Fish are becoming more expensive and harder to access for consumers

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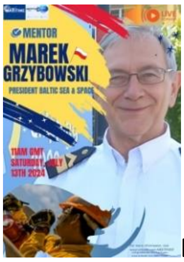
Seafood on ice © Alexander Raths / Adobe Stock



By Marek Grzybowski

Household spending on fisheries and aquaculture products in the EU-27 rose to EUR 62.3 billion in 2023, up 6% compared to 2022, continuing the upward trend that began in 2018. The rise in fish prices continues to affect household spending and fish consumption in the EU, according to the latest EU Fish Market. This is a comprehensive analysis of the global and EU fisheries and aquaculture market.

An increase in fish consumption, despite the fact that it is becoming more expensive, was observed in all EU Member States except Sweden. Our northern neighbor saw a 4% decrease in consumption. This was the only such response of the household market to retail demand for fish in the EU since 2021. The increases in spending on fish in 2020 and 2021 were caused by restrictions related to COVID-19. The fish market in 2022 developed under the pressure of inflation, which affected practically all markets. The turmoil in energy markets following Russia's attack on Ukraine has had an impact on the consumer market.

– In 2023, fish prices continued to rise, although inflationary pressures eased slightly compared to 2022. This contributed to higher household spending. Total fish consumption at home has been falling since 2021 and decreased, in the EU countries with the highest consumption, by more than 5% in 2022-2023 – informs a report by the European Maritime, Fisheries and Aquaculture Fund (EMFAF), citing data from Europanel/Kantar/GfK.

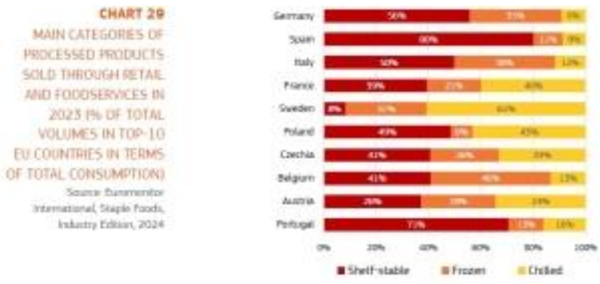
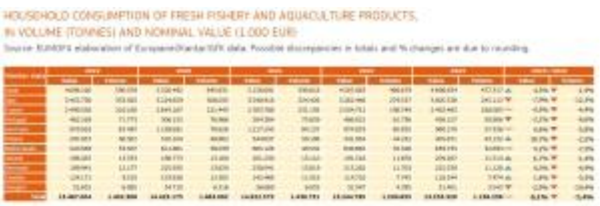


CHART 29
MAIN CATEGORIES OF PROCESSED PRODUCTS SOLD THROUGH RETAIL AND FOODSERVICES IN 2023 (% OF TOTAL VOLUMES IN TOP-10 EU COUNTRIES IN TERMS OF TOTAL CONSUMPTION)
Source: Euromonitor International, Staple Foods, Industry Edition, 2024

Trade in fish and seafood
EU fish trade has declined not only in value terms for the first time since 2020. In 2023, EU trade flows in fishery and aquaculture products fell by 4% in volume and by 2% in nominal value compared to 2022, which means a decrease of 6% in real terms.

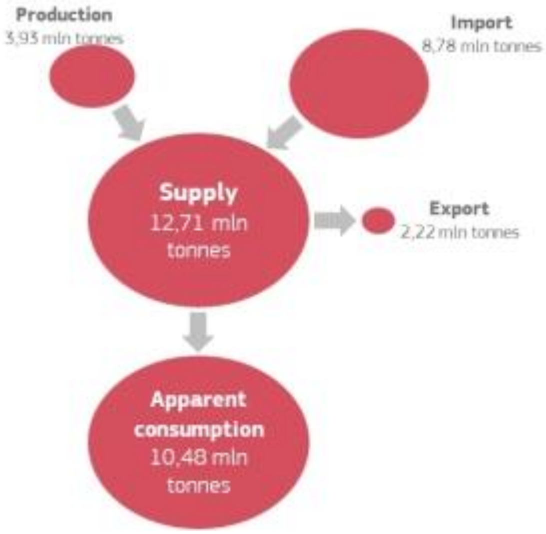
The dominant player in the market is the PRC, with a trade in fish and seafood worth over EUR 41.3 billion. The EU (27) is the second largest market in terms of trade in these products, with a turnover of over EUR 38 billion. The US market has a turnover of over EUR 31.5 billion.
Imports of fish and seafood from outside the EU amounted to 5.9 million tonnes, down 3% compared to 2022.

Its value fell by 6% to EUR 30.1 billion. This is well below pre-pandemic levels. Despite this decline, extra-EU imports accounted for 43% of the EU's total trade value, the EMFAF report states, highlighting that "On the other hand, extra-EU exports were the only trade flow to grow in value, rising by 1% to over €8 billion, although volume fell by 3% to 2.2 million tonnes, the lowest level in a decade."


