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Poland

Fishery Products

Update

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Report Highlights:
Polish seafood imports from all sources have increased by about 25-30 percent annually over the last 10 years. U.S. exports to Poland rebounded strongly from a decline in 2005 with 77 percent growth in 2006 to $19.5 million due to higher demand for wild Pacific salmon. The trend is generally positive for U.S. exports with 14 percent growth over the last two years. The best prospects for U.S. exporters are for wild Pacific species and other seafood destined for processing and re-export such as herring and mackerel.

Includes PSD Changes: No
Includes Trade Matrix: No
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Section I. Market Overview

Since the fall of communism and privatization, Poland's seafood catch has declined while the processing sector and imports have increased. Three firms now control 75 percent of the market for processed seafood products as a result of consolidation over the past few years. Demand outpaces local production and the Polish seafood processing industry has become dependent on imports for raw materials. The Scandinavian countries of Sweden, Denmark and Norway are its leading suppliers, contributing about 40 percent of all seafood imports to Poland. China and Vietnam are also important suppliers both with 8 percent of the Polish seafood import market. The United States has a 3 percent import market share based on 2006 figures. Poland remains a good potential market for U.S. suppliers with an expected annual increase in seafood retail sales of 15 to 20 percent.

Advantages	Challenges
Polish seafood imports are expected to continue to increase about 10% annually.	EU suppliers face no tariffs, as compared to up to 22% faced by U.S. exporters.
Demand for value-added products, such as fish sticks made from herring fillets, could lead to higher growth for U.S. imports.	Poland's per capita consumption rate for seafood is low; less than half of its European counterparts.
The demand for other U.S. raw materials (e.g. mackerel) will likely grow due to decreased domestic supply and increased demand.	Chicken and pork are still the preferred meats of choice due to traditional consumption patterns and lower prices for these products.
With the improved economic situation of Polish families, the demand on more expensive products, such as wild Pacific salmon may grow.	Decreasing fish supplies worldwide- also affecting the U.S. suppliers.
Increasing demand for health food will raise interest for wild species of seafood, especially among young people.	Strong competition from Asian countries like China and Vietnam in the supply of fresh water farmed species.

Section II. Demand, Trade and Marketing Strategies

Consumption

It is estimated that the 2006 consumption of seafood products in Poland was 12.10 kg per capita, an increase of 7.3 percent from the previous year. Three-quarters of fish consumption is salt-water fish, although it's share decreased last year in favor of fresh water species, primarily due to an increased consumption of panga imported from Vietnam. Also consumption of shrimp per person increased in 2006 to 0.21 kg and is 1.7 percent of all seafood consumption. The most popular species are still Pollock, herring, and mackerel.

Distribution

Seafood is sold in more than 1,200 stores ranging from specialized stores to supermarkets and hypermarkets. The variety of processed fish products available in Polish hyper or supermarkets is greater than the selection in U.S. stores. The largest hypermarkets include a wide selection of live fish (in tanks) for purchase, resulting in a relatively large area of store square footage dedicated solely to seafood sales.

Trade

Since Poland joined the EU seafood product trade has experienced rapid growth. In 2006 imports from all sources reached US$832 million, growing 25 percent from 2005 and 67 percent from 2004, while exports reached US$786 million, growing 30 percent from 2005 and 81 percent from 2004.

In 2006 U.S. exports to Poland doubled from 2005 reaching US$19.5 million. Frozen fillets of Pacific salmon and Alaskan Pollock are the primary seafood exports from the United States. Polish exports of seafood products (processed, canned herring and mackerel) to the United States have been decreasing over last three years. In 2006, Poland exported 3,500 tons of seafood valued at US$13.6 million, down 18 percent from 2005.

Table I: Polish Seafood Imports in metric tons, 2004-2006

Year	2004	2005	2006
Whole fish	100,741	114,922	133,458
Fillets/Fish Meat	130,177	135,840	156,053
Processed	32,374	32,996	32,999
Total Imports	272,110	292,123	329,245

Source: Global Trade Atlas

Table II. Polish Seafood Exports in metric tons, 2004-2006

Year	2004	2005	2006
Whole fish	19,885	24,257	23,839
Fillets/Fish Meat	30,795	32,995	34,621
Processed	71,738	84,921	97,048
Total Exports	123,716	143,190	157,241

Source: Global Trade Atlas

Table III: Polish Seafood Trade in Specific Products, 2006

Code	Product	Exports		Imports	
		Quantity	USD	Quantity	USD
		tons	1000	tons	1,000
0301,0302,0303	Live, Fresh/Chilled, Frozen	15,391	12,260	103,178	126,673
0304	Fish Fillets	26,222	96,926	116,279	160,213
0305	Dried, Salted, Smoked Fish	7,824	57,562	212	1184
0306	Shellfish	662	2,068	4,507	14,060
0307	Molluscs	560	2,631	641	1,938
1604	Processed and Preserved Fish, Caviar	42,041	100,129	24,133	40,821
1605	Shellfish, Molluscs, Prepared or Preserved	1,570	17,736	812	5,111

