

**WORLD TRADE TRENDS FOR FISHERY PRODUCTS
AND THE SHARE OF AFRICA**

by

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I – BACKGROUND

I – 1. Production

World fisheries, which include fish and fishery products management, catches processing marketing and aquaculture, every year major fluctuations. Despite such variations, fishery products contribute significantly to human food consumption and constitute an important source of both employment, and income and had currency earnings, for a great number of countries and communities.

From 1997 to 1998, world catches varied from 122 million tons to 117 million tons (**Table 1**), due mainly to climatic changes, especially the “El Niño” phenomenon. However, production levels increased in 1999 to reach some 125 million tons. That increase stems mainly from the development of aquaculture.

TABLE 1: Evolution of world fish production and utilization.

	1994	1995	1996	1997	1998	1999
Production (millions of ton)						
Continental production						
Wild harvesting	6,7	7,2	7,4	7,5	8,0	8,2
Aquaculture	12,1	14,1	16,0	17,6	18,7	19,8
Total continental catches	18,8	21,4	23,4	25,1	26,7	28,0
Marines Productions						
Wild harvesting	84,7	84,3	86,0	86,1	78,3	84,1
Aquaculture	8,7	10,5	10,9	11,2	12,1	13,1
Total Marine catches	93,4	94,8	96,9	97,3	90,4	97,2
Total wild catches	91,4	91,6	93,5	93,6	86,3	92,3
Total aquaculture harvest	20,8	24,6	26,8	28,8	30,9	32,9
Total world catches	112,3	116,1	120,3	122,4	117,2	125,2
Utilization (millions of ton)						
Human consumption	79,8	86,5	90,7	93,9	93,3	94,8
Reduction in flour/oil	32,5	29,6	29,6	28,5	23,9	30,4
Population (in billions)	5,6	5,7	5,7	5,8	5,9	6,0
Availability (kg/inhabitant/year)	14,3	15,3	15,8	16,1	15,8	15,8

Source: FAO

Upward trends recorded in world fish catches are largely due to the contribution of China, which represents some 32 percent of the world total. Nevertheless, there are some other countries that are major producers including Japan, India, United States, The Russian Federation and Indonesia.

The main fish stocks of commercial interest are currently far overexploited. Therefore any increases in world catches cannot come from an increase in aquaculture harvests.

With the exception of China, world fish production for human consumption has remained relatively stable whereas the share for animal consumption has decreased over the past few years. Furthermore, world population growth is higher than fish landing rates. Consequently, per capita consumption dropped from 13 to 11.8 /inch/year.

I – 2. Job Creation

In 1998, the fisheries sector was employing about 36 million people including 13 million seasonal workers and 8 million occasional fishermen. Workers employed in aquaculture and fish farming increased due to the rapid growth of that sub-sector. They account currently for 25 percent of total jobs in the fishery industry against 60 percent and 15 percent for marine and continental fishermen, respectively.

I – 3. Trade

Similarly to landing volumes recorded in 1997 and 1998, world trade of fishery products dropped from 53.5 to 51.3 billion US dollars. This is very likely related to the combination of various factors, especially the East Asian economic crisis that lowered demand particularly from Japan, and a decrease in anchovy catches.

Data for 1999 indicate that world trade of fish product increased by 4 percent or 53.4 billion dollars. However, there is no indication of a longer-term increase in production of wild catches. Hence, any future increase in export values will probably depend on the growth of fish farming or a significant increase in the price of fishery products.

Developing countries, including Africa, represent 50 percent of fish supplies on the international market, or 16.8 billion US dollars.

II – UTILIZATION

The share of direct human consumption of fish increased sharply in 1994. We also note that, from 1990 onwards, there has been a significant increase in the share of fresh fish in human consumption, the detriment of canned fish. In 1998, products traded at global level are distributed as follows: 36 percent for fresh fish, and 64 percent for processed products. Furthermore, human consumption represented 79.6 percent whereas 20.4 percent were processed into fishmeal and oil. Products were consumed as follows: 45 percent for fresh fish, 28 percent for frozen fish, 14 percent for canned fish and 12 percent for smoked fish

III – CONSUMPTION

Over the past forty years or so, fish catches have constantly grown. Per capita consumption increased from 9 kg in 1960 to 16 kg in 1997. Fish availability per capita almost doubled in forty years, similarly to population growth, which doubled over the same period.

Developed countries constitute the main outlets for fishery products, especially the United States, Japan and the European Union. Yet, these rich countries have a variety of animal protein, of which fish provides 6 to 8 percent. In developing countries, fish plays a major role in the diet of poorer communities. In these regions, fish constitutes 20 percent of the total protein intakes.

