



**MARKET ACCESS SECRETARIAT
Global Analysis Report**

Competitive Trade Analysis

Fresh, Frozen and Processed Fish in China

July 2016



REPORT CONTENT SUMMARY

This report looks to highlight Fish imports into China, which is a priority for Canada, and attempts to identify the best opportunities for Canadian exports.

Specifically, the data analysis that follows focusses on the top ten Chinese fresh, frozen or processed fish imports (*excluding molluscs and crustaceans*), of which Canada may be supplier. It identifies the gap between China's imports from the world and the proportion provided by Canada, and then outlines top international competitors.

Unless otherwise specified, all figures in this document are based on import data as reported by China Customs, and were sourced from Global Trade Atlas (2015).

CHINA MARKET SUMMARY

China imported C\$514.9 million worth of fish and seafood from Canada in 2014, which made China the 2nd-largest export market for Canada's fish and seafood products after the United States.

Fish and seafood demand is increasing rapidly in China, the world's largest fish and seafood consumer. According to the Food and Agriculture Organization (FAO), much of this demand is being met by rising domestic production, especially of aquaculture products, demand for high-value fish products also continues to surge as a result of China's economic growth and rapidly expanding middle class.

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MARKET CHARACTERISTICS

According to Planet Retail, China has one of the most lucrative, dynamic, and rapidly growing retail markets in the world, which continues to grow at a double-digit pace with a Gross Domestic Product (GDP) expected growth of just over 7% in 2015. At the same time, per capita urban household disposable incomes grew only 9% in 2014. China's retail growth is underpinned by rising urban household incomes and the growing number of urban households.

Chinese consumers have historically consumed a large proportion of aquatic products. According to Euromonitor International, seafood consumption is increasing due to rising consumer affluence, strong interest in a diversified and nutritious diet, and because China's processing and distribution systems are becoming more developed.

According to the Food and Agriculture Organization (FAO), China is the world's largest producer, consumer, importer and exporter of fishery products handling more than 35% of global production in 2014. To meet its growing domestic consumption, imports of seafood products are projected to increase, as consumption is increased rapidly from 11.5kg per person in 1990 to 25.4kg in 2004, and is predicted to increase to 35.9kg/year by 2020.

CANADA'S PERFORMANCE

According to Global Trade Atlas (GTA) data, total Canadian fish exports (excluding seafood) into China in 2014, were 41,435 tonnes (up 15.9% over 2013) and valued at nearly C\$86.5 million (up 22.6%). Leading Canadian fish products were: frozen hake (C\$21.1 million, up 104.5%); flat fish (C\$16.1 million, up 51.2%); frozen fish (C\$12.9 million, down 15.0%), frozen Pacific salmon (C\$9.4 million, down 39.6%), and halibut (C\$7.0 million, up 11.5%).

**China's Top Ten Fish Commodity Imports From Canada, in C\$ Millions and Tonnes
2012-2014**

HS Code	Description	2012		2013		2014	
		C\$	Tonnes	C\$	Tonnes	C\$	Tonnes
Total Fish		58,734,455	26,837	70,740,947	35,729	86,526,760	41,435
030366	Frozen hake	6,382,915	2,987	10,310,531	5,467	21,091,926	11,690
030339	Frozen flat fish nesoi*	2,478,193	1,708	8,780,039	4,755	13,280,850	7,279
030389	Frozen fish, nesoi*	12,059,923	9,993	15,248,613	12,763	12,959,346	9,004
030312	Frozen Pacific salmon, nesoi*	7,655,529	2,208	15,661,558	5,909	9,447,135	2,967
030331	Frozen halibut/Greenland turbot	9,899,890	3,077	6,305,341	2,890	7,031,768	2,570
030341	Frozen albacore/longfinned tunas	801,170	212	1,682,210	422	3,344,067	706
030214	Fresh Atlantic salmon	3,715,745	518	1,671,912	194	3,157,874	320
030367	Frozen Alaska pollock	49,263	43	246,087	158	3,071,984	2,073
030390	Fish Livers And Roes, Frozen	3,273,457	339	2,377,747	251	2,863,927	303
030520	Fish liver and roe, dried, smoked, salted or in brine	4,306,749	595	3,728,219	497	2,601,561	395

Source: Global Trade Atlas 2015. *Nesoi= no elsewhere specified or indicated



DISTRIBUTION

Qingdao and Dalian are the two largest ports for Canadian fish products landing. A well established cold chain facility, including processing factories in Qingdao and Dalian, allowing these 2 districts to claim their status as the largest seafood import hubs in China.

