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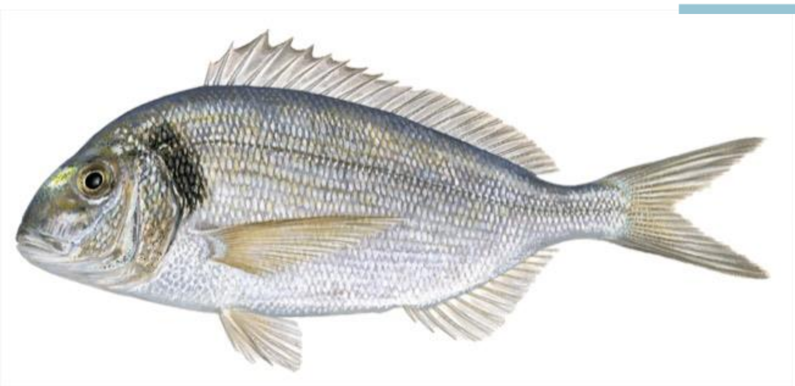
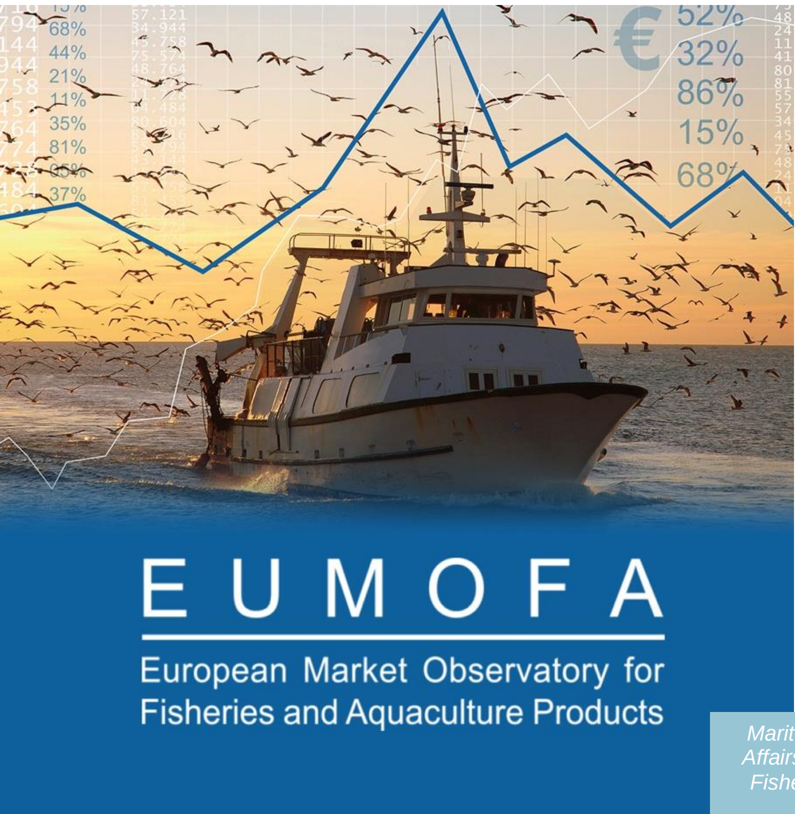


CASE STUDY

FRESH GILTHEAD SEABREAM IN THE EU



Maritimes Affairs and Fisheries

PRICE STRUCTURE IN THE SUPPLY CHAIN

FOCUS ON SPAIN, GERMANY AND FRANCE

JANUARY 2022

WWW.EUMOFA.EU

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Summary

- This study focuses on whole fresh gilthead seabream in three Member States: Spain, Germany, and France. The gilthead seabream supply chain is different in the three countries selected for the case study. In Spain, the national market relies on both domestic farmed production and imports whereas in France the domestic production is limited so the market (especially the retail market) relies mostly on imports. In Germany, there is almost no domestic production, so the market depends exclusively on imported products.
- The analysis covers sales of whole fresh gilthead seabream sold in bulk by large scale retailers. In Spain and France, comparisons are provided between domestically farmed products and imported seabream.
- The volume of production of gilthead seabream (aquaculture + fisheries) was 236.834 tonnes worldwide in 2019 - 97% from aquaculture (FAO).
- The main farmed gilthead seabream producers are by far the EU-27 and Turkey, which accounted for 40% and 34% respectively of the world production in 2019. Other major producing countries include Egypt and Tunisia.
- EU Member States produced 95.207 tonnes of farmed gilthead seabream in 2019 (+5% compared with 2010) - this accounted for 40% of world production.
- EU production mainly relies on aquaculture (97% of the volume).
- In terms of gilthead seabream farming, Greece is by far the leading producer in the EU, with 58% of the EU total in 2019, and producing 55.500 tonnes. Other major farming countries were Spain (13%), Italy (10%), Croatia (7%) and Cyprus (5%).
- Imports from non-EU countries include mainly fresh products (96% of import value in 2020). Their overall value was EUR 157,7 million in 2020, with Turkey the main supplier (94% of the total in value).
- Extra-EU exports of gilthead seabream and gilthead seabream products amounted to 8.425 tonnes for EUR 47 million in 2020. This mainly consisted of fresh gilthead seabream, mainly intended for Israel, Switzerland, the UK, and Arab Emirates.
- In terms of intra-EU trade, Greece is the most active MS (68% of sales value on intra-EU market in 2020 – EUR 270 million), followed by Croatia and Italy (more than EUR 30 million exported in 2020 on intra-EU market).
- The main outcomes of the price structure analysis of the three products surveyed are listed below:
  - The farm-gate price for whole fresh gilthead seabream (either ex-farm or import prices) ranges from 4,30 EUR/kg (import from Greece or Turkey) and 8,20 EUR/kg (ex-farm in France).
  - The retail price (excl. VAT) goes from 6,27 EUR/kg in Spain (for imported seabream) up to 14,70 EUR/kg in France for domestically farmed seabream.
  - The raw material cost amounts to between 39% (in DE) to 70% (in ES for imported seabream) of the final price at the retail stage.

