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Global Analysis Report

Sector Trend Analysis

Fish and Seafood in the Netherlands

May 2017

Trade summary

According to the Market Assessment of Opportunities and Challenges in the EU report, fish and seafood the Netherlands have been identified as one of the most promising market opportunity in the European Union. Through a rigorous analysis of the market size, growth, and tariff reductions of the European Union (EU) imports, for many products in that food category, the Netherlands represent an ideal opportunity for Canadian fish and seafood exporters.

The Netherlands are the thirteenth largest fish and seafood importers in the world and the eighth market in the EU28. The Netherlands fish and seafood import market was valued at C$4.3 billion in 2016, an increase of 6.4% from 2015 and 35% over the past 5 years. The Netherland's import suppliers are quite diversified, with fish and seafood products imported from 130 different countries. The Netherlands' top suppliers in 2016 were Iceland (12.7%), Germany (9.1%), Russia (7.5%) and Norway (6.6%).

In 2016, the Netherlands' primary fish and seafood imports included frozen cod (C$557 million), frozen shrimp and prawns (C$473 million), canned tuna (C$284 million), processed shrimp (C$158 million), cod, salted or in brine (C$130.7 million).

Imports from Canada were valued at C$40 million and Canada was the 19 non-EU supplier of fish and seafood in 2016. Top seafood products imported from Canada were frozen lobster (C$11 million), fish oils (C$8.4 million), live lobster (C$4.9 million) and processed shrimp (C$3.7 million). Canned salmon and seaweed also showed market increases in supply with respectively (C$2.5 million) and (C$2 million) in imports from Canada.

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Growing Forward 2

Canada

Canadian performance

Canada was the 24th-largest supplier of fish and seafood to the Netherlands, with sales of C$40 million in 2016 (based on Dutch import data). This represents an increase of 21% from 2015 resulting from an increase in imports of frozen lobster, fish oil, fresh lobster, frozen flat fish, live and frozen eel as well as smoked herring which have all been growing rapidly in recent years. Processed shrimp continue to be large, however the supply from Canada has been in decline over the past five years.

While Canadian seafood is perceived favourably, the price it commands relative to competitors is determined by how closely it satisfies the taste and appearance preferences of Netherlands consumers. Local competition from northern European suppliers continue to affect Canadian supply, but the implementation of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), is expected to help fill key EU opportunities including frozen cold water shrimp, frozen scallops and frozen cod. Most of the tariffs will be eliminated gradually within 3, 5, or 7 years. See the chapter-by -chapter guide to the key provisions of the Agreement.

The Netherlands were Canada's thirteenth-most important market for fish and seafood, and received approximately 0.6% of Canada's fish and seafood exports in 2016. Overall, fish and seafood was Canada's third most significant export sector to the Netherlands after oilseeds and grains. The sector represented 1.4% of all Canadian merchandise exports to the Netherlands in 2016 (Global Trade Tracker, 2016).

Consumption trends

Per capita expenditures on fish and seafood have increased from US$77 in 2011 to US$93 in 2016. This represents a period growth of 20% which is forecast to increase to roughly US$135 by 2030. Fish and seafood product expenditures in the Netherlands represent roughly 25% of Dutch purchases of meat in general.

The market share of fresh crustaceans and shellfish is decreasing in comparison to fresh fish. The price increase in the crustaceans and shellfish market was the highest (+35% price increase), and was most applicable for mussels (+56%).

Household purchasing of frozen fish is stable. Consumers buy more frequently and are more loyal to frozen fish. As a result of the price increase of fresh crustaceans and shellfish, the consumer now often chooses the frozen variant.

Top 10 consumed species in the Netherlands over the past decade have been canned tuna, frozen polack, frozen fish sticks, frozen salmon, salted herring, prepared herring in jars, smoked salmon, frozen pangasius, frozen cod and fresh salmon.