According to Euromonitor International, south China remains the dominant high value imported seafood product consumption center. With the highest incomes in China, a rooted tradition for fish and seafood dishes, and the presence of a large number of seafood importers, distributors and supporting logistic and storage infrastructure, south China is the main destination for high value seafood.

Canadian Fish Products in China by Entry Ports in C\$ and % share

District	Canada Dollars			% Share			% Change 14/13
	2012	2013	2014	2012	2013	2014	
All Districts	54,688,032	68,345,926	82,899,059	100	100	100	21.29
Dalian	24,299,394	31,503,418	48,333,946	44.43	46.09	58.3	53.42
Qingdao	16,598,005	20,819,018	20,585,354	30.35	30.46	24.83	-1.12
Huangpu	2,751,918	4,237,719	4,571,174	5.03	6.2	5.51	7.87
Guangzhou	2,028,642	2,766,696	3,150,239	3.71	4.05	3.8	13.86
Shanghai	3,890,216	1,217,910	2,026,244	7.11	1.78	2.44	66.37
Shenzhen	479,480	1,924,458	1,446,362	0.88	2.82	1.74	-24.84
Tianjin	748,707	615,246	666,280	1.37	0.9	0.8	8.29
Beijing	1,061,599	2,177,086	584,788	1.94	3.19	0.71	-73.14
Haikou	1,069,179	1,039,004	414,986	1.96	1.52	0.5	-60.06
Fuzhou	94,580	1,105,547	294,642	0.17	1.62	0.36	-73.35
Ningbo	1,241,013	101,194	275,183	2.27	0.15	0.33	171.93
Xiamen	126,098	658,098	237,256	0.23	0.96	0.29	-63.95

Source: Global Trade Atlas 2015.

TRADE OVERVIEW

China imported 2.2 million tonnes of fish (excluding seafood products), worth C\$4.5 billion in 2014, respectively, a 1.7% increase in volume and 17.8% increase in value from 2013. Russia continues to be the top supplier of China's fish imports with C\$1.3 billion in value and 820,864 tonnes, follow by the United States with C\$887.2 million (402,247 tonnes). Canada ranked as China eleventh-largest supplier with 41,435 tonnes of fish products worth C\$86.5 million in 2014, a 15.9% increase in volume and 22.3% increase value compared to 2013.



China's Top Ten Fish Suppliers of Fish in C\$

Rank	Partner Country	Canada Dollars				
		2010	2011	2012	2013	2014
	World	3,430,776,076	3,988,666,784	3,634,675,461	3,847,762,481	4,525,969,427
1	Russia	1,264,784,637	1,521,663,789	1,288,321,551	1,344,665,636	1,359,028,628
2	United States	583,925,794	886,132,827	791,287,702	706,596,645	887,192,605
3	Norway	409,248,969	405,675,333	393,375,075	436,846,454	587,689,421
4	Chile	47,705,949	67,699,715	64,934,120	83,829,080	165,125,896
5	Japan	251,405,944	103,055,205	85,898,100	123,356,895	147,883,487
6	Taiwan	10,942,816	39,624,267	88,021,558	119,006,738	120,620,378
7	New Zealand	72,073,893	79,875,204	81,934,518	97,228,835	117,281,731
8	Faroe Islands	13,680,710	26,627,110	48,745,677	74,898,099	114,347,522
9	Thailand	63,547,603	68,610,368	62,381,035	82,502,496	99,441,721
10	United Kingdom	7,444,067	28,017,895	25,961,556	38,486,707	92,392,736
11	Canada	50,114,293	80,777,219	58,734,455	70,740,947	86,526,760

China's Top Ten Suppliers of Fish, % Share and Volume in Tonnes

Rank	Partner Country	Quantity			% Share			% Change 2014/2013
		2012	2013	2014	2012	2013	2014	
	World	2,019,273	2,177,495	2,215,708	100.00	100.00	100.00	1.75
1	Russia	901,940	943,394	820,694	44.67	43.32	37.04	- 13.01
2	United States	350,303	366,290	402,247	17.35	16.82	18.15	9.82
3	Norway	166,376	180,518	212,209	8.24	8.29	9.58	17.56
4	Taiwan	50,738	83,059	106,768	2.51	3.81	4.82	28.55
5	Japan	64,582	90,392	87,219	3.20	4.15	3.94	- 3.51
6	Netherlands	41,394	30,832	60,387	2.05	1.42	2.73	95.86
7	New Zealand	51,581	58,090	54,948	2.55	2.67	2.48	- 5.41
8	Thailand	37,022	39,980	42,445	1.83	1.84	1.92	6.17
9	Canada	26,837	35,729	41,435	1.33	1.64	1.87	15.97
10	Marshall Islands	11,626	40,689	34,729	0.58	1.87	1.57	- 14.65

