



# The State of Global Trade with Focus On the Americas

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FIAM

FAO of the UN

## FIAM?

***Fish Products, Trade and Marketing*** – a branch of the Fisheries & Aquaculture Department of FAO

- Deals with fish *after they have been caught*
- Runs technical assistance projects in developing countries, helps formulate best practice guidelines
- Gathers, analyzes and disseminates market information and research through reports, website ([fao.org/in-action/globefish/en/](http://fao.org/in-action/globefish/en/)), regular publications etc.





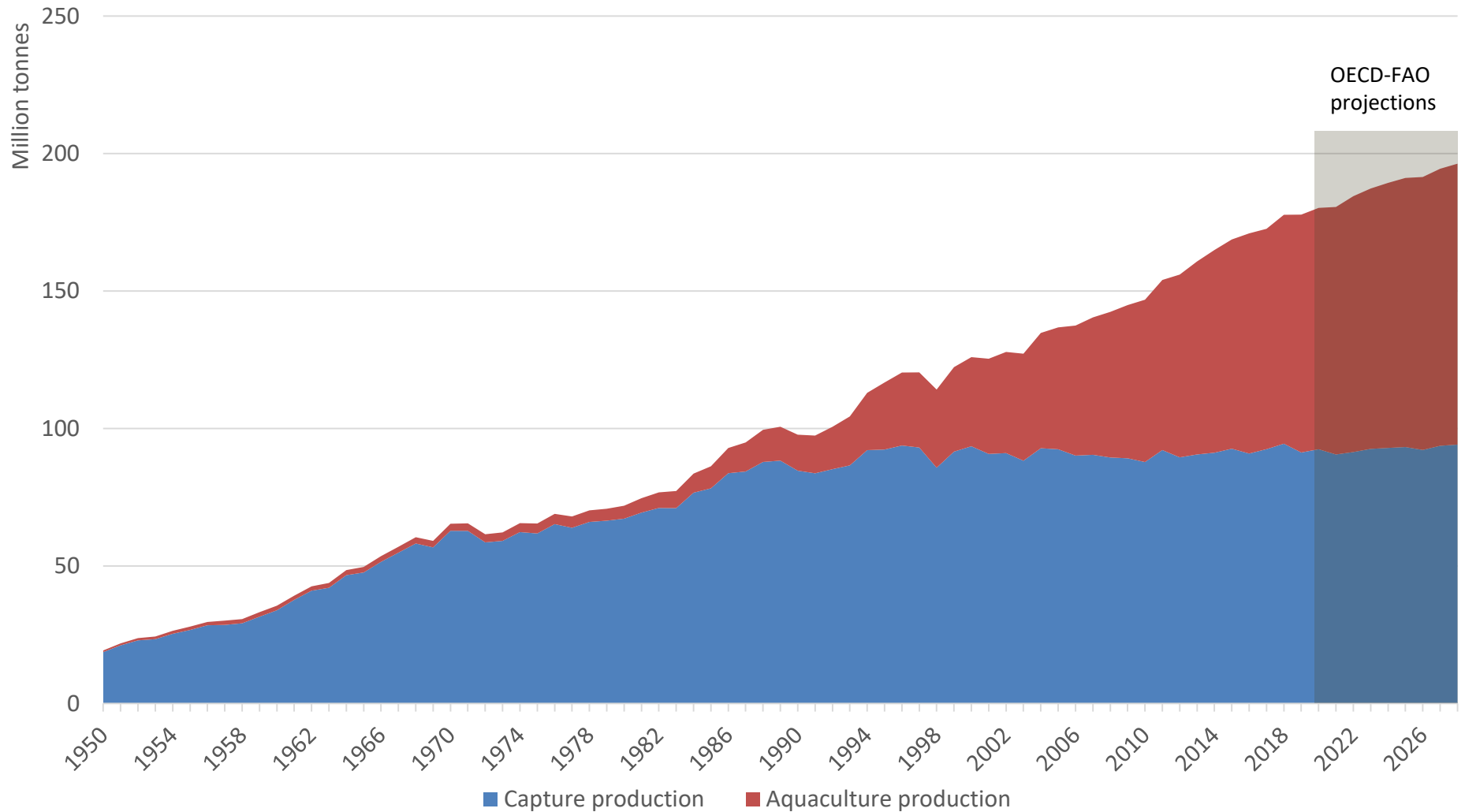
# The currents of change

- The aquaculture transformation
- The new era of international trade
- The modern consumer
- The path to sustainable growth



