

Comox Valley, June 14th, 2015

EU SEAFOOD MARKET ACCESS:

Trade and regulatory policy

+

new business opportunities under CETA



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EU Seafood market: key figures

- ❖ Total consumption: **12.3 million t**:
 - ❖ 23.81 kg per capita;
 - ❖ CAD \$72.7 billion value.
- ❖ Total production: **6.2 million t**;
- ❖ **Net importer** of seafood products:
 - ❖ 3.59 million t negative trade balance;
 - ❖ CAD \$19.2 billion value.
- ❖ EU's level of seafood **production constantly falling** since late 1990s
- ❖ By far **the largest single market for imported fisheries and aquaculture products**:
 - ❖ **40% of total world imports** in 2010;
 - ❖ If intra-EU trade is excluded, EU imports represented **26% of the global total**.



EU seafood market: key products

	Imports		Exports	
	T	€	T	€
Pelagic fish	1 047 394	3 364 170	997 210	1 429 726
Salmonids	763 386	3 229 625	97 673	512 407
Other fish	1 861 906	6 030 289	453 687	1 275 047
Crustaceans	605 378	3 660 981	72 048	306 439
Molluscs	571 401	2 025 962	44 239	215 155
Non-food use products	728 605	927 390	311 884	431 539
Total EU-28	5 578 068	19 238 417	1 976 740	4 170 313

 Volume in tonnes
  Value in thousands of EUR

- Tuna, sardine, mackerel, herring, anchovy, etc.
- Salmon, trout.
- Cod, hake, pollock, haddock, panga, sole, halibut, seabream, etc.
- Shrimp, spiny lobster, scallop, etc.
- Mussels, cuttlefish, squid, etc.
- Products not intended for human consumption, fish meal, decorative fish.

Main commercial species imported:

- ❖ 20% salmon
- ❖ 18% shrimps
- ❖ 20% tuna and tuna-like
- ❖ 9% cod
- ❖ 43% other products

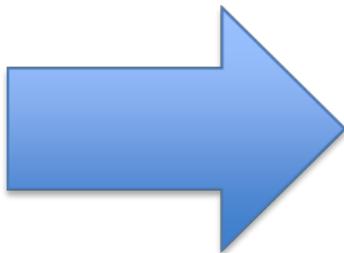


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Sources: European Commission, Facts and figures on common fishery policy, 2014 (data from 2012).

EU Seafood Market: a growing demand

- ❖ FAO projections: increase in the demand for seafood products to 2030;
- ❖ Average per capita consumption up to **25 kg/year in 2030**;
- ❖ The net supply to increase by **1.6 million t**;
- ❖ **Imports to rise to 11 million t** (+15% by 2030 from 1998).



PROMISING EXPORT
OPPORTUNITIES FOR
BC SEAFOOD INDUSTRY

Exporting seafood into the EU: procedures and legislation

- ❖ **Common Fishery Policy (CFP)**, common EU policy on seafood production and trade: set of rules for managing European fishing fleets and for conserving fish stocks.
- ❖ 4 main policy areas:
 1. Fishery Management;
 2. International Policy;
 3. **Trade and Market policies;**
 4. Funding policies.
- ❖ **Trade and market policies**, as import rules are **harmonized**, homogeneous in all 28 EU countries.
- ❖ **Tariff barriers** for seafood imports from non EU countries: **11% to 25%**.
- ❖ **Non-tariff barriers (NTB's)**: quotas and guidelines for use of veterinary medicinal products, additives and metal content restrictions (detailed info on CFIA website).
- ❖ **Autonomous tariff quotas (ATRQ's)** established every 3 years: certain quantity of selected products is allowed to be imported into the EU at a reduced tariff rate – typically, 0%, 4% or 6%.

Exporting seafood into the EU

step 1: export certificate and CFIA

- ❖ The Canadian Food Inspection Agency (CFIA) is responsible for regulating the export of fish and seafood products.
- ❖ Eligibility for export: fish and seafood destined for human consumption must originate from a **registered fish processing establishment** and meet defined standards.
- ❖ To receive a **seafood export certificate**: contact local CFIA office and provide following information:
 1. certificate type(s)
 2. lot location
 3. date available for inspection
 4. date certificate required
 5. lot size
 6. product description (size, grade, type)
 7. consignee
 8. consignor
 9. identification marks (production code)
 10. mode of transportation (if known).



Exporting seafood into the EU

step 2: the export certificate for EU

- ❖ Canadian fish processors must appear on the **EU list of establishments approved for export**.
- ❖ Lists are maintained and managed by the **EU Health and Consumer Protection Directorate General (SANCO)** (link available on the CFIA website).
- ❖ To request inclusion on any of the EU Approval Lists, a company must submit the following information to local CFIA office:
 1. Registration or fish export licence number;
 2. Full legal name as it appears on the certificate of registration;
 3. Physical site address as it appears on the certificate of registration;
 4. Species to be exported to the EU,
indicating whether any aqua-cultured raw material is to be used.
- ❖ The approval process takes approximately **3 months**.



Exporting seafood into the EU: New labelling requirements

- ❖ New regulations on labelling (all 28 EU countries) since December 2014.
- ❖ **Uniform labelling characteristics for fishery products sold in the EU** in order to ensure **transparent internal market** that supplies **high-quality products**.
- ❖ 2 categories: 1. Unprocessed and certain processed prepacked fresh products;
2. Processed products;
- ❖ Example: list of major mandatory information for **unprocessed and some processed products** (e.g. salted, smoked products, cooked shrimps in their shells). These products can be 'prepacked' and 'non-prepacked':

MANDATORY FOR ALL:

- ❖ Commercial designation and scientific name;
- ❖ Production method;
- ❖ Catch Area/ country and body of water;
- ❖ Fishing gear;
- ❖ Defrosted or not;
- ❖ Best before;
- ❖ Allergens;

ADDITIONAL MANDATORY FOR PACKED ONES:

- ❖ List and quantity of ingredients;
- ❖ Net quantity;
- ❖ Condition for storage and use;
- ❖ Name of the business;
- ❖ Date of first freezing;
- ❖ Added water;
- ❖ (.....)

