

Sizing Up Sub-Saharan Africa's Market Potential for U.S. Fish and Seafood

By *Souleymane Diaby*

Sub-Saharan Africa, a region with nearly 50 countries and 659 million people, has so far had a limited role in global trade. While the world's trade volume has tripled over the last two decades, Sub-Saharan Africa's trade has grown less than 10 percent. Incomes throughout the region are relatively low on average, ranging from \$100 in Ethiopia to \$7,300 in the Seychelles. Not surprisingly, the Seychelles, with 81,000 people, has the highest seafood consumption in the region, 5.75 kilograms (1 kg. = 2.2046 pounds) per person annually. In comparison, Americans consume an average of 21 kg. per person per year.

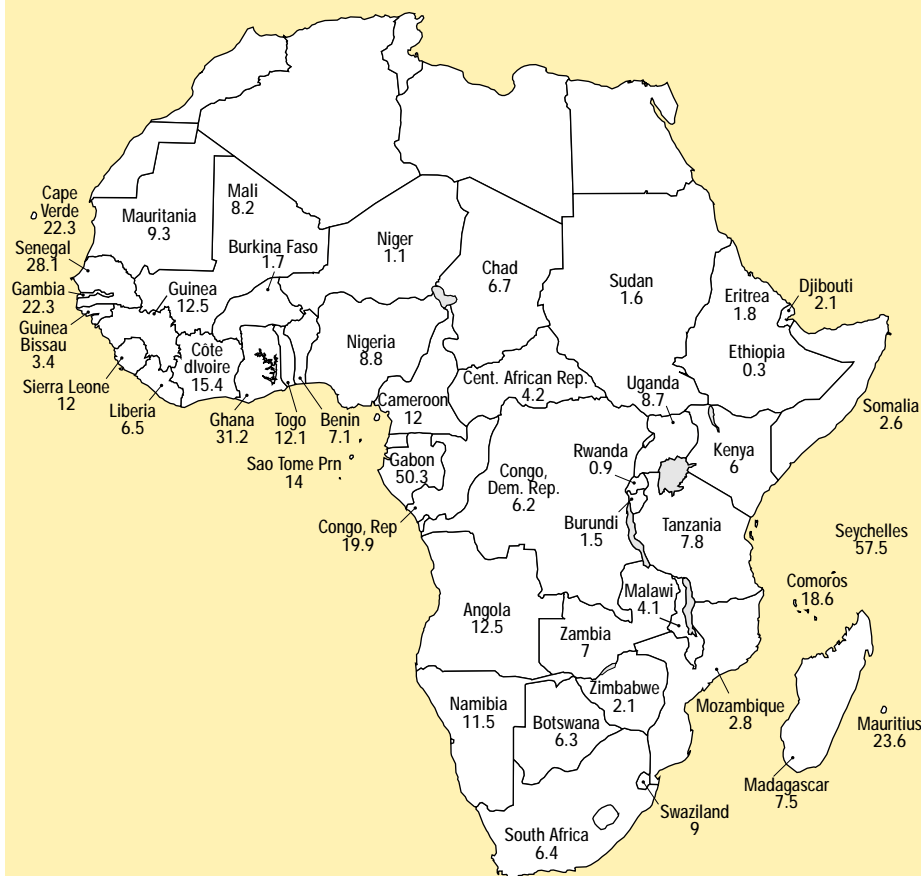
Fish Is on the Menu

Although Sub-Saharan Africa has relatively low per capita seafood consumption, fish is still an important item in the African diet, accounting for an average of 20 percent of the animal protein consumed in the region. In coastal areas, fish may supply as much as 80 percent of animal protein. Partly due to limited home refrigeration, African consumers tend to prefer fresh seafood products over frozen, but smoked, dried and salted products are also popular.