List of acronyms

CN	Combined Nomenclature
EU	European Union (EU-27)
MS	Member States
FAO	Food and Agriculture Organisation of the United Nations
VAT	Value Added Tax
LWE	Live Weight Equivalent
OCU	Organización de Consumidores y Usuarios
HORECA	HOtel, REstaurant and CAtering

0 Scope and content

0.1 Case study scope

Key elements on the analysis of fresh gilthead seabream price structure and distribution of value in the supply chains are:

Product	Origin	Characteristics	Market and price drivers	Focus MS
Gilthead seabream	Aquaculture Fishery (to a lesser extent)	One of the most important products on the whole fresh fish market segment in Mediterranean countries Among major farmed species within the EU	Balance between supply and demand (stability of the market) Import volumes and prices from extra-EU (Turkey) Origin of products	Spain France Germany

0.2 Content of the document

In conformity with the methodology developed within EUMOFA and available on its website (http://www.eumofa.eu/price-structure), this document includes:

- A description of the product;
- An analysis of production and market trends at EU level;
- An analysis of the price structure along the supply chain in Spain, Germany, and France.

1 DESCRIPTION OF THE PRODUCT AND MARKETS

1.1 Biological and commercial characteristics

The case study focuses on fresh farmed gilthead seabream

Case study product

Name: Gilthead seabream – *Sparus aurata*

FAO 3-alpha code: SBG

Presentation: mostly whole fish, not gutted, fresh or chilled

Commercial sizes: from 2–800 g

Related codes in the product nomenclature (COMEXT/EUROSTAT)

Gilthead seabream is distinguished in the Combined Nomenclature (CN). From 2012, the fresh and frozen forms of the whole fish are differentiated:

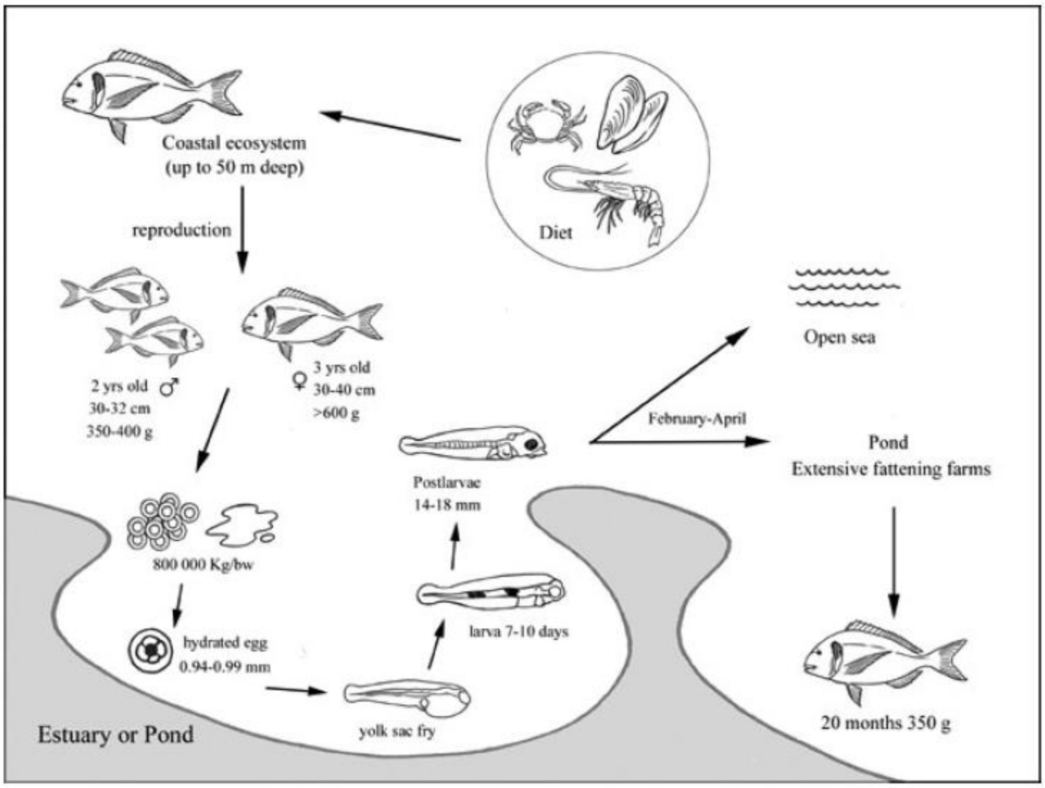
CN code 03 02 85 30 – Gilt-head seabream (*Sparus aurata*), fresh or chilled

