,b	
	Fresh or chilled	20a		
	Frozen	20a	15 a,b	
	b) Sprat:			
	i) From 15 February to 15 June	Free	Free	
	ii) From 16 June to 14 February	20	13	
	c) Tuna (*Thunnus* spp. and *Euthynnus* spp.):			
	i) For the industrial manufacture of products falling within Code 16.04 (a):			
	Whole:		22 a,d	
	Yellowfin tuna (*Thunnus albacares*):			
	Weighing not more than 10 kg each	25 c,a		
	Other	25 c,a	22 a,d	
	Albacore (*Thunnus alalunga*)	25 c,a	22 a,d	
	Other	25 c,a	22 a,d	
	Gilled and gutted:		22 a,d	
	Yellowfin tuna (*Thunnus albacares*):		22 a,d	
	Weighing not more than 10 kg each	25 c,a		
	Other	25 c,a		
	Albacore (*Thunnus alalunga*)	25 c,a	22 a,d	
	Other	25 c,a	22 a,d	
	Other (e.g., 'heads-off'):		22 a,d	
	Yellowfin tuna (*Thunnus albacares*):		22 a,d	
	Weighing not more than 10 kg each	25 c,a		
	Other	25 c,a		
	Albacore (*Thunnus alalunga*)	25 c,a	22 a,d	
	Other	25 c,a	22 a,d	
	ii) Other	25 a	22 a,d	
	d) Sardine (*Sardina pilchardus*):		23	
	i) Fresh or chilled	25		
	ii) Frozen	25	23	
	e) Shark		8 e	
	i) Dogfish (*Squalus acanthias, Scyliorhinus* spp.):		8 e	
	Fresh or frozen	15		
	Frozen	15		
	ii) Other	15	8	
	f) Redfish (*Sebastes* spp.):		8	
	i) Fresh or chilled	15		
	ii) Frozen	15	8	4
	g) Atlantic halibut and lesser or Greenland halibut:		8	
	i) Atlantic halibut (*Hippoglossus hippoglossus*):		8	
	Fresh or chilled	15		4
	Frozen	15		4
	h) Cod (*Gadus morhua, Boreogadus saida, Gadus ogac*):		13	
	i) Fresh or frozen	15		
	ii) Frozen	15	13	

CODE	CATEGORIES	DUTY Autonomous (%) or Levy (L)	Conventional (%)	G.S.P. (%)
	i,j) Saithe (*Pollachius virens*):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	k) Haddock (*Melanogrammus aeglefinus*):		15	
	i) Fresh of chilled	15		
	ii) Frozen	15	15	
	l) Whiting (*Merlangius merlangus*):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	m) Ling (*Molva* spp.):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	n) Alaska pollack (*Theragra chalcogramma*) and pollack (*Pollachius pollachius*):		15	
	i) Fresh or frozen	15		
	ii) Frozen	15	15	
	o) Mackerel (*Scomber scombrus, Scomber japonicus*, and		Free	
	Orcynopsis unicolor):		Free	
	i) From 15 February to 15 June:			
	Fresh or chilled	Free		
	Frozen	Free		
	ii) From 16 June to 14 February:		20	
	Fresh or chilled	20	20	
	Frozen	20		
	p) Anchovy (*Engraulis* spp.):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	q) Plaice (*Pleuronectes platessa*):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	r) Flounder (*Platichthys flesus*):		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	s) Sea-bream of the species *Dentex dentex* and *Pagellus*:		15	
	i) Fresh or chilled	15		
	ii) Frozen	15	15	
	t) Hake (*Merluccius* spp.):		15 f	
	i) Fresh or chilled	15		
	ii) Frozen	15	15 f	
	u) Blue whiting (*Micromesistius poutassou* or *Gadus poutassou*)	15	15	
	v) Other	15	15	
	2) Fillets:			
	a) Fresh or chilled	18	18	
	b) Frozen:		15 g	
	i) Of cod (*Gadus morhua, G. ogac, Boreogadus saida*)	18		
	ii) Of saithe (*Pollachius virens*)	18	15	
	iii) Of haddock (*Melanogrammus aeglefinus*)	18	15	
	iv) Of redfish (*Sebastes* spp.)	18	13	
	v) Of whiting (*Merlangius merlangus*)	18	15	
	vi) Of ling (*Molva* spp.)	18	15	
	vii) Of tuna (*Thunnus* spp. and *Euthynnus* spp.)	18	18	
	viii) Of mackerel (*Scomber scombrus, S. japonicus,* and *Orcynopsis unicolour*)	18	15	
	ix) Of hake (*Merlangus* spp.)	18	15	
	x) Of shark (*Squalus* spp.)	18	15	
	xi) Of plaice (*Pleuronectes platessa*)	18	15	
	xii) Of flounder	18	15	
	xiii) Of herring	18	15	
	xiv) Other	18	15	
	C. Livers and roes	14	10	
03.02	Fish—dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process:			
	A. Dried, salted or in brine:			
	1) Whole, headless or in pieces:			
	a) Herring	12	12	
	b) Cod (*Gadus morhua, G. ogac, Boreogadus saida*)	13c	13h	
	c) Anchovy (*Engraulis* spp.)	15	10	

