

ISRAEL

SUPPLY AND CONSUMPTION

Seafood consumption per capita in Israel is estimated at 13.2 kilograms per capita. The breakdown is as follows: frozen fish 5.9 kilograms; deep-sea fish 1.3 kilograms; canned 2.2 kilograms; and freshwater 3.8 kilograms.

The domestic Israeli market for salmon is very small. Exports of Canadian salmon to Israel in 1990 amounted to 29 tonnes, mainly frozen whole or fillets. Salmon, frozen whole, fillets, smoked and canned, are relatively new products to the Israeli market and are considered luxury items. In recent years local firms have begun smoking salmon and are now competing against imported smoked salmon products, mainly from Norway. Approximately 40 tonnes per annum of salmon are imported for smoking, and the preferred species is chum. The prime consideration is price. The trend in the market is upwards with an estimated growth potential of 20 percent per annum.

Israel imposed a quota of 3,000 tonnes on whole frozen fish imports to protect the Israeli industry, but the quota does not apply to fillets. The importer must deal with the Kashrut (dietary laws) requirements. The main demand is for salmon weighing between 900 grams to 1.5 kilograms for whole fish, and 2.5 to 4 kilograms for fillets. Consumer prices for frozen salmon are as follows: \$9 Cdn per kilogram for whole fish; and \$17 per kilogram for fillets in vacuum packs. Most of the chain food stores in Israel work on a high profit margin of approximately 100 percent.

Canned salmon from Canada has appeared on the market only this past year. Annual consumption in Israel is approximately 40 tonnes. Wholesale prices are between US\$ 1.15 to 1.25 per 200 gram can C.I.F. Consumer prices are US\$ 2.65 per 200 gram can. Canadian pink salmon competes against the cheaper Far East salmon products.

There is a general lack of awareness in this market as to the different kinds of salmon available from Canada. The local consumer must be "educated" about Canadian salmon possessing a superior quality, however, prices must come down to increase Canadian market share. As a result of an outgoing Canadian trade mission that visited Israel last October, various British Columbia salmon products are now available on the local Israeli consumer market.

TARIFFS

The import duty on frozen salmon products entering Israel is \$313 NIS (New Israeli Shekel) per metric tonne [\$1 Cdn equals approximately \$2 NIS]. There are no import duties on fish products imported for industrial usage, and the import duty on canned salmon products is 0.51 NIS per kilogram.