SEAFOOD MARKET IN BRIEF

The demand for fish and fish products in Germany continues to grow. Fish consumption per capita has been steadily rising over the past few years, from 11.6 kilograms in 1983 to a record high of 14.8 kilograms in 1992, thus clearly exceeding the worldwide average per capita consumption of 13.3 kilograms. Total consumption, with 1.2 million tonnes in 1992, for the third time in a row exceeded the 1 million tonne level. Of this, over 80% was imported, making Germany a major market for suppliers of fish and fish products. Over 80 percent of German households have freezers, and the number of microwave ovens reaches over one third of German homes. This has contributed to a big surge in the sale of frozen fish products, which in 1992 accounted for around 23% of all fish consumption.

Herring, in a variety of forms, is by far the most popular fish in the German market, with a share of 28.6 percent in 1992. Alaska pollock, which is the key ingredient in the frozen products sector, is in second place, with 14.3 percent in 1992 slightly down from 16 percent in 1990. This reduction is likely due to the rapid rise in price which has taken place, and German fish processors are keen on finding new whitefish substitutes (e.g., roundnose grenadier). Cod had previously filled the place now occupied by Alaska pollock, but supply problems have driven it down to ninth place, at only 2.5 percent of the market. The third place is now occupied by saithe, followed by hake (9.2 percent compared to 6.1 percent in 1990), bonito, ocean perch, and mackerel. There is a clear trend towards luxury fish and shellfish. Included are lobster, shrimps, and prawns. Also part of this trend is the increase in salmon consumption, primarily from Norwegian waters, much of which is in the form of smoked products.

The main suppliers of the German market are Denmark, the Netherlands, Norway, Iceland and Poland. Most of these countries benefit from preferential access to the German market, either as a member of the European Community (EC) or as part of the European Free Trade Association (EFTA), thereby avoiding some of the high tariffs placed on certain processed fish products (e.g., between 20% and 25% on canned herring, mackerel, etc.). Canadian exports to Germany of fish and fish products in 1992 amounted to $US 37.5 million or just slightly over 1.8% of all German fish imports according to German statistics. These figures are relatively low, even in comparison to other European markets. In part it can be explained by the tariffs and seasonal quotas facing certain species of fish from Canada. But it is also attributable to the price-sensitivity of the German market: imports from Canada are influenced both by changes in the value of the dollar, and by the willingness of German processors to substitute cheaper varieties of fish in their products if relative prices are modified over time.

Be this as it may, there are still a number of good prospects in the German market for those Canadian suppliers of fish and shellfish able to offer a quality, carefully-sorted product. Although the competition for herring is intense, certain Canadian varieties and sizes are sought after by German processors. Similarly, while mackerel is relatively abundant in European waters, large Canadian hand-filleted mackerel is sought after. Ocean perch, an "underutilised species" in Canada, is one of the favourites of the German consumer. German smokers also offer one of the few markets for dogfish belly-flaps. Finally, high and rising incomes make this country an excellent market for Canadian lobster, and offer good prospects for such luxury products as shrimp, shellfish or freshwater fish. At the same time, the less-affluent consumers of eastern Germany have served to reinforce demand for cheaper forms of fish.