CODE	CATEGORIES	DUTY: Autonomous (%) or Levy (L)	DUTY: Conventional (%)	DUTY: G.S.P. (%)
	d) Atlantic halibut (*Hippoglossus hippoglossus*)	15	–	10
	e) Salmon—salted or in brine	15	11	2
	f) Other	15	12	8
	2) Fillets:			
	a) Of cod (*Gadus morhua, G. ogac, Boreogadus saida*)	20c	20	
	b) Of salmon—salted or in brine	18	15	
	c) Of lesser or Greenland halibut (*Reinhardtius*		15	
	hippoglossoides)—salted or in brine	18		
	d) Other	18	16	10
	B. Smoked, whether or not cooked before or during the smoking process:			
	1) Herring	16	10	
	2) Salmon	16	13	
	3) Lesser or Greenland halibut (*Reinhardtius hippoglossoides*)	16	15	
	4) Atlantic halibut (*Hippoglossus hippoglossus*)	16	16	
	5) Mackerel (*Scomber scombrus, Scomber japonicus,* and		14	
	Orcynopsis unicolour)	16		
	6) Trout	16	14	
	7) Eels (*Anguilla* spp.)	16	14	
	8) Other	16	14	
	C. Livers and roes	15	11	
	D. Fish meal	15	13	
03.03	Crustaceans and molluscs, whether in shell or not—fresh (live or dead), chilled, frozen, salted, in brine or dried; crustaceans, in shell, simply boiled in water:			
	A. Crustaceans:			
	1) Crawfish	25	h	
	2) Lobster (*Homarus* spp.):			
	a) Live	25	8.8	
	b) Other: Whole	25	9.9	
	Other: Frozen	25	17.5	7
	Other	25	20	7
	3) Crab and freshwater crayfish:			
	a) Crab of the species *Paralithodes camchaticus,*		10.6	
	Chionoecetes spp. and *Callinectes sapidus*	18		7
	b) Other	18	15	7
	4) Shrimp and prawn:			
	a) Prawn and shrimp of the Pandalidae family	18	12	6
	b) Shrimp of the genus *Crangon*:			
	Fresh, chilled or simply boiled in water	18	18	6
	Other	18	18	6
	c) Other	18	18	
	5) Other:			
	a) Norway lobster (*Nephrops norvegicus*):			
	Frozen	14	12	7
	Other	14	12	7
	b) Other	14	12	7
	B. Molluscs:			
	1) Oyster:			
	a) European flat oysters weighing not more than 40 g		Free	
	each	Free		
	b) Other	18	18	
	2) Mussel	10	10	7
	3) Snail, other than sea snails	6	Free	
	4) Other:			
	a) Frozen:			
	i) Squid:			
	Loligo spp.	8	6	4
	Todarodes sagittatus	8	6	
	Illex spp.	8	8	
	Other	8	8	
	ii) Cuttlefish of the species *Sepia officinalis, Rossia*		8	
	macrosoma and Sepiola rondeleti	8		6
	iii) Octopus	8	8	4
	iv) Coquilles St. Jacques (*Pecten maximus*)	8	8	

