

NOTE: The figures used to denote the fishery sector's contribution to Chile's Gross Domestic Product include all primary fishing activities except for processing, which is classified as a manufacturing function. When processing activities are factored in, the sector's contribution to the domestic economy in 1993 approached 2.0%.

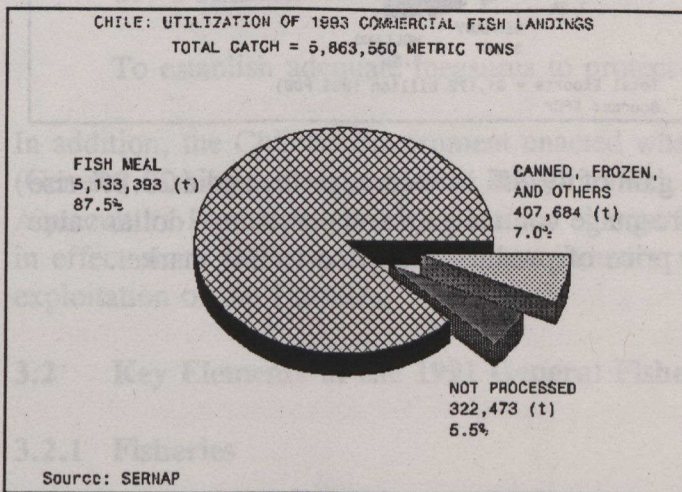
2.3 Industry Performance

Chile's fishing industry closed 1993 with negative results in both exports and landings. Among the more significant factors that contributed to the sector's misfortunes, were:

- a. an international recession that impacted Chile's principal export markets;
- b. a decrease in the extracted volume of the sector's principal resources;
- c. increasing global competition that has reduced the industry's comparative advantages in the commercialization of fish meal and fish oil.

Total fisheries landings over 1993 were 6,190,648 metric tons, a drop of 6.6% from the 1992 catch. Despite the decrease though, total landings for 1993 were still 1.1% greater than the average catch realized by the sector for the previous three year period. Evaluated on a species by species basis, there was a reduction in fish (-7.0%), mollusk (-18.4%) and crustacean landings (-13.3%), but a gain in landings of algae (23.1%), and equinoderms (5.8%).

Of the total 5,863,550 metric tons of fish landings in 1993, 87.5% went towards the production



of fish meal, 7.0% were canned, frozen or prepared in some other value-added form, and 6.5% were left unprocessed (i.e. fresh or chilled). Of the 26,200 metric tons of crustaceans collected during the same period, 64.0% were processed into frozen products, 9.6% were canned or went into the production of fish meal, and the remaining 26.4% were sold in either fresh or chilled forms. As for the 109,836 metric tons of mollusks that were captured in 1993, 55.9% were canned, 37.2% were frozen or smoked, and 6.9% were left unprocessed.

The utilization of 1993's catch is comparable to what occurred in 1992, with one general exception - there was a slightly higher degree of value-added processing in 1993, particularly in frozen products. This is a market trend that has been manifesting itself since the 1980s (largely fueled by the extraordinary growth of Chile's salmon and trout industry), and it reflects