CN code 03 03 89 55 – Gilt-head seabream (*Sparus aurata*), frozen

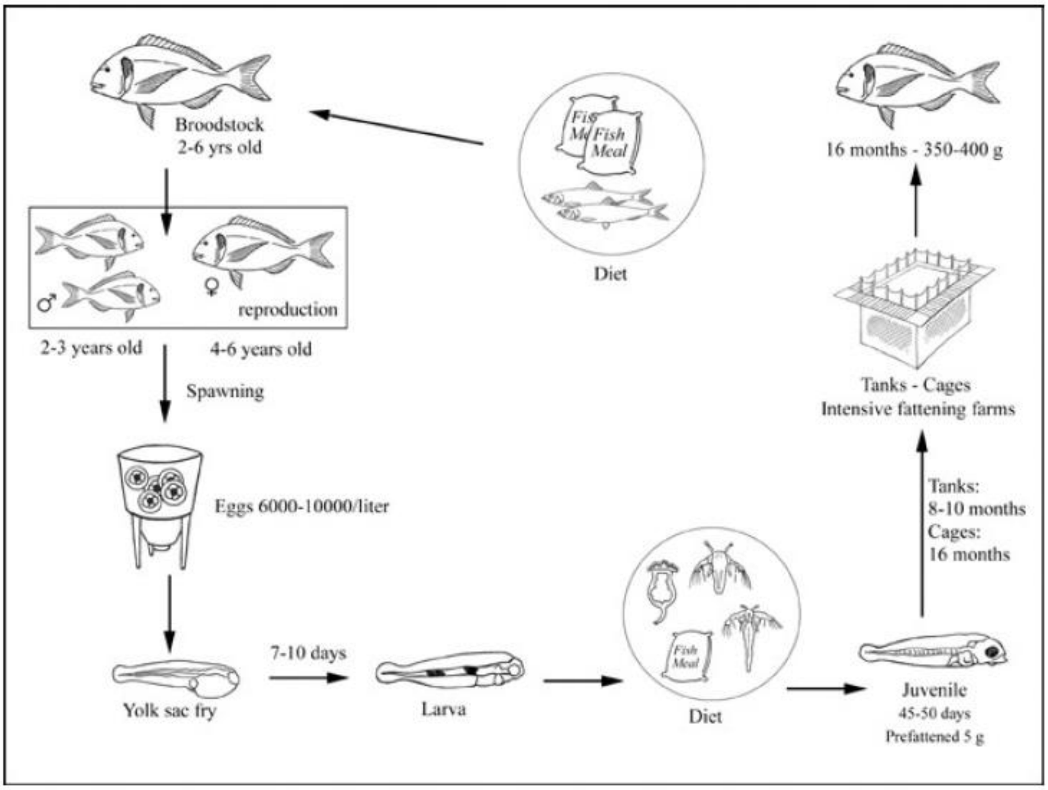
1.2 Production cycle

Figure 1: Production cycle of gilthead seabream

Extensive system



Intensive system



Source: FAO

1.3 World production

1.3.1 Overview

Global gilthead seabream production amounted to 236.834 tonnes in 2019, which was 64% higher than in 2010, mostly due to the significant increase of aquaculture.

Gilthead seabream production is mainly from aquaculture (97%). Farmed seabream production amounted to 228.576 tonnes in 2019. Catches accounted for only 3% of the global production, for a total of 8.258 tonnes[1].

Table 1: Evolution of gilthead seabream global production (tonnes)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% total 2019	Evol. 2019 / 2010
Catches	8.362	7.552	8.110	7.232	6.721	7.525	7.573	10.271	8.546	8.258	3%	-1%
Aquaculture	136.070	142.306	134.337	143.107	158.875	160.734	168.791	189.308	218.187	228.576	97%	+68%
Total	**144.432**	**149.858**	**142.447**	**150.339**	**165.596**	**168.259**	**176.364**	**199.579**	**226.733**	**236.834**	**100%**	**+64%**

Source: FAO

1.3.2 Gilthead seabream farmed production over time by the main producing countries

The main gilthead seabream producers are by far the EU and Turkey, which accounted for 40% and 34% of the world production in 2019 respectively. Other major producers included Egypt and Tunisia, representing 13% and 8% of the world production respectively.

Table 2: Farmed gilthead seabream production in the main producing countries (tonnes)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% total 2019	Evol. 2019 / 2010
EU	97.714	93.076	80.030	86.503	93.218	86.692	83.066	83.641	95.328	91.964	40%	-6%
Turkey	28.362	28.157	32.187	30.743	35.701	41.873	51.844	58.254	61.090	76.680	34%	+170%
Egypt	5.335	15.065	14.155	14.806	14.537	16.967	16.092	26.663	35.221	29.994	13%	+462%
Tunisia	1.433	2.296	4.184	5.273	8.475	8.124	10.216	12.168	16.841	18.463	8%	+1188%
Albania	370	467	375	1.600	1.600	1.600	1.800	1.900	2.400	2.300	1%	+522%
Israel	1.072	1.240	1.440	2.052	2.520	2.554	1.820	2.065	2.255	2.255	1%	+110%
Saudi Arabia	1.190	1.300	1.453	1.648	1.825	1.685	3.057	2.220	2.230	2.200	1%	+85%
United Arab Emirates	-	-	172	170	370	290	270	1.710	1.810	1.900	1%	-
Algeria	28	65	109	161	349	651	270	270	270	1.756	1%	+6171%
Others	566	640	232	151	280	298	356	417	742	1.064	0%	+88%
Total	**136.070**	**142.306**	**134.337**	**143.107**	**158.875**	**160.734**	**168.791**	**189.308**	**218.187**	**228.576**	**100%**	**68%**

Source: FAO

[1] This volume is likely to be underestimated as gilthead seabream may be reported under more general fish categories in small-scale coastal fisheries, especially in the Mediterranean Sea.

1.4 EU production

1.4.1 EU production by main producing Member States

The EU production of gilthead seabream was 95.207 tonnes in 2019. Greece is by far the leading producer in the EU, accounting for 58% of the EU total in 2019 for a total of 55.500 tonnes produced. Other major farming countries included Spain (13%), Italy (10%), Croatia (7%) and Cyprus (5%). Smaller level of production also occurred in France, Malta, and Portugal (2% each).

The EU production slightly increased by 5% over the last decade. However, the production trends have been very different amongst major producing countries. Over the 2010 to 2019 period, the production significantly increased in Italy (+62%), Cyprus (+84%), France (+89%) and Portugal (+58%), whereas it decreased in Spain (-39%). In Greece and Malta, the production remained relatively stable; -3% and +2%, respectively.