Source: Global Trade Atlas

The increase in imports is actually linked to increasing exports as Poland is one of the leading importers of farmed salmon in Europe for processing and re-export. The majority of it is exported to other EU members, primarily Germany and France. Imports of herring, mackerel, Baltic cod, sprat, and flounder are also important for the Polish seafood processing. Some of these products are purchased locally as well. Baltic cod specifically is in high-demand but the resources are limited, so the product can be expensive. The retail price for fresh cod fillets is close to the price for salmon fillets.

Imports from Asian and EU countries have been increasing rapidly in the last few years. Herring and salmon, imported from multiple countries, Pollock, imported primarily from China and hake, imported from Argentina, became the most important imported species in 2006. Panga (called "cheaper sole") and butterfish are other species becoming popular among Polish customers. The rapid increase in imports of fresh water fish, such as 25,000 tons of frozen Sushi catfish fillets from Vietnam in 2006, is another recent phenomenon. Imports of highly processed seafood products are relatively small and primarily limited to canned tuna imported mainly from Thailand.

Current Tariff for Seafood Products

Tariffs for seafood products exported to the EU from developed countries range from 0 to 22 percent depending on species and the period of the year. Detailed information can be found at the following Web page starting from page 46:

http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/l_301/l_30120061031en00010880.pdf

Market Access

A health certificate issued by a government-approved veterinarian from the exporting country must accompany all fish shipments to Poland. Products packed for retail sale also must bear a label in the Polish language with the date of production clearly stated. Exporters should also check with Polish importers regarding standards.

For a current list of guidelines regarding seafood exports to Poland, information is available from USDA, FDA, and Department of Commerce's National Marine Fisheries Service, as well as from USDA's EU Web page: http://useu.usmission.gov/agri/seafood2.html.

Entry Strategy

Entering the seafood market is best accomplished through European Seafood Exhibition, organized annually at the end of April in Belgium and the POLFISH Trade Fair, one of the largest seafood exhibitions in Central Europe. Held biannually in Gdansk, the next POLFISH trade show is scheduled for 2009. In addition to participating in the above-mentioned events, exporters of U.S. seafood products may obtain a list of current importers by contacting the Office of Agricultural Affairs of the U.S. Embassy in Warsaw. Please refer to Section IV of the report for information on the exhibitions and office contacts.

Section III. Production

Although Poland does have some local resources for raw material such as catch from Baltic and limited but growing aquaculture, it relies heavily on imports as raw material for further processing and re-export. It is estimated that the total size of production of processed seafood amounted to 400,000 tons in 2006 valued at US$1.5 billion.

Table IV: Production of processed seafood in 2006

Year	2002	2003	2004	2005	2006	2007 est.
size in '000 tons	273.2	274	309.1	348.2	400	420
value in million US$	560	650	800	1030	1500	1600

Poland's 2006 catch was 125,600 tons (8 percent down from 2005 and 22 percent down from 2003) and consisted mainly of sprat, herring and cod. The decreasing population of pelagic fish, unfavorable climate conditions, and a smaller number of fishing vessels all led to the decline. About 85 percent of Poland's catch come from the Baltic Sea, with the remaining 15 percent caught in the West Pacific, Antarctic, and East Atlantic waters. The quotas for Baltic Sea catch are projected to remain relatively constant for Baltic salmon, and increase for sprat, herring, and cod.

Aquaculture is a growing trend in Poland. Fresh water and breeding fish caught in 2006 totaled 54,000 tons, 2 percent down from 2005, mostly due to lower production of carp. However, we believe Poland will increase its overall reliance on aquaculture in the coming years. The most important aquaculture species in Poland are pike, carp, trout, eel, tench, vendace and pikeperch.

From 2004 to 2006 107 million Euro in subsidies were provided to fishermen to end their activities. This money was used to salvage of almost 30 percent of Polish commercial fleet. About 53 million more Euro will be available from 2007 to 2013 to take an estimated 200 more vessels out of production.

Due to these trends, Poland will continue to rely more heavily on imports, and to a lesser extent its own aquaculture production, to supply its growing seafood processing industry.

Section IV. Trade Shows and Contact

European Seafood Exhibition, Brussels, Belgium
April 22- 24, 2008
www.euroseafood.com

POLFISH Trade Fair, 2009
International Gdansk Fair
ul. Beniowskiego 5
80-382 Gdansk
Contact: Monika Juszkiewicz, tel. (48-58) 554 9362, tel./fax (48-58) 554 9211,
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For more information concerning market entry and a current importer list contact:

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