While Sub-Saharan Africa is a net exporter of seafood in terms of value, it imports over \$800 million worth of seafood products annually. Substantial quantities of low-priced fresh and frozen products are imported to supplement domestic production, particularly in Nigeria, Côte d'Ivoire, Ghana, Cameroon and the Democratic Republic of Congo. The subcontinent's



2000 Per Capita Seafood Consumption in Sub-Saharan Africa, in Kilograms



Source: United Nations Food and Agriculture Organization.

largest seafood importers by value are Nigeria, Côte d'Ivoire, Ghana and South Africa. The region's fish import dependency is expected to grow as its population increases (it is projected to reach 915 million by 2010) and wild fishery harvests decline.

In 2001, U.S. seafood exports to Sub-Saharan Africa were valued at \$6 million, greater than U.S. seafood exports to North Africa (\$4.4 million), South Asia (\$3 million) or Eastern Europe (\$2.6 million). Major U.S. markets included Nigeria, South Africa, Gabon and Ghana. Topping the list

of commodity exports were the small pelagic species such as mackerel and herring, while salmon and surimi also scored notable sales.

An Important Niche in Nigeria

Nigeria imports over \$200 million worth of seafood products annually. With the United States holding less than 2 percent of Nigeria's total market, there is potential for substantial market expansion. Between 1995 and 2000, U.S. seafood exports to Nigeria averaged \$283,000 per year.

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— David Ellenton, Vice President/
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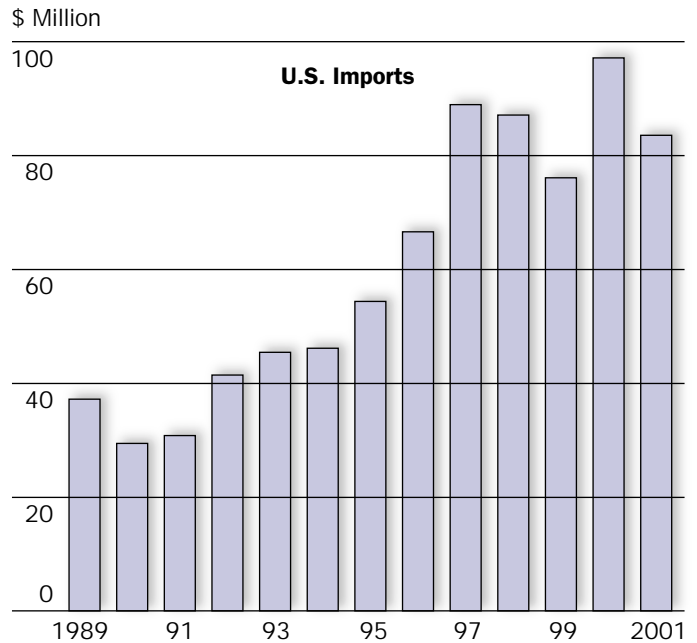
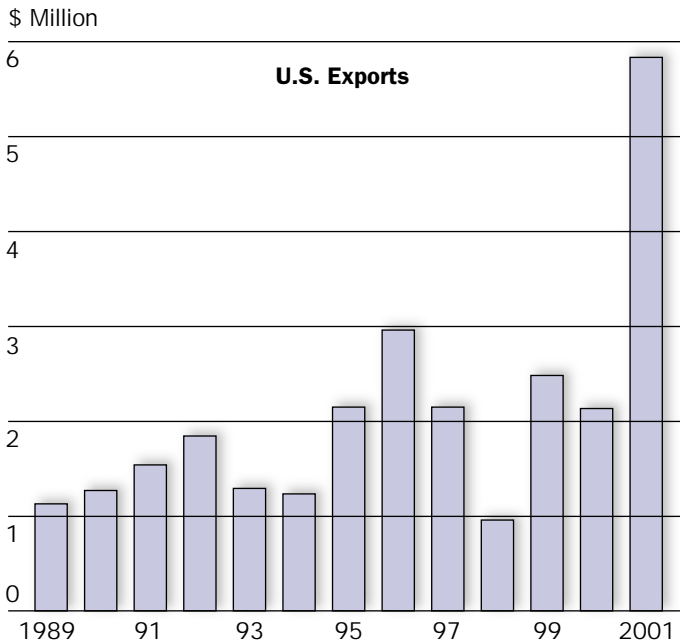
However, Nigerian tariff adjustments in 2001 created market opportunities for U.S. exporters. U.S. sales surged to \$2.9 million that year, due to a reduction in the tariff on all fishery products (finfish and invertebrates such as crustaceans and mollusks) from 25 to 5 percent. As a result, Nigeria has developed into a major export destination for U.S. Atlantic mackerel and herring, ranking as our fourth and fifth largest market, respectively, for these species in 2001.