Table 3: Farmed gilthead seabream production by producing Member States (tonnes)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% total 2019	Evol. 2019 / 2010
Greece	57.204	51.309	50.933	55.751	50.688	47.713	49.265	55.948	56.203	55.500	58%	-3%
Spain	20.358	15.118	16.607	18.897	16.915	16.005	12.396	17.005	13.662	12.475	13%	-39%
Italy	5.869	5.508	5.400	6.184	6.830	5.947	7.600	7.173	7.316	9.500	10%	+62%
Croatia	-	-	-	2.978	3.655	4.075	4.101	4.830	5.591	6.774	7%	-
Cyprus	2.807	3.056	3.126	3.795	2.919	3.656	5.039	4.950	4.885	5.168	5%	+84%
France	1.239	1.390	1.316	1.636	1.379	1.381	1.584	1.534	1.608	2.344	2%	+89%
Malta	1.755	2.159	2.605	2.550	2.704	2.337	2.221	2.458	1.779	1.783	2%	+2%
Portugal	1.053	828	895	1.427	1.071	1.099	1.162	1.038	1.081	1.662	2%	+58%
Totals	**90.285**	**79.368**	**80.882**	**93.218**	**86.161**	**82.214**	**83.369**	**94.936**	**92.125**	**95.207**	**100%**	**5%**

Source: EUMOFA based on Eurostat and FAO

By comparison, EU catches of gilthead seabream were much lower, reaching 3.373 tonnes in 2019 (41% of global catches), revealing a slight upward trend over the last decade. Main countries in terms of catch volumes were France (34% of the EU total), Italy (19%), Spain (19%) and Greece (15%).

1.4.2 Import – Export

<u>Extra-EU imports</u>

Imports from extra-EU countries are mainly fresh products (96% of sales value in 2020). Their overall value was EUR 157,7 million in 2020, with Turkey being the main supplier (94% of the total extra-EU import value in 2020).

The value of imports increased by 358% over the 2012-2020 period (+316% in real terms)[2].The volume increased by 378% over the 2012-2020 period. This trend is related to the increase of imports of fresh gilthead seabream from Turkey.

Price increased over the 2012-2015 period (+23% in nominal terms) and decreased smoothly over the 2015-2020 period (-22% in nominal terms).

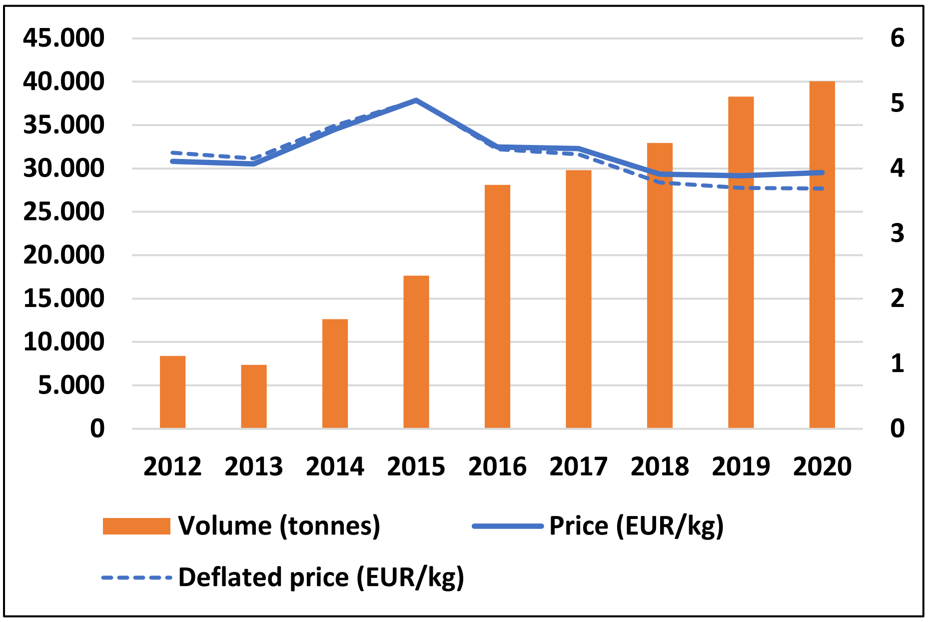
[2] In the report, values in real terms are deflated by using the GDP deflator (base=2015)

Table 4: Extra-EU imports of gilthead seabream (2020)

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	38.714	151.343	5,98	96%
Frozen	1.328	6.366	4,87	4%
Total	40 043	157 709	5,61	100%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Figure 2: Development of extra-EU imports of gilthead seabream



Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Extra-EU exports

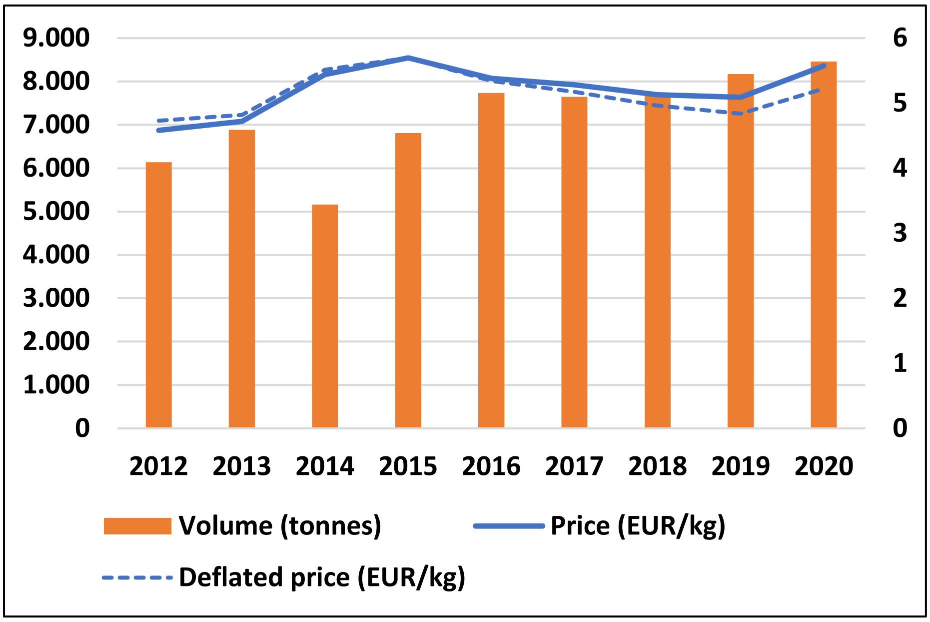
Extra-EU exports of gilthead seabream and gilthead seabream products amounted to 8.425 tonnes for a value of EUR 47 million in 2020. Extra-EU exports mainly consisted of fresh gilthead seabream, intended primarily for Israel, Switzerland, and the Arab Emirates. The value of extra-EU trade increased between 2012 and 2020 (+68% in nominal value; +52% in real terms).