At global level, virtually one billion people utilize fish as main source of animal protein. That heavy reliance on fish is generally more apparent on coastal regions than inland. Approximately one fifth of the world depends on fish for at least 20

percent of their animal protein intake. This is equally true of some small islands that rely totally on fish as the only source of animal protein.

IV – FISH TRADE

Fish demand on the international market is so higher that the supply that it is far from being totally satisfied. Frozen fish utilization is ever growing, to the detriment of canned fish and heat-processed products. The economic growth recorded in rich countries that constitute the main outlets, and consumers greater knowledge of the nutritional value of fish have contributed to an expansion of fish trade and hence to higher prices fishery products. Prices increases have however been stopped by the development of fish farming. Asia, which is the leader in fish farming largely contributed to prices reductions. Prawn prices, for instance, decreased by 30 percent on world market before the occurrence of viral diseases in fishponds. The worldwide economic crises and the El Niño phenomenon of 1998 led to a slowing down noted on the international market. The financial crisis in Asia, especially in Japan, forced major exporters to revise downward their prices and to turn towards other outlets.

A significant portion of world landings (about 33 percent of total volume) is traded on the international market. Developing countries provide about 50 percent of total exports. In 1998, total exports of fishery products amounted to 51.3 billion dollars, thus a reduction by 3.8 percent as compared to 1997.

As the global fish exports, they amounted to 55 billion dollars in 1998, thus a slight 2.8 percent drop, as compared to 1997 and 3.9 percent compared to 1996. Japan is the first fish importer the world. It accounts for 23 percent total exports whereas the European Union is the second largest outlet with increasing needs. Although they rank fifth among world fish exporters, the United States is also the second importers. These three major markets (Japan EU and USA) account for over 77 percent of world total import values.

Since 1998, fishery product consumption is seriously affected by the Asian economic crisis, especially that of Japan. In 1999 the Japanese economy showed signs of recovery, but that recovery's pace was slower than expected, because the Japanese population was controlling its expenses more than it used to do before the crisis. Hence, foods products considered as expensive could not recover fully the same market shares as before the crisis. The American economy, which was particularly dynamic, experienced a steadily increasing demand of fish. The Northern Europe demand was maintained in the first half of 1999, thanks to the successful economy of the sub-region and an increasing consumption in restaurants. Europe is not the only region that experiences a general trend of increasing consumption outside households. For, diets are changing, especially in developed countries. Markets are increasingly flexible and niches appear for new species and new products. The growing value added from restaurants and retailing makes easier fish trading.

In the United States and European Union, scientific and technical progress, as well as the improving chilling conditions and the use of microwave ovens, led to an expansion of the trade of pre-cooked, ready made and fish containing dishes as well as many other value added fishery products, in addition to traditional dishes.

The rapid growth noted in fish trading is mainly due to various social changes. For example, women have an increasingly important share of the labour market, meals tend to be fractioned while the average family size trends to drop, and there is a greater number of single-headed households. This is the era of simple, easy to cook and eat dishes.

V – WHAT ARE THE PROSPECTS?

There are several factors likely to affect the future demand of fishery products. These include. Population growth changes in economic situation changing strategies for fish production, processing, distribution and trading, as well as the price of fish as compared to that of competing food products. Chicken prices, for instance are getting more competitive thus increasing chicken consumption to the detriment of fish.

Furthermore the globalisation of trade leads directly to an intensification of the international trade of fishery products. International trade arrangements and regulations, the downward trend of tariffs, new quality standards, and the adoption of the Code of Conduct for responsible fishing, will equally impact considerably on international fish trading. Supply and demand trends at global level, especially the evolution in distribution and consumption, have considerable impacts. According to demand projections based on population growth and income increases, the gap between supply and demand will tend to widen. That may lead to higher prices and a wider gap between rich and developing countries as regards average fish consumption. Besides, the consumption of farmed species, demersal fish, molluscs and shellfish of high trade value, is rapidly increasing in developed countries whereas third World countries are mainly consuming small pelagics.

VI – THE SHARE OF AFRICA IN WORLD FISH TRADE

Fishing – and to a lesser extent fish farming – constitute a major source of animal proteins, jobs and hard currency earnings. Wild fisheries and aquaculture are source of animal protein, employment and foreign currency earnings for many countries in Africa. The sector is also important for low-income communities who consider fish products as cheap and healthy food. It is source of 9 millions employment and generates US\$ 1,2 billions.