Fish Supply Gap, in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	3,634,675,461	3,847,762,481	4,525,969,427	11.59
China's imports from Canada	58,734,455	70,740,947	86,526,760	21.37
Supply gap	3,575,941,006	3,777,021,534	4,439,442,667	11.42



China's Top Ten Suppliers of Fish, % Share based on Imports Values PP Change

Rank	Country	2010	2011	2012	2013	2014
1	Russia	36.87	38.15	35.45	34.95	30.03
2	United States	17.02	22.22	21.77	18.36	19.60
3	Norway	11.93	10.17	10.82	11.35	12.98
4	Chile	1.39	1.70	1.79	2.18	3.65
5	Japan	7.33	2.58	2.36	3.21	3.27
6	Taiwan	0.32	0.99	2.42	3.09	2.67
7	New Zealand	2.10	2.00	2.25	2.53	2.59
8	Faroe Islands	0.40	0.67	1.34	1.95	2.53
9	Thailand	1.85	1.72	1.72	2.14	2.20
10	United Kingdom	0.22	0.70	0.71	1.00	2.04
11	Canada	1.46	2.03	1.62	1.84	1.91

**China's Top Ten Fish Commodity Imports from the World,
C\$ Millions and % Share 2012-2014**

Commodity	Description	C\$ Millions			% Share			% Change 2014/2013
		2012	2013	2014	2012	2013	2014	
Total fresh/frozen processed fish		3,634.68	3,847.76	4,525.97	100	100	100	17.63
030367	Frozen Alaska pollock	841.79	907.63	929.17	23.16	23.59	20.53	2.37
030389	Frozen fish, nesoi	496.18	480.22	568.36	13.65	12.48	12.56	18.35
030363	Frozen cod	441.90	447.13	556.44	12.16	11.62	12.29	24.45
030312	Frozen Pacific salmon	280.03	394.47	443.82	7.7	10.25	9.81	12.51
030214	Fresh Atlantic salmon	145.63	156.25	287.97	4.01	4.06	6.36	84.31
030339	Frozen flat fish	132.09	238.33	259.02	3.63	6.19	5.72	8.68
030354	Frozen mackerel	126.94	132.75	225.60	3.49	3.45	4.98	69.94
030364	Frozen haddock	116.97	119.27	167.47	3.22	3.1	3.7	40.42
030343	Frozen skipjack tunas	100.38	147.01	103.47	2.76	3.82	2.29	-29.62
030313	Frozen Atlantic salmon	14.89	35.84	101.41	0.41	0.93	2.24	182.93



1. ALASKA POLLOCK

China's Top Suppliers of Alaska Pollock, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	841,791,308	907,626,212	929,165,073	100.00	100.00	100.00	2.37
Russia	746,593,477	779,045,979	794,351,774	88.69	85.83	85.49	1.96
United States	59,810,019	82,421,938	86,712,756	7.11	9.08	9.33	5.21
Japan	27,908,456	36,343,215	35,692,751	3.32	4.00	3.84	- 1.79
China	-	-	6,564,119	0.00	0.00	0.71	0.00
Canada	49,263	246,087	3,071,984	0.01	0.03	0.33	1148.33
South Korea	7,430,094	9,528,377	2,652,372	0.88	1.05	0.29	- 72.16
Norway	-	-	119,316	0.00	0.00	0.01	0.00
North Korea	-	40,616	-	0.00	0.00	0.00	- 100.00

Alaska Pollock Supply Gap, in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	841,791,308	907,626,212	929,165,073	5.06
China's imports from Canada	49,263	246,087	3,071,984	689.68
Supply gap	841,742,045	907,380,125	926,093,089	4.89

