

TARIFFS

Import duties for salmon products are: 2 percent for fresh/frozen salmon; 13 percent for smoked salmon; and 5.5 percent for canned salmon. VAT rates are: 2 percent for fresh/frozen salmon and smoked salmon; and 9 percent for canned salmon.

HEALTH REGULATIONS

The standard Canadian Fisheries Service certificate of health is required for frozen product, and standard certificates of origin and mercury certificates (mercury content must be below 0.7 ppm) are required for all salmon products. A radioactivity certificate is required for salmon products from the Pacific coast. No special additives should be found in the product (other than salt, sugar, etc.) and if any are added, Canadian exporters should verify ahead with the importers. Labelling regulations are strict on imported products and labels must clearly list the following: the name of the product; the name or trademark of the producing firm; the location (city/town) of the firm; the location of the packing plant (codes are permitted if previously communicated to the Italian authorities); a list of ingredients in descending order based on weight or volume; net weight expressed in grams or kilograms; and the date of packaging (code permitted). Based on recent changes in labelling regulations, the Italian language is now required, and the label must show the expiry date for consumption. Consumer pack labels must include instructions for preserving the product, such as shelf life at various refrigeration temperatures. Canned products must show the net drained weight. Canadian exporters are urged to check labelling requirements carefully with Italian importers.

POST PROPOSALS

To avoid confusion based on language problems and the fragmentation of the local market, Canadian salmon exporters should work through a local Italian agent. First-time business should always be conducted on the basis of irrevocable letter of credit. There is rising optimism from North American salmon exporters selling to Europe and Japan, although Italy seems to be planning to smoke a larger share of farmed Atlantics rather than wild Pacific salmon. Italian smokers have large inventories (35-50 percent) of the 1988 troll salmon on hand, while fresh farmed Atlantics are 35 percent cheaper. In Italy, price is the name of the game. In addition, Atlantics beat out troll kings in 13 out of 14 vital marketing characteristics, such as colour, bruising, bacteria count, processing time, sizes, and recovery. Smoked salmon is no longer a gourmet item in Italy, the lower cost of Atlantic salmon has increased the market. The Canadian industry should support the Italian market with promotion programs, suggesting if the price were right and wild salmon were supported by a promotion program, sales of Canadian salmon to the Italian market would increase.