Exporting seafood into the EU: Labelling for unprocessed fresh products

Example of label for an unprocessed and prepacked fresh product

→ Commercial designation and scientific name

MACKEREL (*Scomber scombrus*)

→ Production method

Caught in Celtic Sea North 

→ Catch area

→ Fishing gear category

Trawls

→ Port of landing

→ Net weight

Net quantity: 250g

→ Date of landing

Landed in Killibegs on 16/01/15

Use by 18/01/15

Keep at 0 to 2°C

→ Food operator

Business name and address: xxx

→ "Best before" / "use by date"

Ireland
XX-YYY-ZZ
EC

YYY Certified sustainable



→ Quick Response Code

MANDATORY

→ CMO REGULATION

Identification mark

→ Certification label

VOLUNTARY

→ FIC REGULATION

→ Storage conditions

Note that for unprocessed and non-prepacked products, the mandatory information of the CMO Regulation must be displayed, amongst others, on billboards or posters

Exporting seafood into the EU: Labelling for processed products

Example of label
for a processed
product (canned)



More info at the Website of European Commission, fisheries section:
http://ec.europa.eu/fisheries/cfp/market/index_en.htm

Exporting seafood into the EU: a snapshot of Canada`s exports

- ❖ Canada has one of the **world`s most valuable commercial fishing industries**,
 - ❖ CAD \$2.2 billion contribution to Canada`s GDP in 2013;
 - ❖ 38,300 jobs to Canadians.
- ❖ **World`s 7th largest exporter of fish and seafood products**, exporting an estimated 70%, by value, of its fish and seafood production.
- ❖ Canada`s exports to the EU:
 - ❖ worth an average of **CAD \$390 million per year** between 2011 and 2013;
 - ❖ average EU tariffs of **11%**, with peaks of **25%**;
 - ❖ slightly decreasing (from CAD \$396 million in 2011 to CAD \$345 million in 2012).
- ❖ **The 5 most valuable exports to EU** (accounting >50% of total):
 - Coldwater shrimps and prawns (CAD \$138 million),
 - frozen lobster (CAD \$41.4 million),
 - live lobster (CAD \$39.6 million),
 - frozen, dried or salted scallops (CAD \$34 million),
 - salmon in airtight containers (CAD \$18.7 million).



Exporting seafood into the EU: Selected current tariff rates

❖ Crab or Snow Crab:

- ❖ Frozen, in shell: 7.5%;
- ❖ Frozen, shelled 2kg or greater pack: 8.0%.

❖ Mussels:

- ❖ Live, fresh or chilled: 10%;
- ❖ Processed: 20%.

❖ Coldwater **shrimps and prawns**:

- ❖ There is an **Autonomous Tariff Quota** at the EU level which allows for 20,000 T of **cooked and peeled shrimp** (*Pandalus borealis*) **only for processing** to be brought into the EU at 0% tariff. For volumes beyond that, the applied tariff is 20%. Shell-on shrimp (*Pandalus borealis*) is subject to an applied MFN tariff of 12%, although shell-on shrimp (*Pandalus borealis*), when it is imported for further processing, currently benefits from a duty suspension.

❖ Lobsters:

- ❖ Frozen: from 6% to 16%;
- ❖ Live: 8%.

❖ Scallops:

- ❖ Frozen: 8%

CETA: opening the EU market for Canada's seafood industry

- ❖ When CETA comes into force (expected in 2016) almost **96% of EU tariffs lines for fish and seafood products imported from Canada will be eliminated.**
- ❖ In 7 years, **100% of Canadian seafood products will access the EU market duty-free**, becoming more competitive and creating favourable conditions for increased sales.
- ❖ Get ready NOW!



CETA: complete tariff elimination list

Immediate **tariff elimination** for the following products:

- live lobster – current duties at 8%
- frozen lobster – current duties from 6% and 16%
- frozen scallops – current duties at 8%
- frozen shrimp – current duties at 12%
- cooked and peeled shrimp in retail packages – current duties from a rate of 20%
- fresh or chilled hake – current duties at 15%
- dried and salted cod – current duties at 13%
- frozen herring – current duties at 15%
- frozen mackerel – current duties at 20%
- fresh or chilled halibut – current duties at 15%
- salmon – from rates of up to 15%
- processed salmon – current duties at 5.5%
- snow crab – from rates up to 8%
- fresh, chilled and frozen mussels – from rates up to 20%
- dogfish – from a rate of 6%



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Duty Free provisions and derogations

- ❖ Duty-free transitional tariff-rate quotas (TRQs) with no end-use requirements :
 - processed shrimp (two tariff lines) – up to 23,000 t – current duties at 20%
 - frozen fillets of cod (one tariff line) – up to 1,000 t – current duties at 7.5%
- ❖ Derogations for key products processed in Canada that use imported inputs:
 - prepared or preserved salmon: up to 3,000 t;
 - cooked and frozen lobster: up to 2,000 t;
 - prepared and preserved sardines: up to 200 t;
 - processed shrimp: up to 5,000 t.



THANK YOU FOR YOUR ATTENTION



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