SEAFOOD MARKET IN BRIEF

Fish is the second most important component of the average Filipino diet, next to rice. Per capita consumption of fish and seafood is comparatively high. From 1987 to 1991, an estimated 94 percent of the total Philippine industry output was consumed by the local market. The rapidly growing population in the Philippines {4 percent per annum} will increase domestic demand for fish and seafood products.

The Republic of the Philippines has vast marine resources spread around 7,000 islands which makes the country's fisheries industry of high economic importance. In 1991, this sector accounted for approximately 4 percent of the Philippines' gross national product (GNP). The industry thrives as a result of the country's archipelagic structure, enabling the Philippines to rank 11^{th} amongst the largest fish producers in the world and 3^{rd} in the Asian region for tuna production.

The bulk of Philippine fish and seafood product imports consist of tuna, mackerel and sardines, and these imports are consumed mainly by the Philippine fish canning industry. Prior to 1987, the fish canning industry depended on domestic production for inputs. However, with import liberalization, the industry has grown more rapidly, averaging 15 percent to 20 percent per year. The total value of fish and seafood imports to the Philippines grew by 400 percent between 1987 and 1991. In addition, a significant local market is developing for imported marine feeds to be used by the local Philippine aquaculture industry.

Today, as much as 90 percent of the primary input requirements of the Philippine canning industry are sourced abroad, while local production accounts for only 10 percent of canning demands. Most tuna imports processed by the canning industry are re-exported to international markets, while imports of sardines and mackerel are mainly for domestic consumption. The fish canning industry has expanded in recent years, due mainly to the liberalization of fish imports. Although high packaging, labour, and energy costs have kept the industry from being competitive with the rest of Asia, a strong domestic market for canned fish has been developed in the Philippines.

Enterprises engaged in fishing and aquaculture vary widely in terms of capital structure, operating scale and technology employed. Based on official listings, the country's largest fishing firms are Frabelle Fishing Corporation and RBL Fishing Corporation. The two account for nearly half of gross commercial fishing tonnage reported in the Philippines. For aquaculture, AA Export and Imports is considered as the largest single grower, with San Miguel Corporation as the largest exporter. The main fish importers are fish canning firms, such as Permex Producer and Exporter Corporation; RFM Tuna Corporation; Pioneer Food Manufacturing Center; and Marisco Corporation.

Given that fish and fishery products are a major component of the Philippine's export earnings, the government has a lot at stake in ensuring sectoral development, which will undoubtedly benefit Canadian seafood exporters. Philippine government efforts to accelerate planned fisheries infrastructure programs are underway, and this is expected to alleviate the lack of marketing and distribution facilities that hinder sectoral modernization.