# The aquaculture transformation

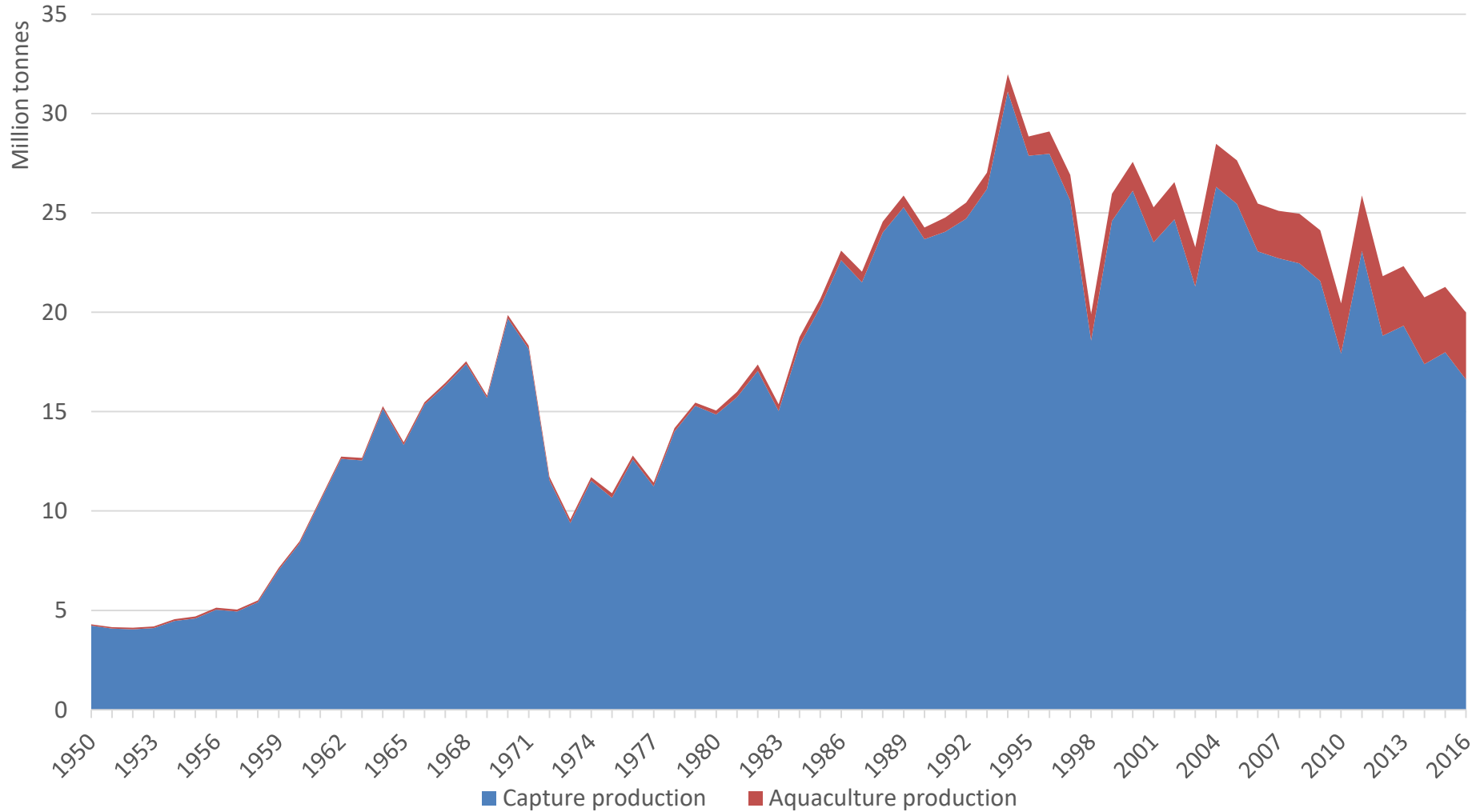
Aquaculture vs capture, 1950-2028



Source: FAO statistics, OECD-FAO Agricultural Outlook

# The aquaculture transformation

## Aquaculture vs Capture, Americas 1950-2017



Source: FAO statistics



# The aquaculture transformation

What it means for...

## Producers

- Aquaculture producers better able to control production levels in the long-term but regulation is essential
- Entirely new set of risk factors and input costs, non-diversified small-scale producers are vulnerable
- Greater potential for vertical and horizontal integration

## Markets

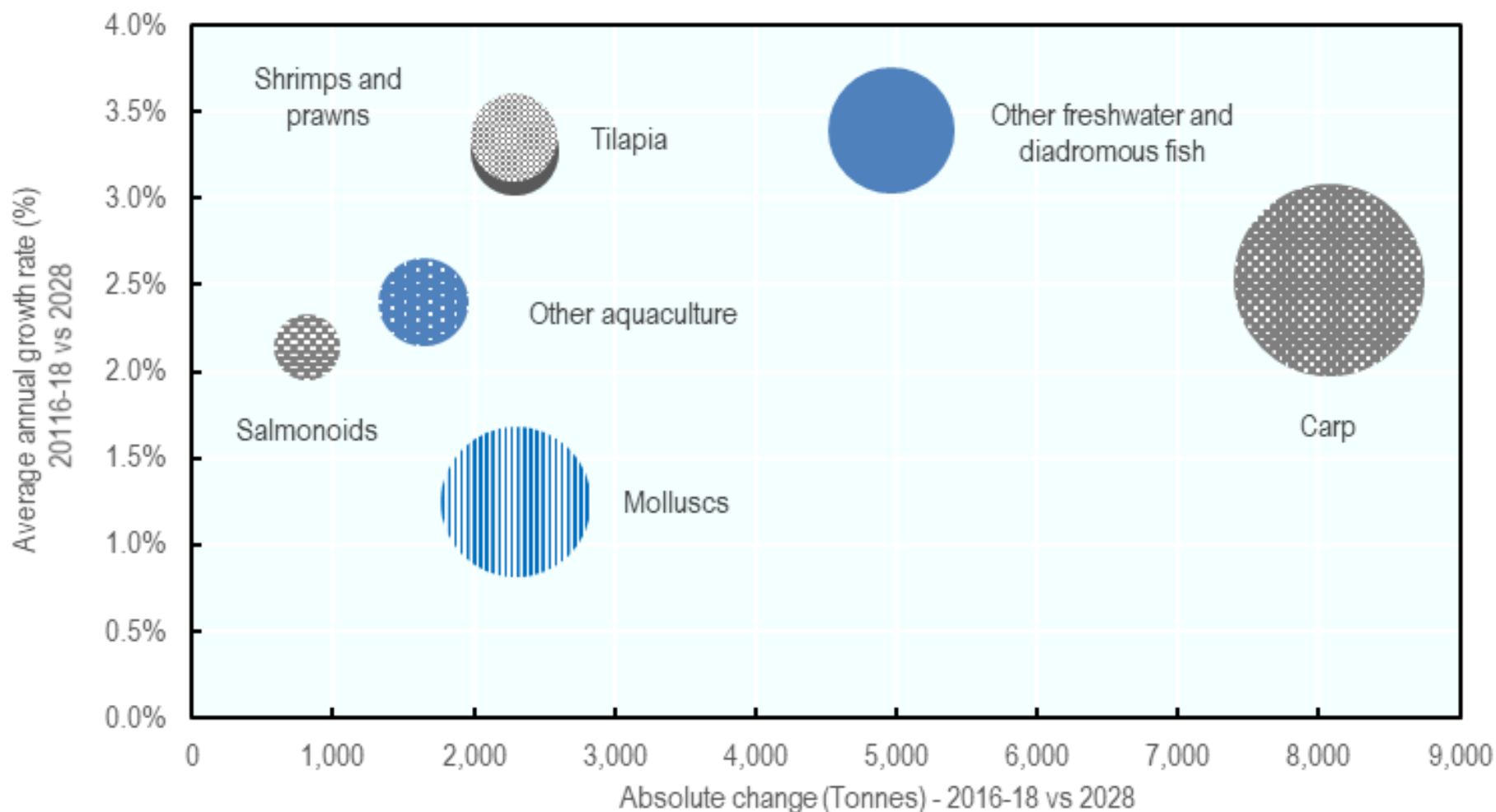
- Greater control of size, colour, nutritional content and exposure to health hazards
- Reduced diversity of species in the long-term
- Supply chain traceability less problematic (but still not easy)
- Public concerns relating to quality, food safety and environmental/social impact

## Food security

- Majority of aquaculture sector expansion taking place in developing countries
- Aquaculture can make a significant contribution to food security through direct consumption and income generation