2. FROZEN FISH

China's Top Ten Suppliers of Frozen Fish, C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	496,179,724	480,221,569	568,356,654	100.00	100.00	100.00	18.35
United States	67,074,695	33,235,623	72,376,540	13.52	6.92	12.73	117.77
Taiwan	14,928,066	44,428,678	63,285,189	3.01	9.25	11.13	42.44
Thailand	42,386,848	46,661,194	61,156,233	8.54	9.72	10.76	31.06
India	88,658,664	79,125,656	55,070,304	17.87	16.48	9.69	- 30.40
Indonesia	30,084,757	32,075,127	38,627,848	6.06	6.68	6.80	20.43
Norway	30,309,635	25,701,231	33,825,008	6.11	5.35	5.95	31.61
New Zealand	25,492,371	28,064,515	30,766,092	5.14	5.84	5.41	9.63
Pakistan	17,064,556	14,921,432	28,019,282	3.44	3.11	4.93	87.78
South Korea	34,673,790	31,690,893	21,149,904	6.99	6.60	3.72	- 33.26
Russia	11,194,257	22,113,763	17,368,553	2.26	4.60	3.06	- 21.46
Canada (14)	12,059,923	15,248,613	12,959,346	2.43	3.18	2.28	- 15.01



Frozen Fish Supply Gap, in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	496,179,724	480,221,569	568,356,654	7.03
China's imports from Canada	12,059,923	15,248,613	12,959,346	3.66
Supply gap	484,119,801	464,972,956	555,397,308	7.11

3. FROZEN COD

China's Top Ten Suppliers Frozen Cod, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	441,901,802	447,133,492	556,441,248	100.00	100.00	100.00	24.45
Russia	186,623,918	176,504,566	203,123,475	42.23	39.47	36.50	15.08
Norway	60,820,124	120,899,555	151,405,719	13.76	27.04	27.21	25.23
United States	150,152,661	113,589,005	150,377,991	33.98	25.40	27.02	32.39
Greenland	10,381,254	8,126,939	15,825,316	2.35	1.82	2.84	94.73
Netherlands	18,533,964	10,912,104	12,375,635	4.19	2.44	2.22	13.41
Portugal	3,404,561	4,922,478	9,036,812	0.77	1.10	1.62	83.58
Faroe Islands	863,924	2,413,064	5,376,165	0.20	0.54	0.97	122.79
South Korea	4,148,213	3,426,391	4,624,493	0.94	0.77	0.83	34.97
Japan	1,874,172	1,897,527	1,594,764	0.42	0.42	0.29	- 15.96
Spain	253,817	797,409	1,049,106	0.06	0.18	0.19	31.56
Canada (16)	18,767	52,336	308	0.00	0.01	0.00	- 99.41

Frozen Cod Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	441,901,802	447,133,492	556,441,248	12.21
China's imports from Canada	18,767	52,336	308	-87.19
Supply gap	441,883,035	447,081,156	556,440,940	12.22



4. FRESH OR CHILLED PACIFIC SALMON

China's Top Ten Suppliers Fresh or Chilled Pacific Salmon, in C\$ and %Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	280,034,759	394,470,082	443,823,436	100.00	100.00	100.00	12.51
United States	137,942,611	184,887,373	235,323,399	49.26	46.87	53.02	27.28
Russia	96,685,525	128,275,494	94,493,043	34.53	32.52	21.29	- 26.34
Japan	20,740,662	45,670,808	79,480,501	7.41	11.58	17.91	74.03
Chile	9,582,587	17,166,427	21,948,961	3.42	4.35	4.95	27.86
Canada	7,655,529	15,661,558	9,447,135	2.73	3.97	2.13	- 39.68
Denmark	1,056,383	1,473,958	1,351,204	0.38	0.37	0.30	- 8.33
Soth Korea	524,420	318,572	1,222,889	0.19	0.08	0.28	283.87
Norway	1,826,258	97,240	322,838	0.65	0.02	0.07	232.00
Faroe Islands	1,134,268	887,857	190,504	0.41	0.23	0.04	- 78.54
Estonia	-	25,268	42,373	0.00	0.01	0.01	67.70

Fresh or Chilled Pacific Salmon Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	280,034,759	394,470,082	443,823,436	25.89
China's imports from Canada	7,655,529	15,661,558	9,447,135	11.09
Supply gap	272,379,230	378,808,524	434,376,301	26.28