CODE	CATEGORIES	DUTY: Autonomous (%) or Levy (L)	DUTY: Conventional (%)	DUTY: G.S.P. (%)
	v) Striped venus and other species of the family Veneridae	8	8	
	vi) Other	8	8	
	b) Other:			
	i) Squid:			
	Logligo spp.	8	6	
	Todarodes sagittatus	8	6	
	Illex spp.	8	8	
	Other	8	8	
	ii) Other	8	8	
16.04	Prepared or preserved fish, including caviar and caviar substitutes:			
	A. Caviare and caviare substitutes:			
	1) Caviare (sturgeon roe)	30	30	
	2) Other	30	30	
	B. Salmonidae:			
	1) Salmon	20	6.1	
	2) Other	20	7	
	C. Herring:			
	1) Fillets—raw, coated with batter or breadcrumbs, deep frozen	18	15	
	D. Sardine	25	25	
	E. Tunny	25	24	
	F. Bonito (*Sarda* spp.), mackerel and anchovy	25	25	
	G. Other:			
	1) Fillets—raw, coated with batter or breadcrumbs, deep frozen	18	15	10
	2) Other	25	20	10

Source: *FAO Infofish Register of Import Regulations for Fish and Fishery Products*
Notes:
Letter codes in tariff columns:

a. Subject to compliance with the reference price; a countervailing tax is provided for in the case of non-compliance with the reference price.
b. Duty exemption within the limits of an annual tariff quota of 34,000 tons to be granted by the competent authorities and subject to compliance with the reference price.
c. Total suspension for an indefinite period.
d. Duty exemption in respect of tuna intended for the canning industry within the limits of an annual tariff quota of 30,000 tons to be granted by the competent authorities and subject to compliance with the reference price. Qualification for this quota is governed by conditions to be determined by the competent authorities.
e. Duty rate reduced to 6% in respect of piked dogfish (*Squalus acanthias*) within the limits of an annual tariff quota of 5,000 tons to be granted by the competent authorities.
f. Duty rate reduced to 8% for silver hake (*Merluccius bilinearis*) within the limits of an annual tariff quota of 2,000 tons to be granted by the competent authorities.
g. Duty rate reduced to 8% for cod of the species *Gadus morhua*, within the limits of an annual tariff quota of 10,000 tons to be granted by the competent authorities.
h. Duty exemption within the limits of an annual tariff quota of 25,000 tons to be granted by the competent authorities.
i. Under certain conditions, the collection of compensatory amount is provided for in addition to the customs duty.