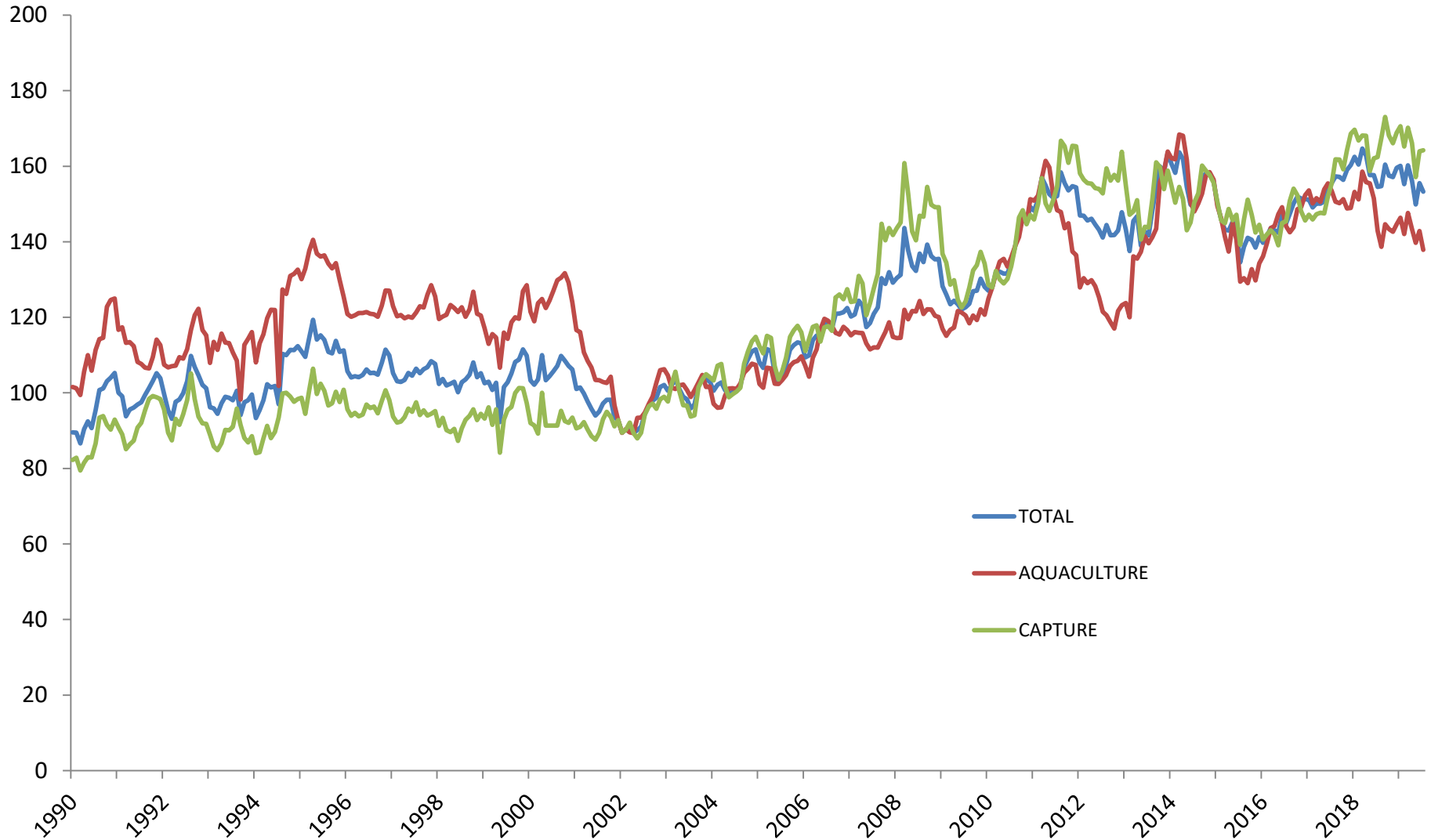
# The aquaculture transformation

## Growth in world aquaculture production by species



# The aquaculture transformation

FAO Fish Price Index (100=2002-2004)



Data source: Norwegian Seafood Council (NSC)





# The new era of international trade

## The expansion period

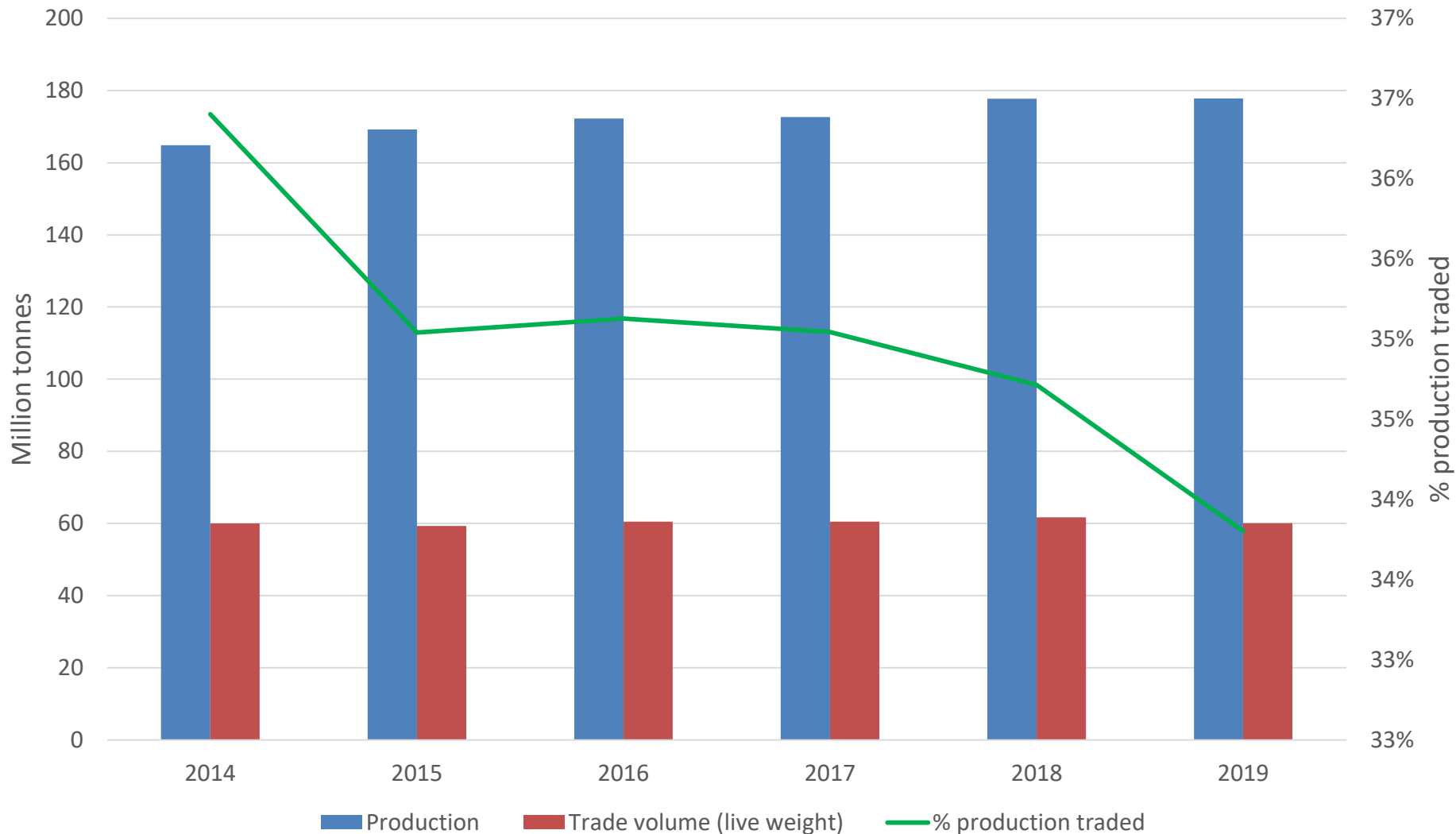
- Rapid growth driven by the prevailing winds of globalization and trade liberalization
- Dominant flow was from producers in developing countries to consumers in developed markets
- Greater diversity of species available to the average consumer
- Limited commitment to traceability/sustainability