5. FRESH OR CHILLED ATLANTIC SALMON

China's Top Ten Suppliers Fresh or Chilled Atlantic Salmon, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	145,627,269	156,245,505	287,972,090	100.00	100.00	100.00	84.31
Norway	94,833,986	51,530,592	94,221,158	65.12	32.98	32.72	82.85
Faroe Islands	29,890,935	62,448,172	88,334,907	20.53	39.97	30.67	41.45
United Kingdom	14,081,452	32,377,067	61,424,230	9.67	20.72	21.33	89.72
Chile	402,346	7,073,874	35,505,934	0.28	4.53	12.33	401.93
Australia	2,059,096	1,143,888	5,143,931	1.41	0.73	1.79	349.69
Canada	3,715,745	1,671,912	3,157,874	2.55	1.07	1.10	88.88
Ireland	540,434	-	175,522	0.37	0.00	0.06	0.00
Netherlands	27,119	-	8,533	0.02	0.00	0.00	0.00
South Korea	865	-	-	0.00	0.00	0.00	0.00
Denmark	75,291	-	-	0.05	0.00	0.00	0.00



Fresh or Chilled Atlantic Salmon Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	145,627,269	156,245,505	287,972,090	40.62
China's imports from Canada	3,715,745	1,671,912	3,157,874	-7.81
Supply gap	141,911,524	154,573,593	284,814,216	41.67

6. FLAT FISH

China's Top Ten Suppliers Flat Fish, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change
	2012	2013	2014	2012	2013	2014	2014/2013
World	132,092,776	238,326,452	259,024,025	100.00	100.00	100.00	8.68
United States	112,494,071	199,231,149	220,160,813	85.16	83.60	85.00	10.51
Russia	10,066,096	18,278,715	17,282,356	7.62	7.67	6.67	- 5.45
Canada	2,478,193	8,780,039	13,280,850	1.88	3.68	5.13	51.26
Japan	1,245,843	2,743,812	1,575,304	0.94	1.15	0.61	- 42.59
India	640,578	704,571	1,448,160	0.48	0.30	0.56	105.54
Norway	163,337	1,532,191	905,253	0.12	0.64	0.35	- 40.92
Korea South	339,567	1,981,044	902,050	0.26	0.83	0.35	- 54.47
Netherlands	463,457	1,695,866	570,415	0.35	0.71	0.22	- 66.36
Spain	295,587	164,324	566,533	0.22	0.07	0.22	244.77
Thailand	573,385	443,440	524,768	0.43	0.19	0.20	18.34
Bangladesh	13,403	26,023	418,008	0.01	0.01	0.16	1506.32

Flat Fish Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	132,092,776	238,326,452	259,024,025	40.03
China's imports from Canada	2,478,193	8,780,039	13,280,850	131.50
Supply gap	129,614,583	229,546,413	245,743,175	37.69



7. FROZEN MACKEREL

China's Top Ten Suppliers Frozen Mackerel, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	126,940,054	132,753,934	225,601,583	100.00	100.00	100.00	69.94
Norway	87,781,081	105,991,884	163,796,045	69.15	79.84	72.60	54.54
Iceland	7,454,182	9,033,612	18,113,365	5.87	6.80	8.03	100.51
United Kingdom	6,043,847	1,264,418	16,606,366	4.76	0.95	7.36	1213.36
Ireland	6,777,207	2,406,262	8,739,740	5.34	1.81	3.87	263.21
Faroe Islands	-	870,161	5,716,837	0.00	0.66	2.53	556.99
Japan	6,099,449	3,548,286	3,868,857	4.80	2.67	1.71	9.03
Greenland	-	402,071	2,284,434	0.00	0.30	1.01	468.17
China	305,534	178,916	1,687,252	0.24	0.13	0.75	843.04
Netherlands	5,020,365	2,968,915	1,606,523	3.95	2.24	0.71	- 45.89
United States	8,040	18,987	849,513	0.01	0.01	0.38	4374.12
Canada (13)	1,186,186	867,019	482,501	0.93	0.65	0.21	- 44.35

Frozen Mackerel Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	126,940,054	132,753,934	225,601,583	33.31
China's imports from Canada	1,186,186	867,019	482,501	-36.22
Supply gap	125,753,868	131,886,915	225,119,082	33.80