B Spain

Valid from January 1984

TARIFF

CODE	CATEGORIES	DUTY General (%)	EC	GATT (%)
03.01	Fish—fresh (live or dead), chilled or frozen:			
	A. Live:			
	a) Ornamental	Free(a)	A	–
	2) Other	Free(a)	A	–
	B. Fresh or chilled (whole, headless or in pieces, other than filleted):			
	1) Salmonidae	Free(a)	A	–
	2) Flat fish (Pleuronectidae, Bothidae, Cynoglossidae and Soleidae spp.)	Free(a)	A	–
	3) Tunny (*Thunnus, Neothummus* or *Parathunnus* and *Euthynnus* spp.):			
	a) White tunny (*Thunnus alalunga*)	Free(a)	A	–
	b) Other	Free(a)	A	–
	4) Bonito and the like (*Sarda, Auxis* and *Orcynopsis* spp.)	Free(a)	A	–
	5) Mackerel and the like (*Scomber* spp.)	Free(a)	A	–
	6) Other	Free(a)	A	–
	C. Frozen (whole, headless or in pieces, other than filleted):			
	1) Salmonidae	15	–	–
	2) Flat fish (Pleuronectidae, Bothidae, Cynoglossidae and Soleidae spp.)	15	–	–
	3) Tuna (*Thunnus, Neothummus* or *Parathunnus* and *Euthynnus* spp.):			
	a) White tunny (*Thunnus alalunga*)	6	A	–
	b) Other	6	A	–
	4) Bonito and the like (*Sarda, Auxis* and *Orcynopsis* spp.)	6	A	–
	5) Mackerel and the like (*Scomber* spp.)	15	–	–
	6) Other	15	–	–
	D. Fillets, whole or in pieces:			
	1) Fresh or chilled	Free(a)	A	–
	2) Frozen	15	–	–
	E. Livers and roes:			
	1) Fresh or chilled	Free(a)	A	
	2) Frozen	15	–	–
03.02	Fish—dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process:			
	A. Dried, salted or not:			
	1) Whole, headless or in pieces, other than filleted:			
	a) Cod (*Gadus morrhus, G. callarias, G. ogac, G. macrocephalus, Boreogadus saida*)	10	C	15
	b) Species similar to cod: haddock (*Gadus aeglefinus, Melanogrammus aeglefinus*), coalfish (*Gadus virens, Pollachius virens*), and pollack (*Gadus pollachius*)	2.5	B	–
	c) Other	2.5	B	–
	2) Fillets, whole or in pieces—of cod (*Gadus morrhus, G. callarias, G. ogac, G. macrocephalus, Boreogadus saida*)	10 –	B C	– 15
	B. Not dried, salted or in brine:			
	1) Whole, headless or in pieces, other than filleted:			
	a) Cod (*Gadus morrhus, G. callarias, G. ogac, G. macrocephalus, Boreogadus saida*)	10	C	15
	b) Species similar to cod: haddock (*Gadus aeglefinus, Melanogrammus aeglefinus*), coalfish (*Gadus virens, Pollachius virens*), and pollack (*Gadus pollachius*)	2.5	B	–
	c) Other	2.5	B	–
	2) Fillets, whole or in pieces:	10	B	–
	Of cod (*Gadus morrhus, G. callarias, G. ogac, G. macrocephalus, Boreogadus saida*)	–	C	15
	C. Smoked, whether or not salted or cooked before or during the smoking process:			
	1) Whole, headless or in pieces, other than filleted	17	B	–
	2) Fillets, whole or in pieces	17	B	–

CODE	CATEGORIES	DUTY General (%)	EC	GATT (%)
	D. Livers and roes:			
	1) Hard roes	16	C	–
	2) Other	2.5	B	–
	E. Fish meal, fit for human consumption	2.5	B	–
03.03	Crutaceans and molluscs, whether in shell or not—fresh (live or dead), chilled, frozen, salted, in brine or dried; crustaceans, in shell, simply boiled in water:			
	A. Crustaceans:			
	1) Live:			
	a) For full scale or semi-scale breeding	Free	A	–
	Crayfish (*Palinurus* and *Panulirus* spp.)	24.5	A	–
	Other	8	–	–
	2) Cooked by steaming or by boiling in water, in shell:			
	a) Crayfish (*Palinurus* and *Panulirus* spp.)	24.5	A	–
	b) Other	8	–	–
	3) Frozen:			
	a) Cooked by steaming or by boiling in water, in shell:			
	Crayfish (*Palinurus* and *Panulirus* spp.)	24.5	A	–
	Other	8	–	–
	b) Other:			
	Crayfish (*Palinurus* and *Panulirus* spp.)	24.5	A	–
	Other	8	–	–
	4) Other	8		
	B. Molluscs:			
	1) Live:			
	a) For full scale or semi-full scale breeding	Free	A	–
	b) Other:			
	Oyster (*Ostrea, Gryphaea,* and *Crassostrea* spp.)	25.5%	A	–
	Mussel (*Mytilus* spp.)	6	A	–
	Clam (*Venus* spp. and *Mactra solida*)	8	–	–
	Carpet shells (*Tapes* spp.)	8	–	–
	Other	8	–	–
	2) Fresh or chilled:			
	a) *Cephalopoda*	Free	A–B	–
	b) Other	8	–	–
	3) Frozen:			
	a) Mussel (*Mytilus* spp.)	6	A	–
	b) *Cephalopoda*	8	–	–
	c) Other	8	–	–
	4) Other	8	–	–
	C. Flour, of crustaceans and molluscs, fit or suitable for human consumption	8	–	–
15.04	Fats and oils, of fish and marine mammals, whether or not refined:			
	A. Crude:			
	1) Of sperm whale	6	A	–
	2) Of other whales	6	A	–
	3) Other	Free	A	–
	B. Filtered, refined, not further processed than irradiated or vitaminized:	6	A	–
	Medicinal oils	–	–	6
16.04	Prepared or preserved fish, including caviar and caviar substites:			
	A. Anchovy fillets	Free	A	–
	B. Sardine	17.5	C	–
	C. Tuna—fish and the like	20	C	–
	D. Salmon	26.5	C	–
	E. Caviar and caviar substitutes	21.5	C	21
	F. Other	21.5	C	–