## The new paradigm

- Slowing trade volume growth and increasing focus on regional and domestic markets in developing regions
- Globalization backlash and partial backtrack towards protectionist trade policies
- Aquaculture reduces diversity of species available to average consumer
- Traceability and sustainability assurances increasingly important

# The new era of international trade

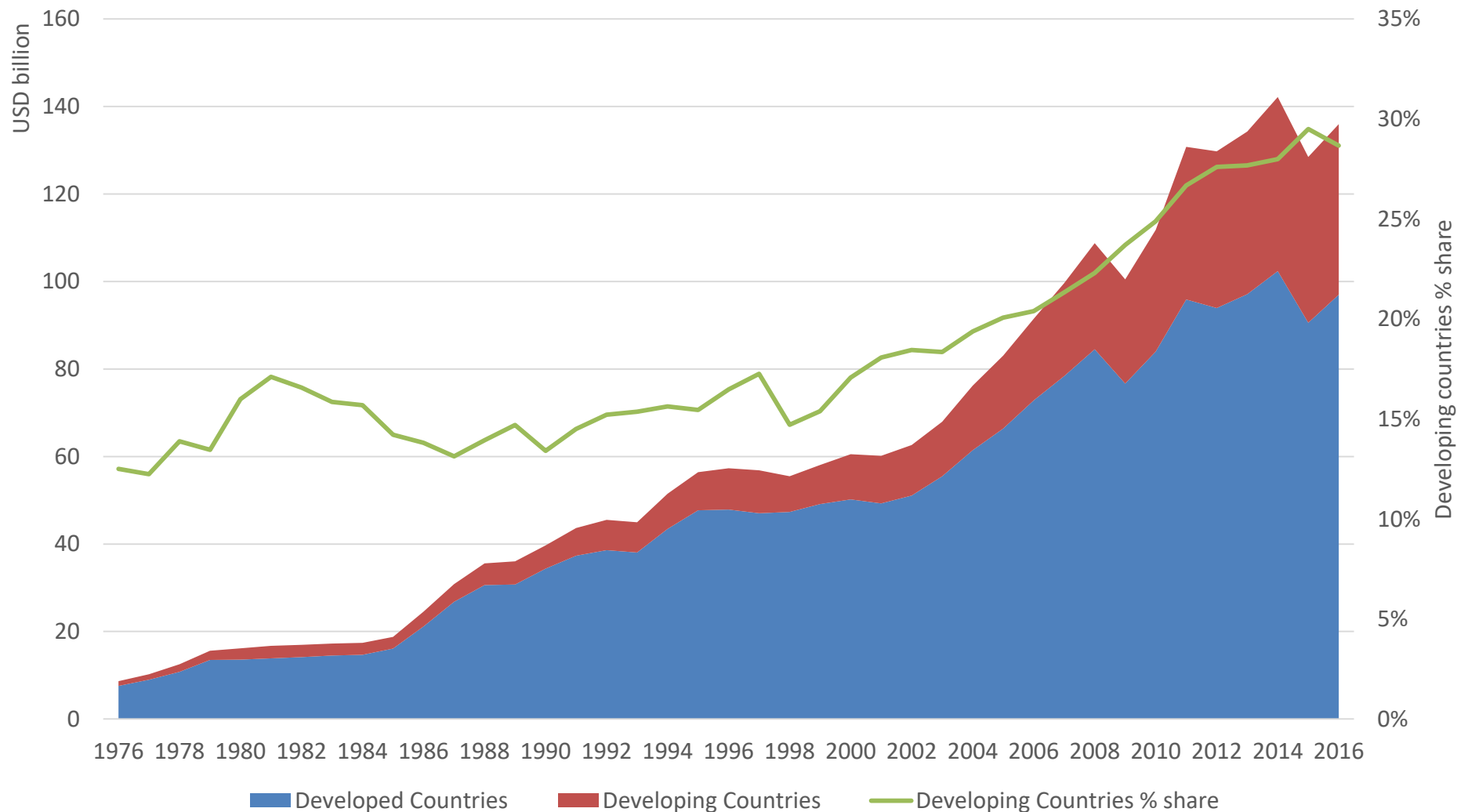
Lower % of production entering trade



Data source: Globefish

# The new era of international trade

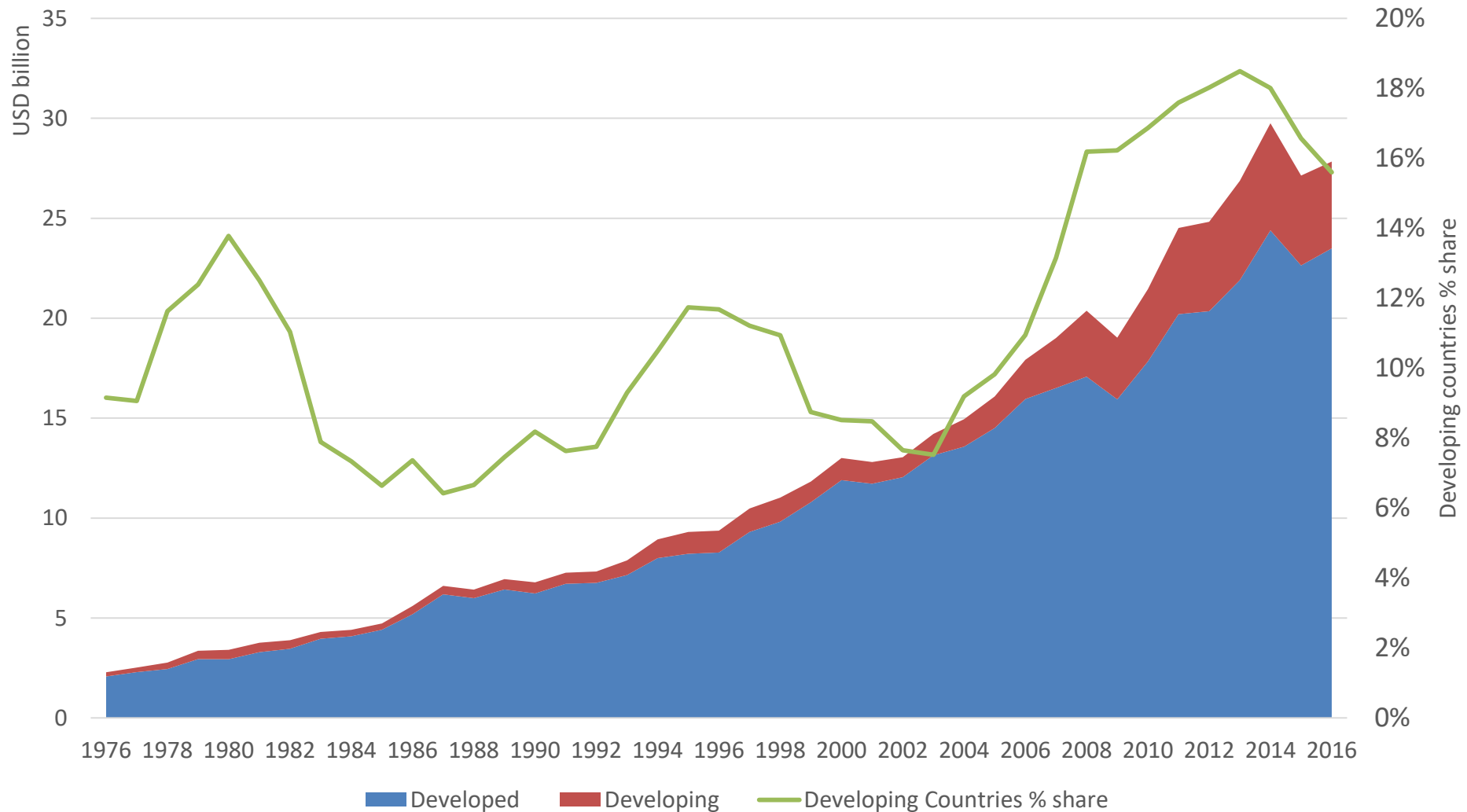