8. FROZEN HADDOCK

China's Top Ten Suppliers Frozen Haddock, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	116,968,360	119,266,055	167,470,314	100.00	100.00	100.00	40.42
Norway	67,163,209	81,744,812	84,971,962	57.42	68.54	50.74	3.95
Russia	45,143,310	32,664,629	72,900,272	38.59	27.39	43.53	123.18
Netherlands	3,310,556	4,077,536	6,819,516	2.83	3.42	4.07	67.25
Faroe Islands	573,050	-	1,948,976	0.49	0.00	1.16	0.00
Greenland	-	-	721,169	0.00	0.00	0.43	0.00
Spain	15,494	101,287	91,670	0.01	0.08	0.05	- 9.49
Canada	-	2,350	16,382	0.00	0.00	0.01	597.19
Portugal	43,085	33,373	245	0.04	0.03	0.00	- 99.26
United Kingdom	138,795	-	121	0.12	0.00	0.00	0.00
United States	516,481	641,977	-	0.44	0.54	0.00	- 100.00
Iceland	64,380	-	-	0.06	0.00	0.00	0.00



Frozen Haddock Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	116,968,360	119,266,055	167,470,314	19.66
China's imports from Canada	-	2,350	16,382	n/a
Supply gap	116,968,360	119,263,705	167,453,932	19.65

9. SKIPJACK OR STRIPPED-BELLIED BONITO TUNAS

China's Top Ten Suppliers Skipjack or Stripped-Bellied Bonito Tunas, in C\$ and % share

Partner Country	Canada Dollars			% Share			% Change
	2012	2013	2014	2012	2013	2014	2014/2013
World	100,383,534	147,014,138	103,468,924	100.00	100.00	100.00	- 29.62
Marshall Islands	18,702,846	75,843,788	43,952,263	18.63	51.59	42.48	- 42.05
Taiwan	48,968,782	55,588,247	29,932,436	48.78	37.81	28.93	- 46.15
United States	6,842,281	-	11,634,702	6.82	0.00	11.24	0.00
Micronesia (Federated States of)	10,178,238	9,374,699	4,855,596	10.14	6.38	4.69	- 48.21
Korea South	7,160,069	132,612	3,025,164	7.13	0.09	2.92	2181.22
Kiribati	-	-	2,777,370	0.00	0.00	2.68	0.00
China	2,490	-	2,556,943	0.00	0.00	2.47	0.00
Indonesia	95,825	-	2,043,100	0.10	0.00	1.97	0.00
Japan	3,504	6,019,220	1,530,803	0.00	4.09	1.48	- 74.57
Papua New Guinea	5,121,222	-	746,578	5.10	0.00	0.72	0.00
Thailand	-	-	413,949	0.00	0.00	0.40	0.00

Skipjack or Stripped-Bellied Bonito Tunas Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	100,383,534	147,014,138	103,468,924	1.53
China's imports from Canada	-	-	-	0.00
Supply gap	100,383,534	147,014,138	103,468,924	1.53



10. FROZEN ATLANTIC SALMON

China's Top Ten Suppliers Frozen Atlantic Salmon, in C\$ and % Share

Partner Country	Canada Dollars			% Share			% Change 2014/2013
	2012	2013	2014	2012	2013	2014	
World	14,888,356	35,842,271	101,409,600	100.00	100.00	100.00	182.93
Chile	9,846,622	29,170,928	80,256,517	66.14	81.39	79.14	175.13
United Kingdom	150,790	484,409	9,033,514	1.01	1.35	8.91	1764.85
Norway	2,878,069	3,252,907	6,418,067	19.33	9.08	6.33	97.30
Faroe Islands	1,091,388	1,623,011	3,369,055	7.33	4.53	3.32	107.58
Canada	-	947,051	2,124,142	0.00	2.64	2.09	124.29
Denmark	540,534	-	134,210	3.63	0.00	0.13	0.00
Australia	-	3,052	47,403	0.00	0.01	0.05	1453.22
Ireland	-	155	26,692	0.00	0.00	0.03	∞
New Zealand	-	194,162	-	0.00	0.54	0.00	- 100.00
France	30,968	-	-	0.21	0.00	0.00	0.00
Russia	18,550	166,596	-	0.12	0.46	0.00	- 100.00

Frozen Atlantic Salmon Supply Gap in C\$

	2012	2013	2014	CAGR % 2012-14
China's imports from the world	14,888,356	35,842,271	101,409,600	160.99
China's imports from Canada	0	947,051	2,124,142	n/a
Supply gap	14,888,356	34,895,220	99,285,458	158.24

RETAIL MARKET

It is well known that Chinese consumers prefer live and fresh fish products; consumer interest in frozen and processed seafood products is growing as refrigerator ownership is expanding.