Table 5: Extra-EU exports of gilthead seabream (2020)

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	7.073	38.547	5,45	82%
Frozen	1.351	8.465	6,26	18%
Total	8.425	47.012	5,58	100%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Figure 3: Development of extra-EU exports of gilthead seabream



Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Intra-EU trade flows

Intra-EU exports

In terms of intra-EU trade, Greece is the most active MS (68% of sales value on intra-EU market in 2020 – EUR 270 million), followed by Croatia and Italy (over EUR 30 million exported in 2020 on intra-EU market), then the Netherlands, Spain, Malta, France, and Austria.

Almost all gilthead seabream is exported fresh, except in the Netherlands and Austria, where exports of frozen gilthead seabream represented more than 20% of sales' value of intra-EU exports in 2020.

Table 6: Value of intra-EU exports of gilthead seabream from the main MS of origin (1.000 EUR, nominal value, 2020)

	EL	HR	IT	NE	ES	MT	FR	AT
Fresh	268.856	32.942	31.512	19.087	12.024	8.621	4.674	2.606
Frozen	733	91	90	5.309	10	0	3	848
Total	269.589	33.033	31.602	24.396	12.034	8.621	4.676	3.454

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Intra-EU imports[3]

Main importers of gilthead seabream from other MS are Italy, Portugal, and France (more than EUR 40 million imported in 2020). Germany and Spain are next, with over EUR 19 million imports in 2020.

Only three MS are relevant importers of frozen gilthead seabream: the Netherlands, Italy, and Germany (EUR 3,2 million, EUR 2,2 million, and EUR 2,1 million respectively).

[3] In general, bilateral comparisons between Member States of intra-EU flows reveal major and persistent discrepancies. The main reason is the different declaration obligations for sellers (exporters) and buyers (importers) within international shipping agreement used in the transportation of goods. Thus comparisons dealing with intra-EU trade statistics and related results must be taken into account cautiously and should consider the existence of these discrepancies.

Table 7: Value of intra-EU imports in the main MS of destination (1.000 EUR, nominal value, 2020)

	IT	PT	FR	DE	ES	NL	AT	RO
Fresh	108.117	51.254	42.415	19.854	19.346	3.843	4.004	3.894
Frozen	2.163	86	157	2.115	316	3.184	191	14
Total	110.280	51.340	42.572	21.969	19.662	7.027	4.196	3.908

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

1.4.3 Apparent consumption by Member State

As per EUROSTAT-COMEXT estimates, in 2019 the total supply of gilthead seabream in the EU-27 (production + imports) was 193.792 tonnes live weight equivalent (lwe). It was almost half from EU production (98.579 tonnes) and half from imports (95.213 tonnes lwe). Exports represented 82.012 tonnes lwe. Therefore, apparent consumption at the EU-27 level (production + imports – exports) was estimated at 111.780 tonnes lwe.

The main MS in terms of apparent consumption in 2019 were Italy, Spain, Portugal, and France (apparent consumption higher than 10.000 tonnes lwe), followed by Greece, Germany, and Croatia. Apparent consumption in each other MS was less than 2.000 tonnes lwe.

Table 8: Apparent consumption of gilthead seabream in the main MS (2019, in tonnes of live weight equivalent)

	Production (Catches + Aquaculture)	**Import**	**Total supply** (production + import)	**Export**	**Apparent consumption** (total supply – export)
EL	56.005	8.038	64.042	54.207	9.835
ES	13.115	8.177	21.292	2.550	18.743
IT	10.154	35.341	45.495	6.046	39.449
HR	6.898	162	7.060	4.585	2.475
CY	5.182	58	5.239	3.557	1.682
FR	3.484	10.785	14.270	949	13.320
MT[4]	1.802	13	1.815	2.407	-592
PT	1.928	12.837	14.765	314	14.451
SI	11	463	474	38	436
NL	-	7.530	7.530	5.697	1.833
DE	-	6.124	6.124	917	5.207
RO	-	1.498	1.498	90	1.408
BG	-	986	986	73	913
AT	-	909	909	255	654
BE	-	631	631	29	602
PL	-	503	503	74	429
SI	-	463	463	38	425
LU	-	345	345	36	310
EU 27	**98.579**	**95.213**	**193.792**	**82.012**	**111.780**

Source: EUMOFA estimate

[4] The negative apparent consumption in Malta might be due to stocking effects.

2 The Spanish market

2.1 Structure of the supply chain

2.1.1 Production

The volume of gilthead seabream production in Spain was 13.115 tonnes in 2019, of which 12.475 tonnes from aquaculture (95%) and 640 tonnes from fisheries (5%). Both sectors decreased since 2012: -25% for aquaculture and -22% for fishery. In early 2020, the Spanish seabass and seabream sector experienced heavy losses due to damages caused by Storm Gloria[5].