CODE	CATEGORIES	DUTY General (%)	EC	GATT (%)
16.05	Crustaceans and molluscs, prepared or preserved:			
	A. Calamaies, octopus and the like	17.5	A	–
	B. Mussel	17.5	A	–
	C. Other	22.5	A	–
23.01	Flour and meal of meat, offal, fish, crustaceans or molluscs, unfit for human consumption; greaves:			
	A. Flour and meal of meat and offals; greaves	2	A	2.5
	B. Flour and meal of fish	2	A	5
	C. Other	2	A	–

Notes: General rates of duty refer to countries with no trade agreement.
EC rates refer to the tariff applied to the European Community.
GATT rates refer to signatories of general agreement of trade and tariff.
(a) Products imported from 1 March to 31 August shall be dutiable at the rate of 5 pesetas per kg net weight.
Letters A, B and C given in the EC duty column refer to the list of products entitled to special customs reduction.

Annexe 2: Import tariff quotas

The following import tariff quotas have been opened for the period 1 January 1986 to 31 December 1986.

NIMEXE Code	Description	Country	Share (t)	Quota (t)	Duty %
0301-44 0301-50	Frozen whole redfish; Frozen whole cod (1/1/86-31/12/86)	Benelux	178	6,000	3.7
		Denmark	356		
		West Germany	1,210		
		Greece	16		
		France	746		
		Irish Republic	16		
		Italy	16		
		United Kingdom	3,180		
		Reserve	282		
0301-84	Frozen cod fillets (1/1/86-31/12/86)	Benelux	270	22,000	4.0
		Denmark	713		
		West Germany	5,541		
		Greece	44		
		France	2,652		
		Irish Republic	27		
		Italy	59		
		United Kingdom	11,660		
		Reserve	1,034		
0301-13	Fresh or chilled herring: whole (1/12/85-14/2/86)	Denmark	7,910	12,450	0
		West Germany	2,290		
		Reserve	2,250		
	flaps (1/12/85-14/2/86)	Denmark	130	2,250	0
		West Germany	1,670		
		Reserve	450		
0301-61 0301-97	Frozen Alaska pollack fillets and minced blocks (22/12/85-28/2/86)	West Germany	1,800	4,500	0
		France	1,450		
		United Kingdom	1,000		
		Reserve	250		

NIMEXE Code	Description	Country	Share (t)	Quota (t)	Duty %
0301-74,75	Fresh, chilled or frozen hake (1/1/86-31/12/86)	Benelux	10	2,000	8
		Denmark	305		
		West Germany	552		
		Greece	1		
		France	194		
		Irish Republic	5		
		Italy	9		
		United Kingdom	234		
		Reserve	690		
0301-84	Frozen cod fillets (1/1/86-31/12/86)	Benelux	25	10,000	8
		Denmark	500		
		West Germany	1,800		
		Greece	5		
		France	1,000		
		Irish Republic	5		
		Italy	10		
		United Kingdom	2,500		
		Reserve	4,155		
0301-92,75	Frozen hake fillets, minced hake blocks (24/12/86-28/2/86)	West Germany	1,000	1,300	5
		France	200		
		Reserve	100		
0302-11,12,13	Cod: dried, salted or in brine; whole, headless or in pieces (1/1/86-31/12/86)	Benelux	348	25,000	0
		Denmark	206		
		West Germany	552		
		Greece	3,158		
		France	5,068		
		Irish Republic	1		
		Italy	12,000		
		United Kingdom	336		
		Reserve	3,331		
0302-11,12,13	Cod: whole salted, (1/1/86-31/12/86)	Benelux	57	5,000	0
		Denmark	59		
		West Germany	101		
		Greece	585		
		France	1,016		
		Irish Republic	1		
		Italy	1,626		
		United Kingdom	55		
		Reserve	1,500		
0302-22	Salted fillets (1/1/86-31/12/86)	Benelux	1	3,500	0
		Denmark	2		
		West Germany	2		
		Greece	25		
		France	101		
		Irish Republic	1		
		Italy	2,317		
		Reserve	1,050		
1604-59	Prepared or preserved herring other than deep frozen raw fillets coated with breadcrumbs or batter (1/1/86-31/12/86)	Benelux	138	6,500	0
		Denmark	28		
		West Germany	3,447		
		Greece	28		
		France	28		
		Irish Republic	28		
		Italy	28		
		United Kingdom	275		
		Reserve	2,500		
1604	Prepared or preserved fish from Portugal:				
1604-71	Sardines (1/3/86-31/12/86)	Benelux	284	5,000	0
		Denmark	76		
		West Germany	1,244		
		Greece	8		
		France	600		
		Irish Republic	12		
		Italy	192		
		United Kingdom	1,584		
		Reserve	1,000		