More than 50% of seafood customers are aged over 55 (consuming an average of 10kg), but there is also a strong increase in consumption among consumers under 35 years old in recent years. Over 60% of fish and seafood products are sold in supermarkets, however specialty shops are working to develop niche distribution channels that offer on-site sampling and specialised products in market stalls with available specialised catering services.

By the numbers

Top ten suppliers of fish and seafood to the Netherlands and top imported products in 2015 (Based on Dutch import data)

Rank	Country	Total import value (C$)	Top Import Supplied	Value of top subsector (C$)
	World	4,331,594,955	Frozen shrimp and prawns	473,162,342
1	Iceland	548,478,874	Salted cod in brine	121,805,890
2	Germany	392,338,510	Cold water shrimp, fresh or prepared	49,862,099
3	Russia	324,326,008	Frozen millet cod	133,931,282
4	Norway	288,154,899	Frozen cod (addus morhua)	86,436,512
5	Belgium	229,537,865	Frozen shrimp and prawns	36,267,532
6	Vietnam	221,576,422	Frozen shrimp and prawns	63,170,287
7	China	187,982,785	Frozen fillets of Pacific Salmon	28,697,601
8	United States	179,957,234	Frozen fillets of Alaskan Pollack	60,175,822
9	Turkey	171,143,282	Fresh fish fillets	73,064,855
10	India	157,768,778	Frozen shrimp and prawns	141,605,492

Source: *Global Trade Tracker, 2016.*

Top ten Dutch fish and seafood imports from the world in 2015

Rank	Top Imports	Import Value (C$)
1	Frozen shrimp and prawns	473,162,342
2	Frozen millet cod	314,046,577
3	Prepared skipjack/stripe-bellied bonito tuna fillets	284,330,015
4	Frozen cod (addus morhua)	240,343,934
5	Processed shrimp, not in air tight containers	158,478,073
6	Salted cod (Gadus orhua)	130,763,300
7	Scallops, frozen, smoked, dried or in brine	124,354,456
8	Canned Shrimp (not smoked)	115,835,971
9	Frozen mackerel	108,911,929
10	Fresh fish fillets	105,381,190

Source: *Global Trade Tracker, 2016.*

Top ten fish and seafood suppliers to the Netherlands in 2015

The figures listed below are in Canadian dollars.

1. Imports from Iceland		**2. Imports from Germany**	
Salted cod in brine	$121.8M	Cold water shrimp, fresh or prepared	$49.9M
Frozen millet cod	$111.4M	Frozen mackerel	$37.3M
Dried fish fillets, not smoked	$76.5M	Fresh mussels	$30.8M
Fresh or chilled fish fillets	$43.2M	Frozen herrings	$21.3M
Frozen fillets of coalfish	$26.2M	Processed fish	$18.4M
3. Imports from Russia		**4. Imports from Norway**	
Frozen millet cod	$133.9M	Frozen cod (addus morhua)	$86.4M
Frozen cod (addus morhua)	$120.0M	Fresh Atlantic salmon	$39.7M
Frozen fillets of hadhock	$45.1M	Frozen millet cod	$31.2M
Scallops, frozen, smoked, dried or in brine	$7.5M	Dried cod (Gadus orhua)	$19.9M
Frozen crab	$4.0M	Frozen fillets of herring	$19.1M
5. Imports from Belgium		**6. Imports from Vietnam**	
Frozen shrimp and prawns	$36.3M	Frozen shrimp and prawns	$63.2M
Fresh Pacific salmon	$19.4M	Processed shrimp, not in air tight containers	$61.4M
Fresh plaice	$18.7M	Frozen fillets of catfish	$50.6M
Processed shrimp, not in air tight containers	$14.4M	Frozen fillets of tuna	$5.6M
Prepared/preserved fish, whole or pieces	$14.0M	Processed crab	$4.2M
7. Imports from China		**8. Imports from the United States**	
Frozen fillets of Pacific Salmon	$28.7M	Frozen fillets of Alaskan Pollack	$60.2M
Processed crustaceans	$27.4M	Scallops, frozen, smoked, dried or in brine	$44.7M
Frozen fillets of flatfish	$22.4M	Frozen cod (addus morhua)	$14.6M
Frozen millet cod	$21.2M	Processed shrimp, not in air tight containers	$11.3M
Frozen fillets of Alaskan Pollack	$21.0M	Frozen Sockeye salmon	$6.9M
9. Imports from Turkey		**10. Imports from India**	
Chilled fish fillets	$73.1M	Frozen shrimp and prawns	$141.6M
Fresh seabass	$28.4M	Processed shrimp, not in air tight containers	$5.3M
Fresh sea bream	$26.1M	Mollusks, frozen, salted or in brine	$4.2M
Frozen fish fillets	$14.9M	Other processed fish	$1.6M
Other frozen fish meat	$12.3M	Other frozen fish	$0.7M