## Increase in developing countries' share of total seafood imports



Data source: FAO

# The new era of international trade

## Increase in developing countries' share of imports (Americas)

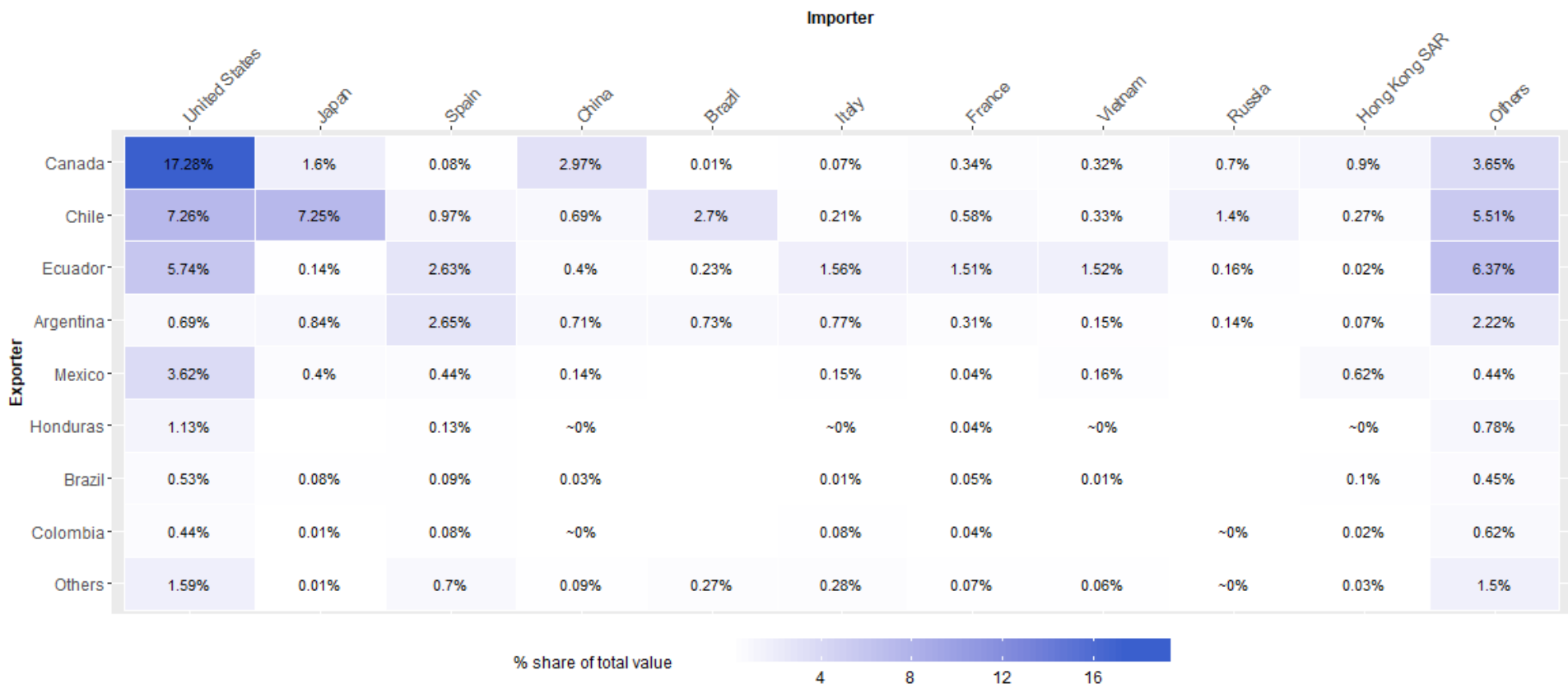


Data source: FAO

# The new era of international trade

## Diversifying export markets

Canada, Chile, Ecuador & 13 other reporters trade with all partners | Fish and fishery products - All products  
 % share of cumulative total USD value from Jan 2012 to Dec 2013



