

Preliminary investigation of the market, either on their own or using PEMD or other assistance, is recommended to confirm there is a market potential for a particular product.

Since 1981, some 30 Canadian fish companies, representing a variety of fish and fish products (ranging from industrial cod blocks, salmon and smoked fish to live lobsters and freshwater fish) have participated in visits to the U.K. under PEMD.

Market Considerations

Tariffs

Imports into the EEC are governed by the Community's Common Customs Tariff. Tariffs vary according to species, with further processed products normally being subject to considerably higher rates of duty than for fresh and frozen products. (For individual tariff rates contact the European Community Relations Division of DEA. See listing in Appendix H.)

Under the Canada-European Community Long Term Fisheries Agreement (LTA), Canadian exporters of various cod, redfish and herring products will have access to Community tariff quotas at reduced rates of duty until 1987. Through the internal allocation system of the Community, approximately one-half of the frozen cod and redfish exports will be allocated to the British market.

The reduced tariffs for frozen round cod and redfish, as well as for frozen cod fillets, are applicable only to exports intended to undergo further processing. However, in the case of frozen cod fillets in package sizes of at least 4 kg in 1984-86 and at least 2 kg in 1987, the end-use requirement will now be considered to have been met by virtue of the package size. This should encourage sales to the hotel, restaurant and institutional trade and thus represents a major

new benefit for Canadian exports taking advantage of the terms of the LTA.

Pricing

In general, demand for Canadian fish products depends on one major factor — price, which is in turn affected by the value of the Canadian dollar relative to the pound sterling. Canadian producers have to compete by offering delivered prices, which include transportation and tariffs, in line with the practices of other suppliers.

Quality

The U.K. fresh fish and processing industry demands products of consistent high quality. Consumers are accustomed to it and Canada's chief competitors are obligated to supply fish products meeting high standards.

There have been some quality-related problems with Canadian fish and fish products in the past, but a determined effort by Canadian fish processing companies has been made to improve quality.

The Department of Health and Social Security (DHSS) is the U.K. government authority responsible for health standards and the administration of the officers who carry out inspections. Quality and other standards for fish and fish products fall within the responsibility of the Ministry of Agriculture, Fisheries and Food (Food Standards Division). In 1982 DHSS was responsible for initiating new inspection procedures (which are still in place) for canned salmon originating from Canada and the United States. This was a specific response to one botulism incident in Belgium involving an infected can of salmon from a U.S. plant. Gaefkaemia disease in live lobsters has also necessitated new U.K. import regulations.

Table 14
U.K. Imports of Fresh and Frozen Cod, Herring,
Salmon and Lobster by Country of Origin, 1982

	(Metric tonnes)					% Total Imports
	Cod	Herring	Salmon*	Lobster	Total	
CANADA	9,200	2,000	7,600	100	18,900	16.7
Netherlands	5,100	900	—	—	6,000	5.3
Iceland	18,200	3,500	—	—	21,700	19.1
Norway	13,100	—	1,000	—	14,100	12.4
Denmark	16,500	600	100	—	17,200	15.2
Ireland	4,900	2,900	400	—	8,200	7.2
West Germany	7,400	—	—	—	7,400	6.5
France	—	500	—	—	500	0.4
U.S.	—	—	10,800	—	10,800	9.5
Faroës	—	—	300	—	300	0.3
U.S.S.R.	—	—	1,500	—	1,500	1.3
Others	5,300	800	700	—	6,900	6.1
TOTAL	79,700	11,200	22,400	100	113,400	
% Canadian	12.1	17.9	33.1	100.0	16.7	

Source: British Import Statistics, 1982

* Salmon imports are primarily canned and frozen.