Source: *Global Trade Tracker, 2016.*

Fish and seafood product analysis

Shrimp Products

Shrimp products, whether they are frozen cold water shrimp, canned, or processed shrimp, the Netherlands imported C$830 million in 2016, an increase of 5.9% from 2015 and 47% over the past five year period. Being part of the EU market, the Netherlands ranks fourth behind Spain, France, and the UK in terms of overall shrimp imports and are second in the EU as an importer of processed shrimp. Frozen shrimp are the number one import category in that sector for the Netherlands and the top suppliers outside the EU were India, Bangladesh and Vietnam. Canada is currently ranked 7th as a non EU supplier with 4.4% of the non-EU Supply in 2016. The Netherlands mostly import processed shrimp products from Canada and frozen cold water shrimp. With the implementation of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), 96% of tariffs will be eliminated in the seafood sector. In particular, Canadian frozen shrimp currently has a 12% tariff and processed shrimp 20%. These tariffs will be eliminated during the first year of the implementation in 2017. Exporters should be aware of non-tariff barriers and other considerations such as the need to set up a supply chain that will make Canadian products more competitive against local EU suppliers.

Cod Products

Cod product imports in the Netherlands are significant especially frozen and salted. Frozen cod imports were C$557.4 million in 2016, an increase of 11.2% from 2015 and 140.4% over the past five year period. Being part of the EU market, the Netherlands ranks second after the UK for frozen cod. Canada is currently ranked 9th as a non-EU supplier, with 0.4% of the non-EU supply in 2016. This represents an increase of 94% from 2012. With the implementation of the CETA, key frozen cod tariffs of 7.5% will be eliminated over the next seven years (duty-free access under tariff rate quota (TRQ) during elimination period).

Tuna products

Tuna product imports in the Netherlands represent nearly 10% of all fish and seafood products imports with C$311 million in 2016. Canned processed tuna is the largest import item in that sector with imports of C$284 million in 2016, an increase of 24% from 2015 and 68% over the past 5 years. Frozen tuna represents roughly C$13 million mostly skipjack and stripe-bellied bonito and some yellow fin Albacore. Fresh tuna represents roughly C$10 million a year, mostly bluefin and yellow fin albacore. Being part of the EU market, the Netherlands ranks sixth, with Spain, Italy and France rounding up the top three. Canada is not currently a large player in this market.

Scallops

Scallop product imports in the Netherlands with imports of C$126 million in 2016, this represents an increase of 18% over 2015 and an increase of 227.6%. Over 98% of scallop imports in the Netherlands are frozen scallops, salted or smoked. Being part of the EU market, the Netherlands ranks second behind France for frozen scallops. Canada is currently ranked 6th as a non EU supplier. The average supply from Canada is around C$4 million although this amount declined sharply in 2016. With the implementation of the CETA, key scallops tariffs will see an immediate elimination of the current 8% tariff.

Market sizes

The Netherlands is a major market for fish and seafood products. Euromonitor International reports that Dutch per capita consumption of fish and seafood was 32 kg in 2014.