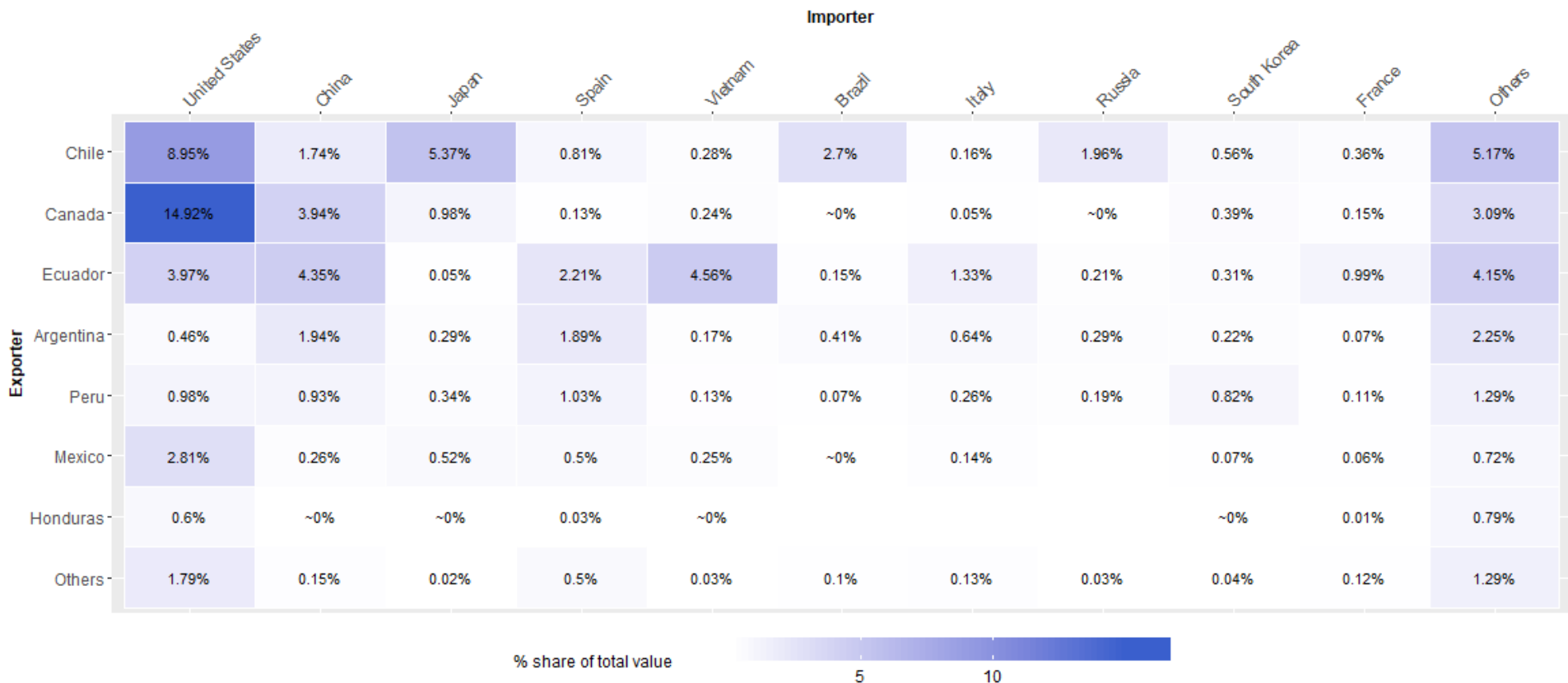
Note: flows calculated using reported exports



# The new era of international trade

## Diversifying export markets

Chile, Canada, Ecuador & 13 other reporters trade with all partners | Fish and fishery products - All products  
% share of cumulative total USD value from Jan 2018 to Jun 2019



Note: flows calculated using reported exports



# The modern consumer

## The drivers

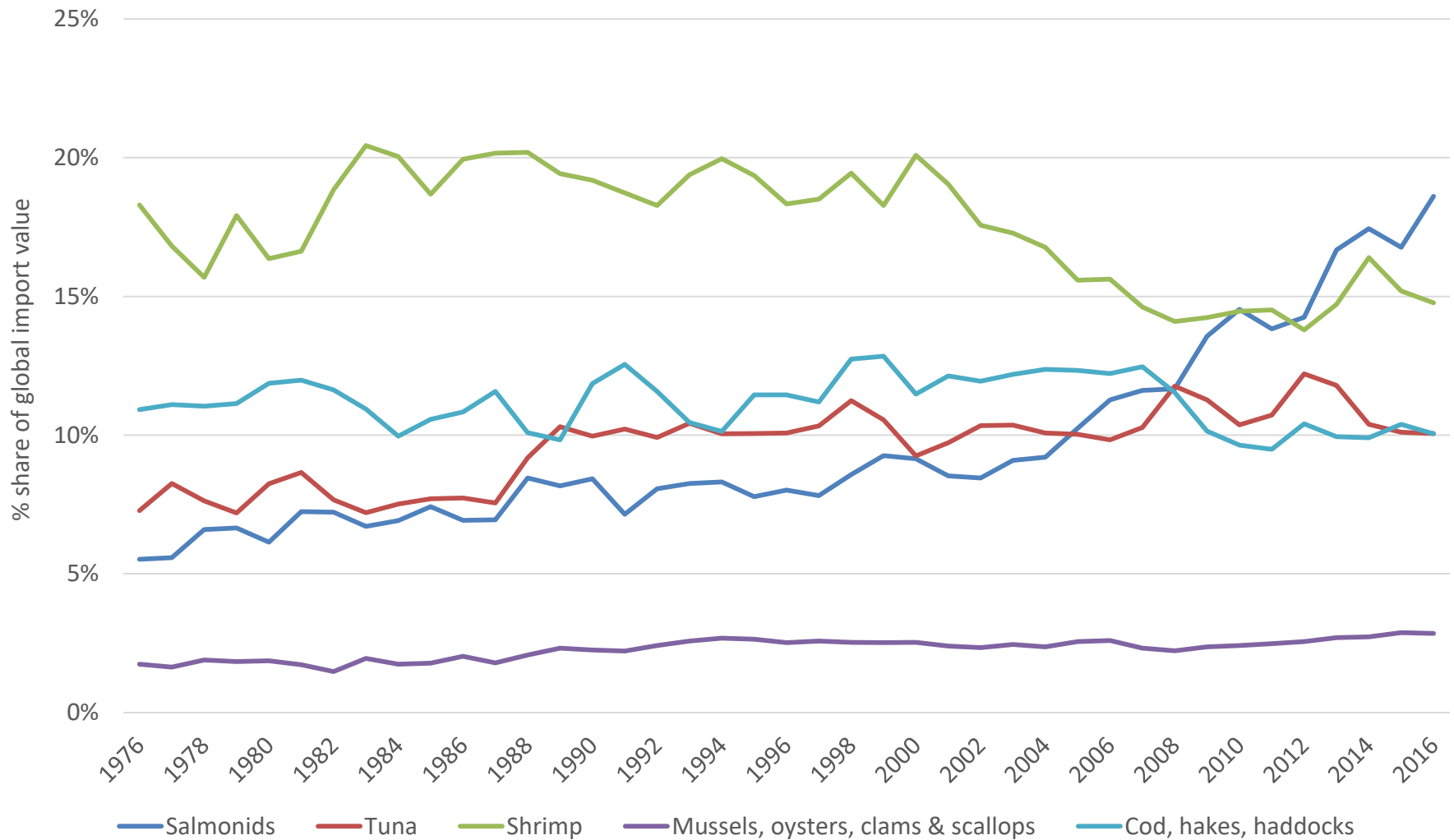
- Mass urbanization
- Rapidly expanding middle class in emerging markets, particularly China
- Increasing opportunity cost of preparation time
- Growing 'sustainability awareness', including social issues
- Emphasis on healthy eating and lifestyle choices