NIMEXE Code	Description	Country	Share (t)	Quota (t)	Duty %
1604-75	Tuna (1/3/86-31/12/86)	Benelux	8	1,000	0
		Denmark	8		
		West Germany	24		
		Greece	8		
		France	80		
		Irish Republic	8		
		Italy	656		
		United Kingdom	8		
		Reserve	200		
	Mackerel (1/3/86-31/12/86)	Benelux	80	1,000	0
		Denmark	8		
		West Germany	8		
		Greece	8		
		France	8		
		Irish Republic	8		
		Italy	672		
		United Kingdom	8		
		Reserve	200		

Source: Sea Fish Industry Authority, *European Supplies Newsletter* No. 24 January 1986

APPENDIX V: PRICES AND PRICE FORMATION

The bulletin has focused on long-term trends and prospects as indicators for exporters. This appendix examines the pricing situation faced by developing countries in the Western European market and presents data supporting observations made in the main text. There are various difficulties in examining prevailing market prices.

The major difficulty is the daily fluctuations that take place in the prices of a given item. This situation is complicated by the wide range of products, relatively closely associated in type, for which price quotes are available. Changes in prices affect those of related products and vice versa. Probably the most extreme example is that of shrimp and prawn for which as many as 60 different items exist, separated by origin, species and count per pound (lb). A further complication relates to the differing levels of processing, for example: fish, whole, headless and gutted, tails and fillets; shrimp and prawn, veined and unveined; and squid, whole, tubes and rings. With this degree of complexity it is not possible to construct time series data for species for which there are price data. For some products, notably exotic fresh and frozen fish and those for which quality is a major factor, the trade is unwilling to provide price quotes. (The importance of samples has been discussed in the relevant sections on each market).

Data presented in the table below are average values of all 1984 imports. They have been calculated for products important in terms of volume of developing country origin, for the four markets studied in detail. Although these averages conceal seasonal fluctuations and a range of different products, they indicate significant differences between countries and products.

For all markets, fresh and processed shellfish have the highest values. Of this group frozen shrimp and prawn are normally the highest, ranging from £10,500 per tonne for low counts (per unit weight) in the French market to £3,100 per tonne for high counts in the Italian market. Other crustaceans, lobster, crab and snail are of intermediate value, followed by the cephalopods, with the lowest prices being paid for frozen squid species other than *Loligo*.

Average import values (£ per tonne) for selected product groups (1984)