Historic Sales of Processed Seafood by Category: % Value Growth 2011-2016

Category	2015/2016	2011-16 CAGR*	2011-16 TOTAL
% volume growth			
Processed seafood	**-0.07**	**0.12**	**0.60**
- Shelf stable seafood	-1.11	-0.64	-3.18
- Chilled processed seafood	0.22	-0.06	-0.32
- Frozen processed seafood	0.93	1.08	5.52

Historic Sales of Frozen Processed Seafood by Type: % Value Breakdown 2011-2016

Category	2011	2012	2013	2014	2015	2016
% retail value rsp						
Breaded fish fingers	27.70	27.50	27.30	27.10	27.50	27.80
Cooked and peeled processed prawns and shrimp	14.75	15.30	15.50	15.70	16.50	16.90
Fish Schnitzel	15.00	15.00	14.50	14.30	14.50	14.60
Fish with toppings	28.20	28.20	32.20	33.00	33.20	33.40
Others	14.35	14.00	10.50	9.90	8.30	7.30
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source for both: *Euromonitor, 2015.* ****CAGR*** *= compound annual growth rate*

Seafood production

Seafood arrives in the Netherlands either via Dutch fisheries or via import. Both arrive at the key landings ports where they go into auction. The Netherlands has 11 auctions located around the Ijsselmeer where fresh water fish are traded. Each auction has a hall, known locally as the 'mijnzaal', where the actual auction takes place. The Dutch fish auctions are equipped with modern equipment and meet all requirements with regard to temperature control, hygiene and efficient fish handling.

Processed fish

Fish is often filleted, breaded, preserved or processed before it is offered to the consumer. The Netherlands has approximately 400 companies involved in such processing and further trading. Large processors have special contracts with ship-owners.

The processing of flat fish, crustaceans and shellfish accounts for the major part of the work. Most companies are located in Urk or IJmuiden. Processing herring and other pelagic species account for 15% of the processing industry. Most of the companies involved in this industry are located in Katwijk, Scheveningen and Vlaardingen (East coast of the Netherlands).