## The results

- Increase in animal protein consumption
- Growth of retail chain sales
- Product innovation with an emphasis on processed forms and 'ready-to-cook' preparations
- Increasing demand for species with perceived health benefits such as salmon and tuna, particularly in fresh form
- Logistical innovation enabled by new demand
- Proliferation of ecolabels and social responsibility standards

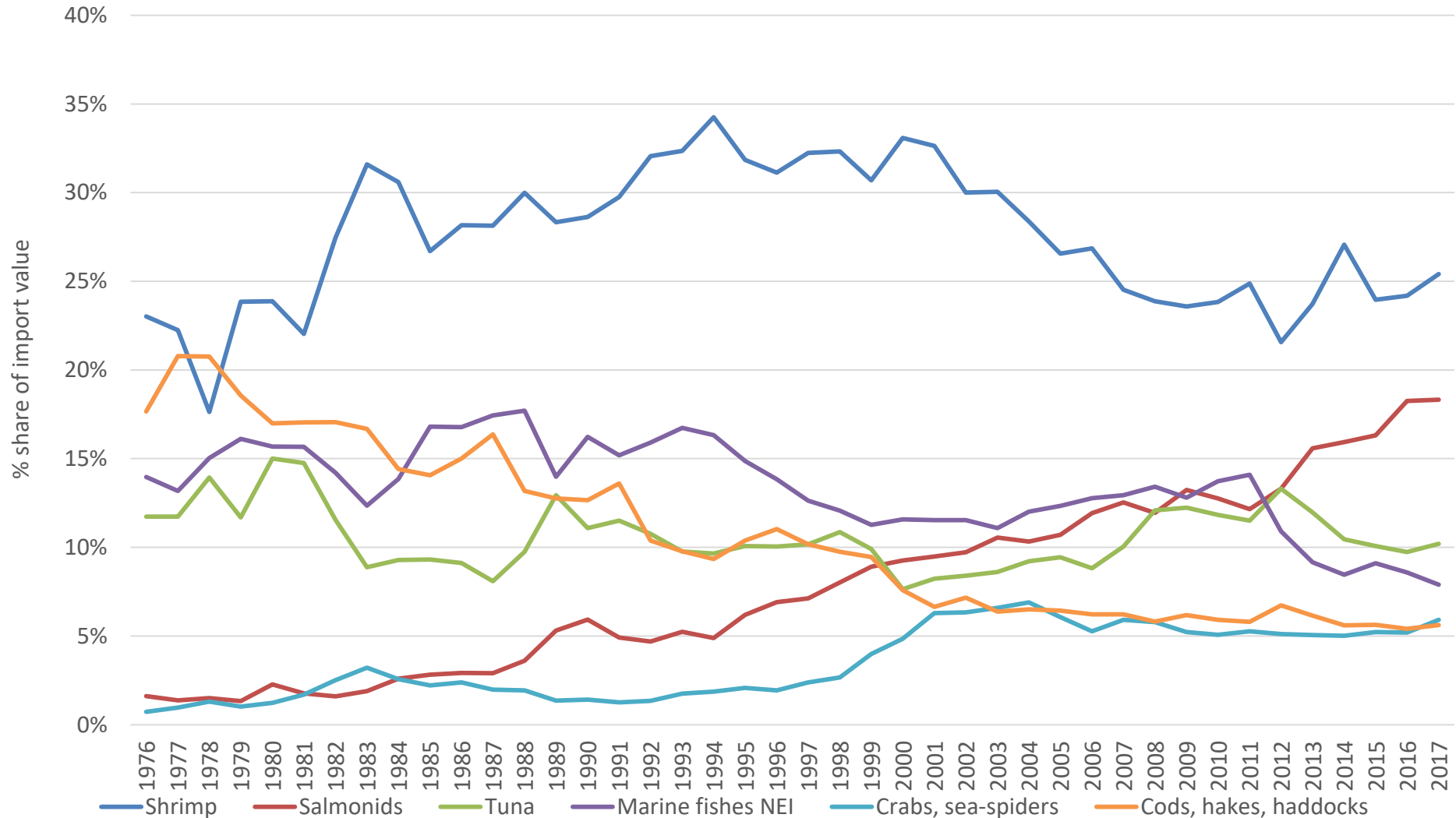
# The modern consumer

## Growing market share for salmon, tuna (fresh)



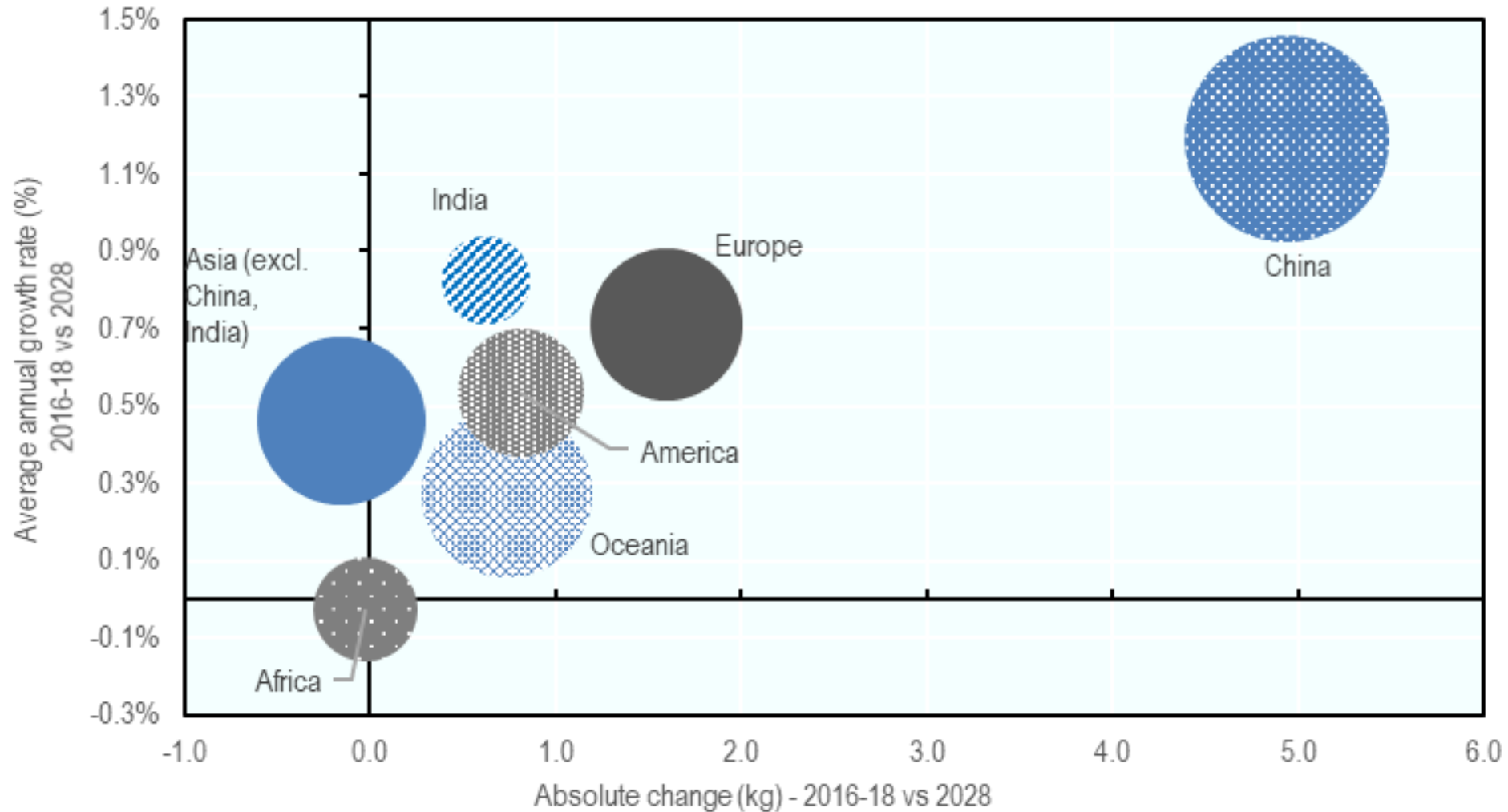
# The modern consumer (Americas excl. US/Canada)