The market potential is strong as domestic production supplies only 50 percent of Nigeria's seafood needs, estimated at 800,000 metric tons, according to the United Nations' Food and Agriculture Organization. The frozen market is the country's largest outlet for seafood product distribution. Private networks of cold storage facilities in major cities distribute most frozen products. Consumption of dried and smoked products is growing, particularly in more remote areas, because they are easy to preserve and consume.

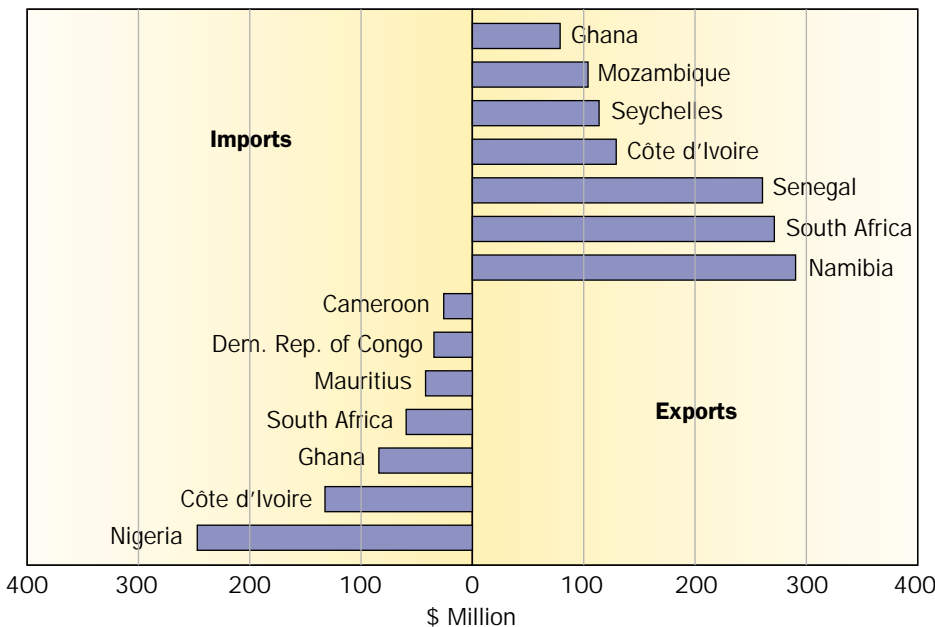
Market Development Harvesting Results

Market development efforts and support by USDA's Market Access Program (MAP) have been helpful. Following a USDA trade mission in 2000, the American Seafood Institute provided U.S. exporters with an improved understanding of the

For Sub-Saharan Seafood Suppliers, the United States Is Also a Good Market



Major Seafood Importers and Exporters Within Sub-Saharan Africa in 2000



Source: United Nations Food and Agriculture Organization.

market and vital introductions to Nigerian importers.

As a result, **Cape Seafoods, Inc.** of Gloucester, Mass., made its first sales to Nigeria by shipping 4,000 tons of herring and mackerel in 2001. "The market is great for Atlantic mackerel and herring," said David Ellenton, Cape Seafoods' vice president and general manager. "Although a recent devaluation of the Nigerian naira will make things difficult, we have established a relationship with a reputable importer to expand our sales." ■

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