V1-1 Production

Between 1990 and 1999, fish production in Africa increased from 5.16 millions Mt to 6.30 millions Mt (see fig. 1). This trend started in 1994 with an annual increase of 3.5 per cent. The Northern Atlantic, particularly Morocco, the Western and Southern coastal Countries contribute significantly to the production of the Continent. These countries of the Atlantic Centre-East benefit from the up welling, which contributes to the biological productions, and consequently create conditions for diversified resources in these waters.

The marine fisheries contribute to 64 per cent to the production while the freshwater fisheries are estimated at 34 percent and aquaculture 2 percent. Despite a significant development of the aquaculture sector, from it increased from

1.8 to 3.5 percent, it remains low compare to the aquaculture production in the other continents

V-2 Consumption

The per capita fish consumption in Africa is lower to the world average, which is 1.1 kg. This rate dropped from 8.9 to 7.1 kg respectively from 1990 and 1997. Nevertheless, this average per capita fish consumption does not reflect the importance the fish consumption in Africa particularly for the coastal communities. In fact, 12 African countries representing 22 per cent of the population of the continent have a per capita fish consumption higher the world average, while 28 countries (52 percent) utilise fish as source of animal protein estimated at 16.5 per cent, this is above the world average.

The domestic demand for fish follows the growth rate the economic development. The world market is characterised by sanitary and quality requirements but it offers high prices. The two market types are not competing; the products traded in the domestic market are different of the ones put in the international market. The African represents about 2 millions metric tons and the main importers being Egypt, Nigeria and Côte d'Ivoire.

V-3 Commerce

Africa had become a net exporting continent in 1984 and also a strong development trend of fish trade was recorded from 1990. The imports average rate increase is estimated at 2.3 per cent/year, while the export rate is higher and is around 10.2 per cent. The yearly value of exports fetched US\$ 2.6 billions in 1998 and imports were only US\$ 1.1 billions. (See figure 1).

The main species exported are composed of high value fish (demersal species, cephalopods, crustaceans and tuna). Due to colonial links, the EU but the other major importers such as Japan and USA constitutes the major markets.

Intra and inter regional fish trade in Africa while dynamic are still not systematically recorded or documented. The lack road and appropriate cold chain and other infrastructure in the artesian sector explain this. This sector employs 2.5 millions people with a majority of women. It utilizes artisanal technologies and smoking is the most methodology utilized.

VI – CONCLUSION AND RECOMMENDATIONS

More than 90 per cent of trade in fish and fishery products consists of processed products in one form or another (i.e. excluding live and fresh whole fish). The developing countries contribute to almost 50 per cent of the total fish exchanged in international markets, and Africa represents merely 2 percent of this trade.

However, fish exports in Africa are increasing in both volume and value and variety, representing a significant challenge to the African fish inspection and quality assurance authorities. The situation requires appropriate organization, resources, logistics and training to ensure that exported fish complies with international quality requirements.

The important contribution of fish in much African diet is also threatened by a lack of the fair implementation of HACCP based quality assurance systems. Furthermore, the new context of globalisation especially in terms of fish marketing, ignores any difference between domestic and export products.

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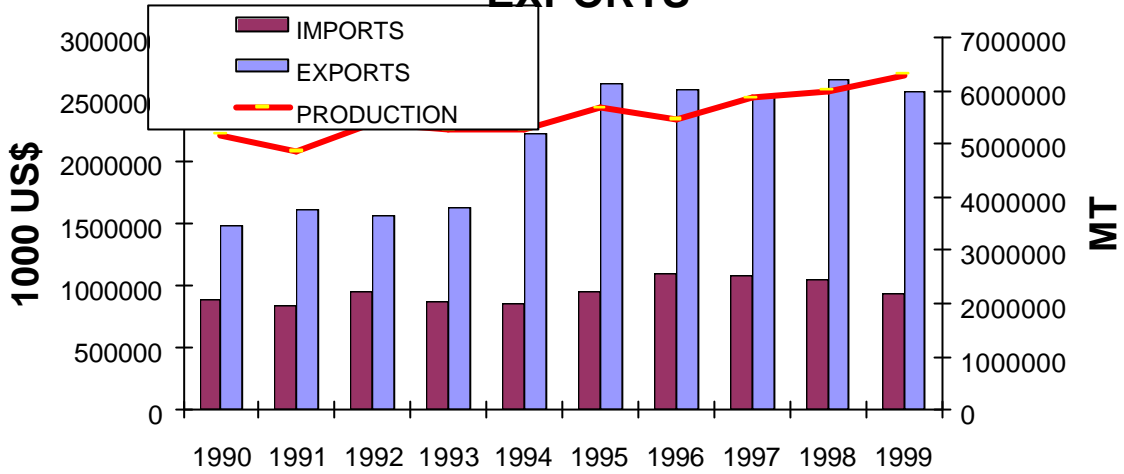
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