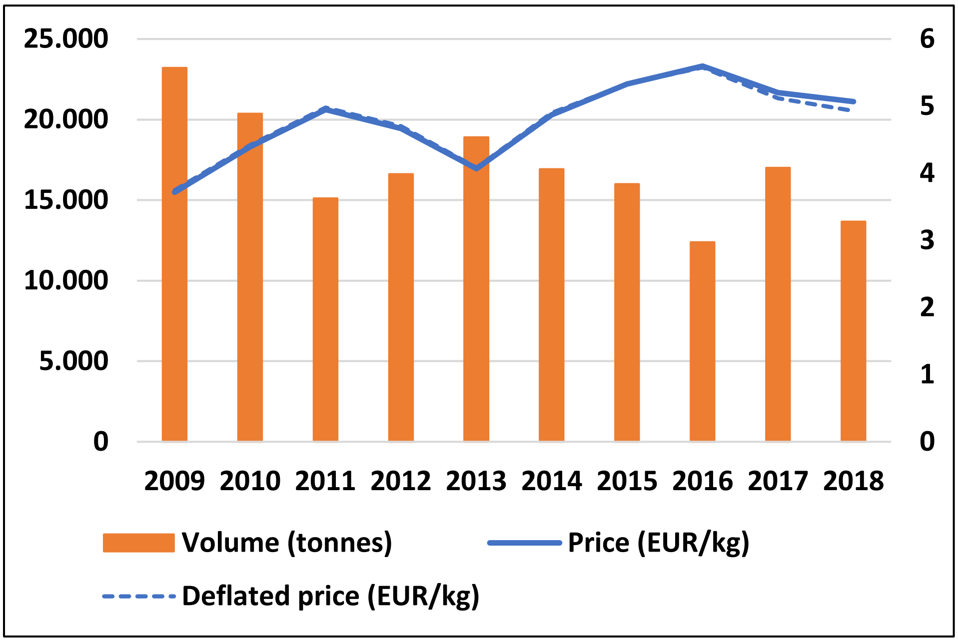
Table 9: Seabream production in Spain between 2012 and 2019 (tonnes)

	2012	2013	2014	2015	2016	2017	2018	2019	Evol. 19/12
Aquaculture	16.607	18.897	16.915	16.005	12.396	17.005	13.662	12.475	-25%
Fisheries	816	943	820	825	1.131	1.227	837	640	-22%
Total	17.423	19.840	17.735	16.831	13.527	18.233	14.499	13.115	-25%

Source: EUMOFA elaboration of Eurostat and FAO

The production of seabream peaked in 2013 at 18.897 tonnes; however, it since decreased to 12.475 tonnes in 2019. The catches of seabream were 816 tonnes in 2012 and remained mostly stable over the 2012-2018 period.

Figure 4: Evolution of farmed seabream between 2009 and 2018 (tonnes; EUR/kg)



Source: EUMOFA elaboration of Eurostat and FAO

[5] Source: https://www.fao.org/in-action/globefish/market-reports/resource-detail/fr/c/1263874/

2.1.2 Imports - Exports

Imports

Total imports of fresh and frozen seabream to Spain reached 9.934 tonnes and EUR 41,3 million in 2020, the main product imported was fresh seabream for EUR 41 million in 2020 (99% of total value imported). The main suppliers were Turkey and Greece (92% of total value).

Table 10: Imports of fresh and frozen seabream to Spain (2020)

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	9.269	40.952	4,42	99%
Frozen[6]	664	378	0,57	1%
Total	9.934	41.329	4,16	100%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Imports of fresh seabream have increased by 225% in volume and 190% in value since 2012 (+172% in real terms). The price has decreased in the recent years and was 4,16 EUR/kg in 2020.

The heavy losses caused by Storm Gloria might have been compensated by an increase in import volume (+22%) and value (+18%) over the 2019-2020 period, despite the COVID-19 crisis.

Table 11: Evolution of imports of seabream to Spain between 2012 and 2019

	2012	2013	2014	2015	2016	2017	2018	2019	2020	Evol. 20/12
Volume (tonnes)	3.053	4.688	6.513	6.464	7.867	7.689	7.774	8.164	9.934	225%
Nominal value (1.000 EUR)	14.274	23.043	32.373	33.657	38.483	36.431	33.567	35.004	41.329	190%
Price (EUR/kg)	4,67	4,92	4,97	5,21	4,89	4,74	4,32	4,29	4,16	-11%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Exports

Exports of seabream from Spain reached 1.565 tonnes and EUR 12,3 million in 2020. This was mainly made of fresh seabream (99% of value of all seabream exported, EUR 12,2 million). The main destinations were Portugal and France (60% of value exported).

Table 12: Exports fresh and frozen seabream from Spain (2020)

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	1.553	12.215	7,86	99%
Frozen	11	68	6,08	1%
Total	1.565	12.283	7,85	**100%**

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Exports of fresh seabream have decreased by 70% in volume and 55% in value since 2012 (-58% in real terms). The price has increased all through the period and reached 7,85 EUR/kg in 2020.

[6] This data must be considered with caution, as import volumes of frozen seabream from the Netherlands in 2020 are 18 times higher than 2017, 2018 and 2019 import volumes.

Table 13: Evolution of exports of fresh and frozen seabream between 2012 and 2020

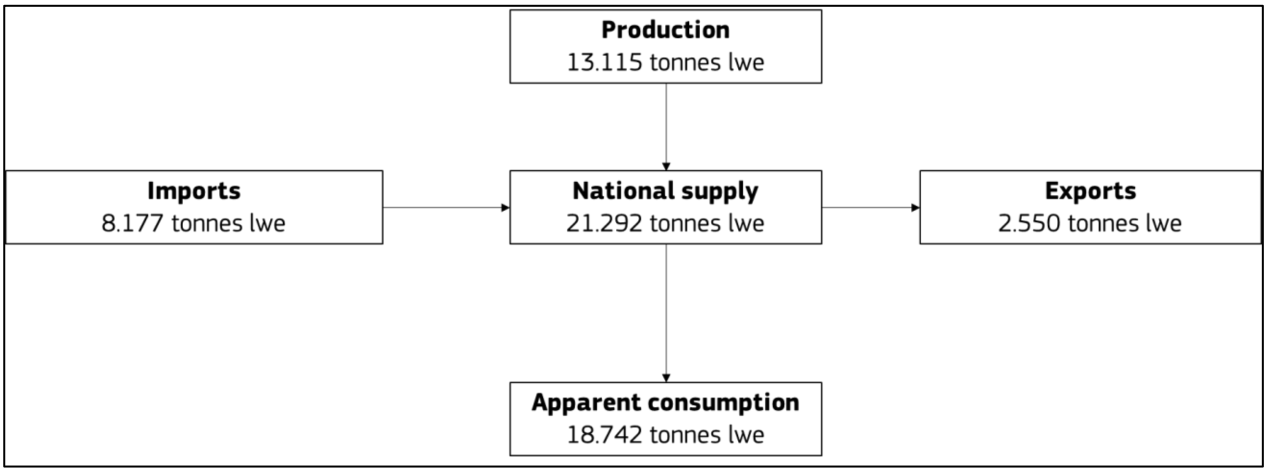
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Evol. 20/12
Volume (tonnes)	5.145	6.147	5.223	5.559	4.919	3.731	3.285	2.525	1.565	-70%
Nominal value (1.000 EUR)	27.431	30.343	28.959	35.462	32.738	25.689	22.267	18.055	12.283	-55%
Price (EUR/kg)	5,33	4,94	5,54	6,38	6,66	6,88	6,78	7,15	7,85	47%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