However, there are few differences between live and frozen fish and seafood distribution channels due to extended frozen fish product shelflife where the cold chains exist, and expanded geographic distribution coverage.

China - Processed Fish: Historic Retail Market Segmentation by Value (US\$ billion), Expenditure per Capita (US\$), Unit Price(US\$/kg) and % Growth

	Units	2010	2011	2012	2013	2014
Expenditure per capita	US\$	17.48	22.91	26.39	30.6	35.52
Unit prices	US\$/kg	9.085	11.13	11.33	11.7	12.35
Consumption per capita	kg	1.92	2.05	2.32	2.61	2.87
Value growth	%	15.3	31.5	15.7	16.5	16.6



China - Processed Fish: Forecast Retail Market Segmentation by Value (US\$ billion), Expenditure per Capita (US\$), Unit Price (US\$) and % Growth

	Units	2015 ^F	2016 ^F	2017 ^F	2018 ^F	2019 ^F
Expenditure per capita	US\$	40.95	47.02	53.63	60.44	67.3
Unit prices	US\$/kg	12.67	13.2	13.83	14.45	15.04
Consumption per capita	kg	3.23	3.56	3.87	4.18	4.47
Value growth	%	15.7	15.3	14.5	13	11.7

Sources for both: National Bureau of Statistics of China, Economist Intelligence Unit, Company Information, Mintel. F= Forecast

China's growing population of young, sophisticated and affluent consumers (located primarily in the major cities) seek to purchase imported seafood products, in part for their status but also because imported seafood is believed to be of higher quality and from a cleaner environment.

China - Processed Fish: Retail Market Segmentation by Volume (Million, Tonnes)

Segment	2009	2010	2011	2012	2013	2014	CAGR % 2009-14
Total	2.40	2.57	2.76	3.13	3.53	3.90	10.21
Frozen	1.26	1.37	1.49	1.70	1.88	2.09	10.61
Shelf Stable	1.14	1.20	1.26	1.44	1.65	1.81	9.76

China - Processed Fish: Retail Market Segmentation by Value (Billion US\$)

Segment	2009	2010	2011	2012	2013	2014	CARG % 2009-14
Total	22.58	25.80	32.37	36.58	41.86	48.32	13.37
Frozen	12.94	14.98	19.51	21.76	24.04	27.60	12.99
Shelf Stable	9.64	10.82	12.86	14.82	17.83	20.72	13.88

Sources for both: National Bureau of Statistics of China, Economist Intelligence Unit, Company Information, Mintel.

Consumer preferences vary geographically throughout the country. For example Mintel notes that in much of inland China, live seafood is scarce due to geographic isolation and underdeveloped cold chains making non-perishable fish more popular, however in urban center, the rise in the number, and growing sophistication, of retailers increases the opportunities to promote fresh and frozen fish to the young and affluent, who increasingly prefer to shop at supermarkets.

According to Euromonitor International, in 2014, the retail channel accounted for just over 54% of fresh fish and seafood sales in China, followed by the foodservice channel with 30.2%. The share of the retail channel decreased slightly between 2008 and 2014, while that of the foodservice channel saw small growth over that same period. The growth in dining out is undoubtedly a driver in fish consumption especially in urban areas where the percentage of fish and seafood consumed outside the home hovers around 29%.



China - Processed Fish: Company Retail Market Share by Volume (%)

Market Player	2012	2013	2014
Hai Pa Wang Group	2.29	2.09	1.96
Shandong Huifa Food Co., Ltd.	1.03	1.14	1.30
Fujian Haiyi Food Drink Co., Ltd.	1.34	1.23	1.17
Xiamen Gulong Food Co., Ltd.	0.73	0.76	0.80
Shanghai Maling Aquarius Co., Ltd.	0.92	0.84	0.76
Fujian Tengxin Foods Co., Ltd.	0.91	0.80	0.73
Guangdong Ganzhu Canned Foods Co., Ltd.	0.71	0.70	0.71
Guangzhou Eagle Coin Enterprises Group Corp.	0.64	0.64	0.66
Yuehua Food Co., Ltd.	0.58	0.55	0.54
Baiyang Aquatic Group Co., Ltd.	0.48	0.41	0.36
Others	90.35	90.82	91.00

Source: Mintel 2015.