Product	West Germany	France	Italy	Spain
1. Fish, fresh chilled and frozen				
Fish, fresh chilled and frozen (all suppliers)	860	1,300	1,400	890
Tuna, whole yellow fin		750	990	
other, whole		530	870	530
other gilled and gutted			1,090	
frozen not for industrial manufacture			1,110	
Hake, frozen not filleted	560	610	600	
frozen filleted	690	620		670
Sardine		350		154
Plaice			1,840	
Mackerel			460	
Other salt-water				
chilled not filleted		2,500	3,000	
frozen not filleted			1,070	640
frozen filleted		1,300	1,890	
Cod			750	
Shark	1,670		2,250	
Dogfish			1,600	
Sole				1,180
Anchovy			1,000	
2. Fish, dried salted smoked (all suppliers)	1,250	1,500	2,250	1,280
Anchovy (developing countries)				700
Other (developing countries)				820
3. Crustaceans, fresh and processed				
Crustaceans, fresh and processed	2,100	1,800	1,270	980
Shrimp and prawn				
Pandalidae		10,500	3,100	
Other species		4,600		3,600
Penaeous	7,000		3,780	
Crangon			5,700	
Cuttlefish		130	960	1,200
Squid				
Loligo frozen	1,600	1,150	960	1,600
Ithex			660	
Todarodes			600	
Other				833
Snail		1,700		2,500
Octopus		1,400	990	1,030
Lobster		4,400		
Crab				2,500
4. Canned fish and crustaceans				
Canned fish and crustaceans	1,875	1,900	1,770	1,400
Herring	1,160			
Tuna	1,200	1,600	5,600	
Bonito	1,500			
Sardine	1,600	876	3,200	
Other crustaceans	4,000			
Crustaceans other than crab		2,300	12,000	
Other molluscs	1,900			
Crab		3,400		
Mackerel			4,800	

Source: Derived from NIMEXE and Spanish trade statistics

Average prices for canned fish and crustaceans tend to be lower than for fresh products, that is between £1,400 and £1,900 per tonne in the Spanish and French markets respectively. Again the highest values are for crustaceans in comparison with other canned products.

The lowest prices are paid for fresh and frozen fish. Although prices can be as high as £3,000 per tonne in the Italian market for some cold-water species, frozen exotic fish only attract prices in the range of £500 to £1,500 per tonne. The lowest prices are paid for frozen sardine, hake and tuna. Prices for the most popular products, hake and tuna, range between £500 and £750 per tonne and £500 and £1,250 per tonne respectively, with the highest prices being obtained for the fresh fish.

Prices for dried, salted and smoked fish, for which there is only a limited market and few opportunities for products of developing country origin, tend to be intermediate between those for fresh and frozen fish and those for canned products.

Sources of market price data have been provided in the relevant country sections. The widest and most comprehensive sources, in terms of the range of products, their origins and destinations, are the *Infofish Trade News* and the *Infopesca Market News and Price Report.*

The relative importance of market factors for price formation in Western Europe follows closely the situation discussed in the sister study on the United Kingdom market in which there are differences for the major product groups. These differences are discussed below.

For the fresh and frozen fish sector which dominates the Western European market, the main suppliers are from within Western Europe and North America. In the face of slowly increasing consumer demand, price formation is mainly influenced by the supply situation, particularly in the form of 'domestic' European and North American catches. As domestic catches have generally undergone decline, imports have assumed greater significance. This sector is the only product group where EC reference prices are commonly applied. These reference prices are usually applied to major products in the group, rather than exotics, and the only one of importance from developing countries is hake.

In the market for fresh and processed crustaceans and molluscs for which demand is strong, domestic supplies of cold-water species are dominated by Western European suppliers. Warm-water species of developing country origin have generally been regarded as downmarket substitutes. The major exception to these conditions applies to shrimp and prawn. For this group of items, imports are important. Although developing country suppliers have supplied lower-priced products which have occasionally been of poor quality, bringing about sharp drops in demand, warm-water species have become increasingly acceptable. In the face of fluctuating domestic supplies, prices of warm-water species have increasingly matched those of similar cold-water species.

The major import markets are Japan and the United States, which have a major influence on price formation. Fluctuating relative exchange rates between the European currencies, the United States and the Japanese yen have also had an important influence on international prices and the pattern of imports.

For canned products, changes in supply and demand relationships in Western Europe and the United States have a strong influence on price formation. This is particularly so for tuna and sardine.

The remarks made above for fresh and processed crustaceans relating to products of developing country origin and fluctuating exchange rates, also apply to canned products. Some developing countries, notably in South-East Asia have been able to make significant improvements in product quality. This has enabled them increasingly to supply the North American market.

Most markets in Western Europe for dried, salted and smoked products are small, so that small fluctuations in supplies can result in significant changes in price. Except for limited specialist parts of the market, developing country product supplies are small.

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