## Growing market share for salmon



# The modern consumer

## Per capita fish consumption projections

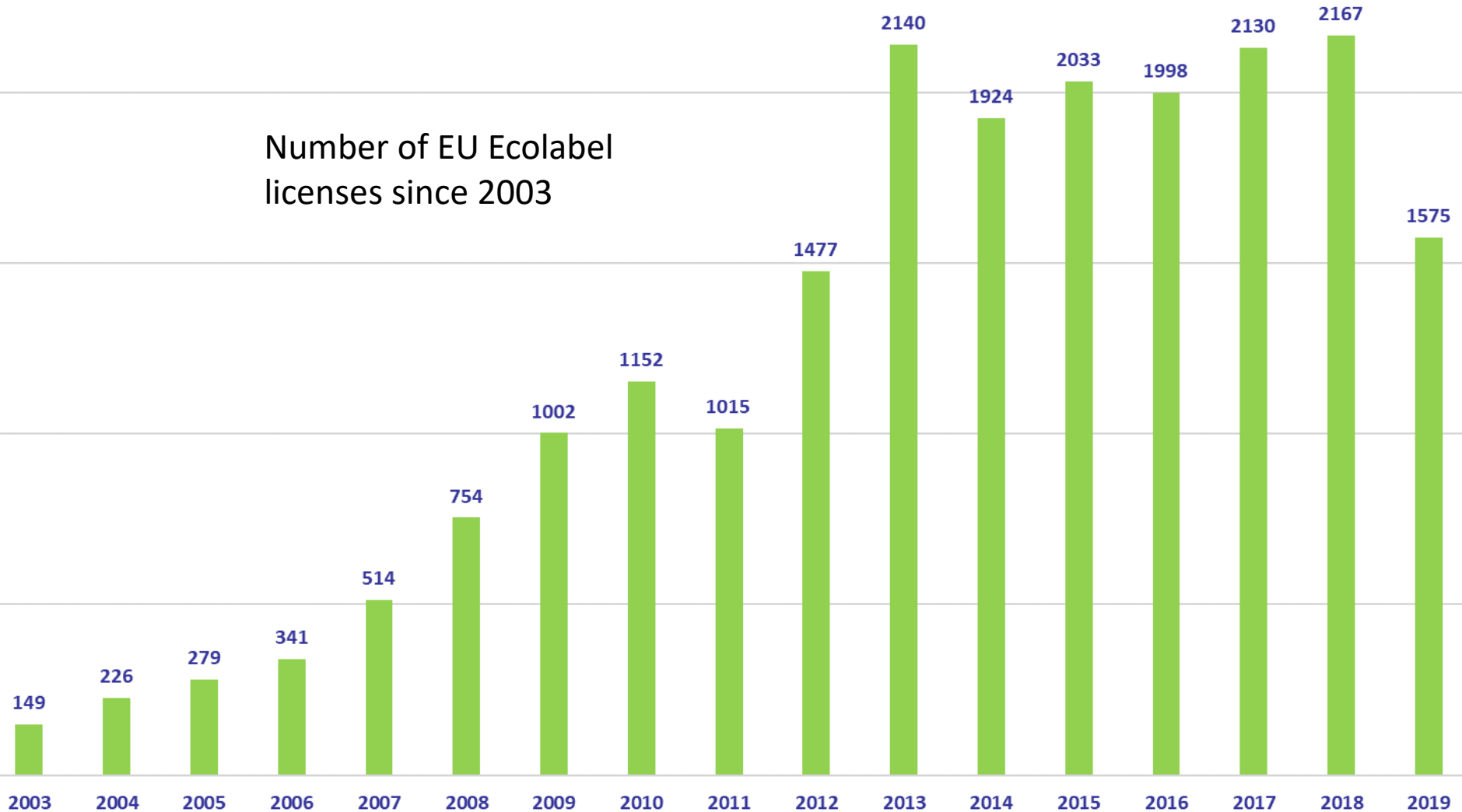




# The modern consumer

## The ecolabel boom

Number of EU Ecolabel  
licenses since 2003



# The path to sustainable growth

## The Sustainable Development Goals



**SDG 1**– End poverty in all its forms everywhere

**SDG 2**– End hunger, achieve food security and improved nutrition and promote sustainable agriculture

**SDG 14**– Conserve and sustainably use the oceans, seas and marine resources for sustainable development

**SDG 17** – Strengthen the means of implementation and revitalize the global partnership for sustainable development



# The path to sustainable growth

(Some of) the work of FAO

## **Improved governance**

- Contributor to Sustainable Development Goals
- Code of Conduct for Responsible Fisheries
- International policy dialogue – COFI & COFI-FT

## **Combating IUU fishing**

- Agreement on Port State measures
- Global fishing record
- Voluntary Guidelines for flag-state performance

## **Traceability and catch documentation**

- Voluntary Guidelines for Catch Documentation Schemes
- Technical assistance on e.g. traceability scheme implementation, addressing trade in CITES-listed species

## **Sustainability standards and effective consumer communication**

- Ecolabelling guidelines, for capture and aquaculture

## **Social responsibility**

- FAO Guidance on Social Responsibility in Fisheries and Aquaculture Value Chains



**Food and Agriculture  
Organization of the  
United Nations**