2.1.3 Apparent consumption

In 2019, the total supply of gilthead seabream in Spain amounted to 21.292 tonnes in live weight equivalent, with 62% from national production (aquaculture + fisheries) and 38% from imports. Only 12% of this supply were exported, thus 88% can be estimated at "apparent" consumption, namely 18.742 tonnes lwe.

Figure 5: Supply balance for seabream in Spain (2019, tonnes of live weight equivalent)



Source: EUMOFA estimate

Inconsistency between sources of information on "apparent" consumption and share of national production shall be underlined.

Indeed, the Food Consumption Panel of the Ministry of agriculture, fisheries, and food estimates 2019 "apparent" consumption at 30.495 tonnes (1,62 times the "apparent" consumption calculated by EUMOFA). This figure would mean an average household consumption of 660 g lwe of seabream per person in 2019. According to APROMAR, these figures for household consumption (excluding extra-domestic consumption) are overestimated due to the sampling methodology used by the Food Consumption Panel.

In its report on aquaculture in Spain in 2019, APROMAR estimates seabream consumption (production + imports - exports) in 2019 in Spain at 25.800 tonnes (1,38 times the "apparent" consumption calculated by EUMOFA). More precisely, the report states that in 2019:

- national harvest of seabream amounted 13.521 tonnes,
- fishing amounted 849 tonnes,
- imports amounted 17.930 tonnes (2,2 times Comext imports volume)
- exports amounted 6.500 tonnes (2,5 times Comext exports volume)

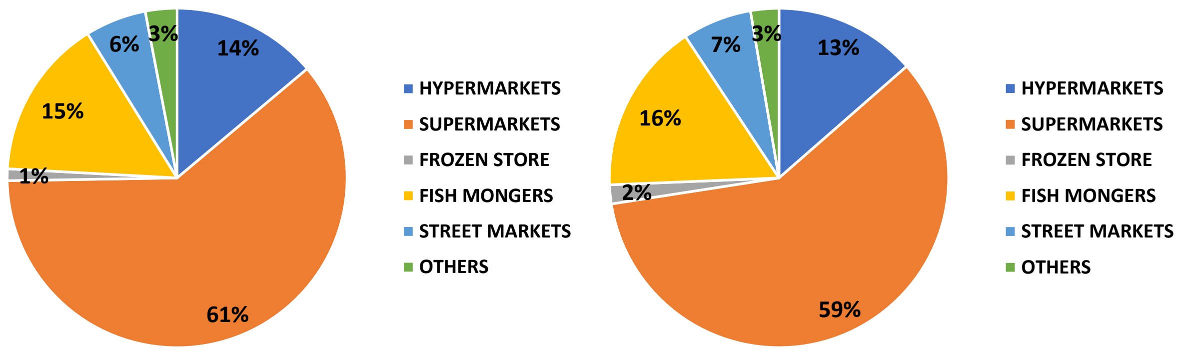
The discrepancy between EUMOFA and APROMAR estimates on "apparent" consumption comes from an important gap in trade data between these two sources. Based on APROMAR data, 44% of the total supply of seabream in Spain in 2019 would have been from national production.

2.2 Characteristics of the Spanish market and consumption

2.2.1 Characteristics of the market

At retail stage, seabream is mainly sold in supermarkets and large stores. According to the Food Consumption Panel of the Ministry of agriculture, fisheries, and food on at home consumption, in 2019, large retail outlets (hypermarkets + supermarkets) represented 75% of sales volume and 72% of sales value; fishmongers accounted for 14% of sales volume and 16% of sales value. Out-of-home consumption represented about 20% of the market.

Figure 6: Sales channels breakdown in 2019, in volume (left) and value (right)



Source: MAPA, Food Consumption Panel

2.2.2 Consumption

Seabream is a widely-consumed product in Spain, characterized by a penetration rate of 14,6%[7] and a low and stable retail price. It is mostly purchased in supermarkets, consumed whole and at home (approximately 80% is at-home consumption, according to APROMAR)[8].

National data on at home consumption show that the consumption of seabream in Spain increased by 40% between 2016 and 2020, after a decrease over the 2012-2015 period. Unlike hake, it has not been impacted by the 2018 anisakis epidemic and is considered as a safe product by consumers as per the consumer organization OCU[9].

The latest growth in consumption is met by imports of Turkish and Greek products, as national production is on a downward trend (-25% over the 2012-2019 period). Indeed, the 2020 storm Gloria caused important damage to aquaculture nurseries and massive losses in production[10].

[7] By comparison, the main consumed species by Spanish households, hake, has a penetration rate of 38,6%.