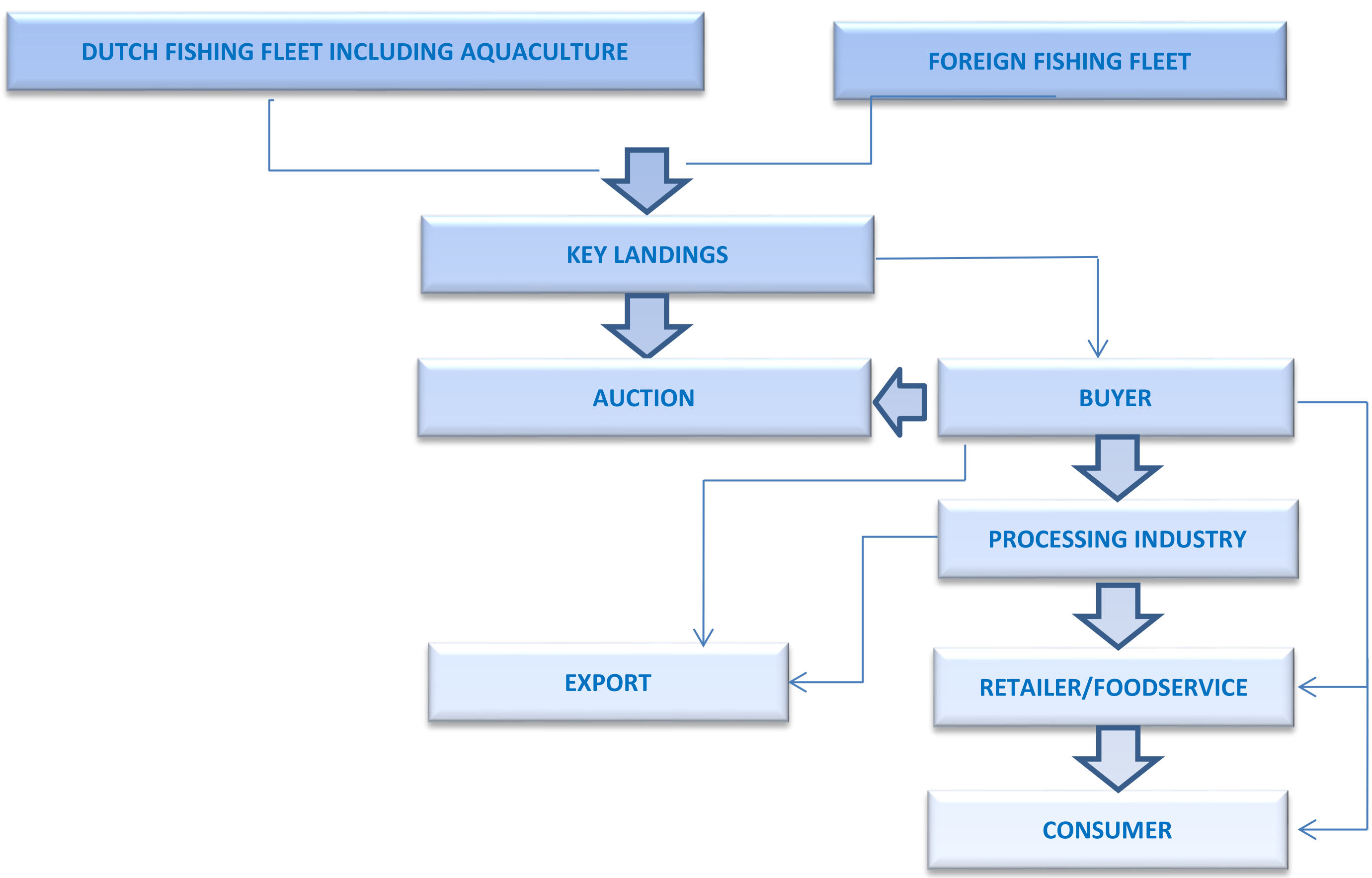
Fjord Seafood is a leading, integrated, global supplier of value added seafood. The company focuses on customers' needs, quality, innovation and environmental responsibility. Fjord Seafood Pieters Belgium prepares products for the Dutch retail and the foodservice markets (eg fresh portion packages, ready-toeat food and smoked salmon). Fjord Seafood Sterk in the Netherlands is the company's specialist in coated products.

Distribution channels

According to Seafish Inc, the Netherlands specialised fish shops still hold a very important position compared to other EU countries, representing roughly 1800 outlets. However, supermarkets have increased significantly over the past decade reaching close to 70% of sales whereas fish shops amount to roughly 30% of sales. Some of the major retail chains which handle fish and seafood in the Netherlands include Albert Heijn, Superunie, Schuitema, Aldi and Super de Boer.

The foodservice channel is dominated by Sodexho which controls most of the institutional channels under foodservice complemented by Compas Group which focuses on hospital food and work office meals. Schmidt Zeevis belongs to the Kennemervis Group through which a large proportion of the seafood products are supplied to restaurants, caterers and hotels.

Dutch fish and seafood supply chain structure



Source: ProductschapVis

For more information

International Trade Commissioners can provide Canadian industry with on-the-ground expertise regarding market potential, current conditions and local business contacts, and are an excellent point of contact for export advice.

- **Overview of Trade Commissioner Services in Netherlands**
  http://www.tradecommissioner.gc.ca/e-f/nl/index.htm

- **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 additional information on Seafood Expo Global (SEG) 2016, please contact:

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Resources

Euromonitor International, 2017

Euromonitor International, 2016 – *Report on Fish and Seafood in Netherlands*

Food Export Association of the Midwest USA, *Netherlands Country Profile*

Global Trade Tracker, 2016

Seafish Inc., Seafood export profiles - Netherlands

World Fishing & Aquaculture, *Netherlands* http://www.worldfishing.net/news101/industry-news/plaice-in-the-netherlands

Trade Commissioner Services, 2017.

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