HOUSEHOLD CONSUMPTION OF FRESH FISHERY AND AQUACULTURE PRODUCTS, IN VOLUME (TONNES) AND NOMINAL VALUE (1.000 EUR)

Intra-EU trade in fish and seafood totalled 5.8 million tonnes and €31.8 billion, accounting for 45% of the total value of trade in food commodities. While shipments remained stable, their real value increased by 45% over the past decade. Intra-EU trade exceeded extra-EU imports for the second time in the past decade. The first time was in 2021, recalls the report "THE EU FISH MARKET". Edition 2024.
The trade figures for 2023 marked a departure from the significant increase in value observed in 2022, which was an exceptional year in the 2014-2023 decade, driven by inflationary pressures and geopolitical tensions related to the war in Ukraine. As a result, fish supply is falling. The EU's trade balance improved last year. Due to a larger 6% decline in the value of imports compared to a 1% increase in exports, the EU trade deficit was 8% or €1.85 billion lower in 2023 than in 2022. Over the decade from 2014 to 2023, the deficit increased by 30% in real terms.

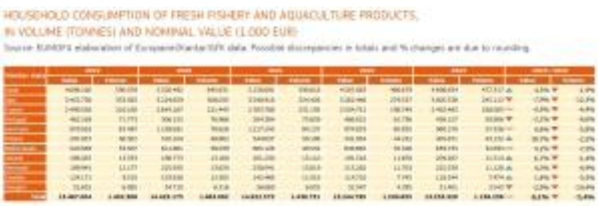
In comparison, the report's authors emphasize that "the trade deficit also narrowed in the United States and Japan, which are the world's second and third largest net importers of fisheries and aquaculture products after the EU. In the US, the deficit narrowed to EUR 17 billion, down more than 20% compared to 2022, while in the same period Japan reached just over EUR 10.5 billion, down 13%."



Fishermen lose out to aquaculture

– In 2022, the consumption of fisheries and aquaculture products in the EU fell to an estimated 10.48 million tonnes, a slight decrease of 1% compared to 2021. This decrease was related to the overall reduction in imports, catches and farmed production – explain the authors of the report "THE EU FISH MARKET" Edition 2024, explaining that there has been a significant change in consumption since 2020".

Demand for farmed aquaculture products is growing, hence the high level of imports from Norway. The share of fish and seafood from marine catches in total consumption reached the lowest level in the decade 2013-2022 in 2022. This trend was noticed in all leading markets. As a result, the consumption of aquaculture products per capita increased to the highest level in the decade. It has recently increased from 6.80 kg in 2021 to 6.82 kg in 2022. Meanwhile, the consumption of products from open water fishing has fallen to its lowest level. It decreased from 16.91 kg to 16.70 kg, according to the EMFAF report.
Global supplies of fishery products, including species not intended for human consumption and seaweed, are also falling. The downward trend was noted even before the pandemic, since 2018. Supplies to EU markets in 2022 totaled 3.17 million tonnes worth EUR 6.21 billion. This was the lowest value recorded in the decade 2013-2022. In the same year, the EU also recorded a decrease in supplies of around 90 thousand tonnes since 2021. This applies to both imports and exports.


HOUSEHOLD CONSUMPTION OF FRESH FISHERY AND AQUACULTURE PRODUCTS, IN VOLUME (TONNES) AND NOMINAL VALUE (1.000 EUR)

According to EUMOFA estimates, the consumption of fishery and aquaculture products in Portugal per capita is the highest in the EU for many years and will remain so in 2022. The constantly rising prices of fish and seafood are having a significant impact on the market. Since 2021, there have been declines in demand in many EU consumer markets, including Portugal. Only Croatia and France have seen increases in fish and seafood consumption, by 7% and 1% respectively compared to 2021.

Fish and seafood consumption has also increased in some countries that have traditionally shown low levels of per capita consumption. For example, it has been increasing over the past decade in Hungary, Romania and Slovakia. The DYNAMICS of fish demand are also changing. In 2023, EU salmon imports fell by 4% compared to 2022, reaching their lowest level since 2019, according to EMFAF data. This resulted in a 3% drop in Atlantic salmon production in Europe in 2022-2023 and a 2.5% drop in global Atlantic salmon production. Meanwhile, wild Pacific salmon catches reached record levels in 2023.

Despite this, imports of wild Pacific salmon to the EU remain low. Despite the decline in import volumes, the overall value of salmon imports remained stable at €8.4 billion, in line with 2022 levels. It is worth noting that import values in 2022 and 2023 were the highest on record, having doubled over the past decade. After a weak first quarter of this year,

Atlantic salmon production in Europe was on an upward trend in 2024, with production expected to increase by 3-5% compared to 2023. In contrast, catches of wild Pacific salmon were worryingly low in 2024, falling by more than 50% compared to 2023. Cod is one of the most popular species among EU consumers. Cod quotas in the north-eastern Arctic were reduced by 20%, leading to a 7% drop in foreign supply to the EU market in 2023,

The average price of cod increased by 3%, from €6.48/kg to €6.71/kg, while the value of cod imports fell by almost 4% from 2022. Cod market prices were high in 2024, averaging €6.82/kg in the first three quarters. Prices are expected to remain high for some time – as quotas for north-eastern Arctic cod have been reduced by an additional 25% for 2025. Tuna tops the list of the main products consumed in the EU. In 2023, tuna accounted for 9% of the EU's total fish imports by volume and value, although import volumes fell by 12% and value by 8% compared to 2022.