China - Processed Fish: Company retail market share by value (%)

Market Player	2012	2013	2014
Hai Pa Wang Group	0.93	0.90	0.86
Shanghai Maling Aquarius Co., Ltd.	0.58	0.57	0.52
Xiamen Gulong Food Co., Ltd.	0.40	0.45	0.51
Guangdong Ganzhu Canned Foods Co., Ltd.	0.44	0.46	0.5
Shandong Huifa Food Co., Ltd.	0.35	0.41	0.48
Fujian Haiyi Food Drink Co., Ltd.	0.49	0.48	0.46
Guangzhou Eagle Coin Enterprises Group Corp.	0.36	0.38	0.42
Yuehua Food Co., Ltd.	0.32	0.33	0.35
Fujian Tengxin Foods Co., Ltd.	0.32	0.28	0.24
Baiyang Aquatic Group Co., Ltd.	0.19	0.19	0.19
Others	95.62	95.55	95.46

Source: Mintel 2015.

E-COMMERCE

Planet Retail describe China's growing population as young, sophisticated and affluent metropolitan consumers who seek to purchase imported fish products, in part for their middle class status but also who believes that imported fish and seafood is to be of higher quality and from a cleaner environment.

Where and how Chinese consumers shop is undergoing a significant transition Planet Retail outlines in their e-commerce briefing. An emerging and solidifying trend in the Chinese market is the availability of wireless networks and the availability of hand held devices. Another reason for China's growing demand is its consumers' comfort with buying fresh and frozen seafood online.

Chinese- Methods of Accessing the Internet in %

100 People	2011	2012	2013	2014	2015 ^F
Mobile subscriptions	73	80	86	92	98
Internet users	39	43	46	50	54
Broadband subscriber lines	12	14	16	19	21
Personal computers	25	28	30	33	36

Sources: Planet Retail 2015. F: Forecast



According to Planet Retail, e-commerce is booming in China, and as of 2013, China surpassed the US as the world's largest e-commerce market. In 2013, grocery e-commerce in China reached US\$10.3 billion and is expected to double by the end of 2015. E-commerce has greatly modified Chinese consumers' purchasing habits, creating opportunities for the fish and seafood industry.

China's e-commerce platforms (such as yiguo.com, tmall.com, yummy77 and yihaodian.com) allow seafood suppliers to market their high-end fish and seafood products, both live and frozen, directly to consumers across China, especially in second and third-tier cities that may not have access to modern supermarket retailers.

CONCLUSION

While China is a major producer and exporter of fish and fish products, domestic demand will continue to drive imports into the country.

As Chinese living standards continue to improve, more consumers are choosing fish and seafood rather than meat, as it is seen as healthier and lower in fat. Premium fish will be in greater demand amongst the highest income groups in China, as studies have shown that consumption patterns in China are related to premium species as income increases.

E-commerce in China is growing much faster than mature markets. For Canada's fish and seafood companies, e-commerce in China is not only a new channel for sales growth, but also offers opportunities to promote their brands and products to the Chinese customers.

FOR MORE INFORMATION

In China, Canadian fish and seafood has a safe and quality product image, however the sector facing an increasing international competition.

Canadian fish and seafood companies are encouraged to:

Work with the Canadian Trade Commissioner Service (TCS).

Canadian companies, especially SMEs, are encouraged to use the Canadian Trade Commissioner Service and to participate in events, including but not limited to retail promotions, professional seminars, trade exhibitions and business missions to China. The trade commissioners in China are experienced in assisting export-ready companies to develop local market and consult on market-entry strategies.

- **Overview of Trade Commissioner Services in China**

www.tradecommissioner.gc.ca/cn

- **Find a Trade Commissioner**

www.tradecommissioner.gc.ca/eng/find-trade-contacts.jsp



For additional intelligence on this and other markets, the complete library of Global Analysis reports can be found under *Statistics and Market Information* at the following link, arranged by sector and region of interest:

- ats-sea.agr.gc.ca
For more information on China Fish and Seafood Expo (CFSE) 2015:

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RESOURCES

Euromonitor International 2015: *China Country Profile*

Euromonitor International 2015: *Fish and Seafood in China*

Food and Agriculture Organization (FAO): *Consumption of fish and shellfish in China*

Global Trade Atlas September 2015

Mintel 2015: *China Processed Fish Market Sizes*

Planet Retail 2015: *China E-commerce, Digital Data*

Planet Retail 2015: *China Market Overview*



Competitive Trade Analysis Fresh, Frozen and Processed Fish in China

Global Analysis Report

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