[8] APROMAR, Aquaculture in Spain 2020, p 80: http://www.apromar.es/sites/default/files/2020/APROMAR%20Report%20AQUACULTURE%20IN%20SPAIN%202020_0.pdf

[9] Organización de Consumidores y Usuarios: https://www.ocu.org/

[10] APROMAR, Aquaculture in Spain 2020, p 82

2.3 Price transmission in the supply chain

Qualitative information from interviews

Almost all seabream consumed in Spain is sold fresh, whole. The vast majority is sold through mass retail channel, which directly purchases seabream from aquaculture farms through short-term agreements (6 months). Wholesalers hardly work with mass retail; they supply fishmongers and HORECA channels.

The segmentation of the market of fresh seabream in Spain is based on two main criteria:

- The production method: catch, aquaculture in sea cages, aquaculture in estuaries;
- Size: small, also called "portion" (usually between 300 and 400 g), medium (between 400 and 600 g), large (above 600 g).

Most retail chains seek seabream of Spanish and Greek origin. The main size segment sold in mass retail is 400-600g. Wild seabream and large seabream are mainly consumed in restaurants.

2.3.1 First-sale prices

The price at first sale stage is the price paid by the wholesaler or retailer when he purchases directly from the aquaculture farm. The first sales price includes transport fees, shrinkage (estimated at about 1-2% of total production) and off size products (estimated at 1-2% of total production). All these costs are borne by producers.

First sales price varies greatly based on the origin of seabream. According to interviews with producers and wholesalers, in 2020 the average first sales price was:

- 5,30 EUR/kg for national origin;
- 4,70 EUR/kg for Greek origin;
- 3,90 EUR/kg for Turkish origin.

Based on data from the Ministry of agriculture, fisheries and food, the average price for farmed seabream ranged from 4,11 to 5,48 EUR/kg between 2014 and 2020.

Table 14: Ex-farm price (nominal price) for farmed seabream in Spain (2014-2020)

	2014	2015	2016	2017	2018	2019	2020
Price (EUR/kg)	5,10	5,48	5,44	5,05	4,40	4,11	4,26

Source: MAPA

2.3.2 Import and export prices

Imports of fresh seabream increased by 166% in volume over the 2012-2019 period, while exports decreased by 51%. According to interviews with producers and wholesalers, volumes of imports from EUROSTAT-COMEXT data would be underestimated (APROMAR estimates that seabream imports amounted 17.930 tonnes in 2019 – 2,2 times more than EUROSTAT-COMEXT source)

Import prices peaked in 2015 and decreased by 18% over the 2015-2019 period. The main import countries are Greece and Turkey (91% of 2019 import value). Turkish price is significantly lower than Greek price (about 0,8 EUR/kg in 2020, according to interviews with producers and wholesalers), and influences seabream first sale price dynamics.

Conversely, export price increased by 33% over the 2012-2019 period. The main export countries are France and Portugal (73% of export value).

Table 15: Import and export price (nominal price) and volume for seabream in Spain

		2012	2013	2014	2015	2016	2017	2018	2019	Evol. 2019/2012
Price (EUR/kg)	Import	4,63	4,88	4,95	5,19	4,88	4,72	4,31	4,28	-8%
	Export	5,32	4,91	5,53	6,37	6,65	6,85	6,74	7,08	33%
Volume (tonnes)	Import	3.080	4.719	6.543	6.481	7.879	7.713	7.792	8.177	166%
	Export	5.157	6.179	5.237	5.565	4.927	3.750	3.303	2.550	-51%

Source: EUROSTAT-COMEXT

2.3.3 Wholesale prices

Table 16: Wholesale price for seabream in Spain by wholesale market and type of production

	Wholesale market	Type of production	2014	2015	2016	2017	2018	2019	2020
Price (EUR/kg)	Mercasa	Farmed (all sizes)	5,90	6,15	6,00	5,45	5,31	5,23	5,29
	Mercamadrid	Farmed small (300-400g)	4,92	5,35	5,12	4,59	4,92	4,81	4,61
	Mercamadrid	Farmed medium (400-600g)	5,63	6,10	5,39	5,29	4,97	5,17	5,24
	Mercamadrid	Farmed large (>600g)	8,57	8,64	8,79	7,91	7,7	6,29	6,67
	Mercamadrid	Wild	13,89	14,03	16,99	15,85	18,94	20,86	18,3

Source: Mercasa, Mercamadrid

The table above clearly shows the difference in prices between wild and farmed seabream and between different size segments. If compared with ex-farm prices, it also indicates that the gross margin at wholesale stage is thin.

2.3.4 Retail prices

Based on data from the Observatory of food prices of the Ministry of agriculture, fisheries and food, the average price for farmed seabream (all sizes categories included) ranged from 9,39 to 10,27 EUR/kg between 2014 and 2018.

Table 17: Retail price of seabream

	2014	2015	2016	2017	2018
Price (EUR/kg)	9,39	9,42	9,87	10,03	10,27

Source: MAPA, Observatory of food prices

The following table presents at-home consumption data in volume and value. The average price calculated here is usually different from prices observed in stores as this is an average based on total spending for a panel of consumers.

Table 18: Seabream consumption, expenditure, and average price in Spain over the 2016-2020 period

	2016	2017	2018	2019	2020	Evol 20/16
Volumes (t)	26.136	25.820	27.126	30.495	36.600	40%
Total expenditure (1000 EUR)	206.356	205.710	213.705	238.113	287.504	39%
Average price (EUR/kg)	7,90	7,97	7,88	7,81	7,86	-1%

Source: MAPA, Food Consumption Panel

Based on producers and wholesalers' interviews, the average retail price is stable, between 6,80 and 6,90 EUR/kg.

2.3.5 Price transmission

The analysis covers fresh whole seabream farmed medium (400-600g) sold by supermarkets; the data on costs are based on interviews.

The ex-farm price for fresh whole seabream farmed medium (400-600g) with national origin is 5,25 EUR/kg. Retail price for fresh whole seabream farmed medium (400-600g) with national origin sold in supermarkets, is 9,50 EUR/kg. These prices are based on interviews with stakeholders. The price reference is from the last week of November 2021.

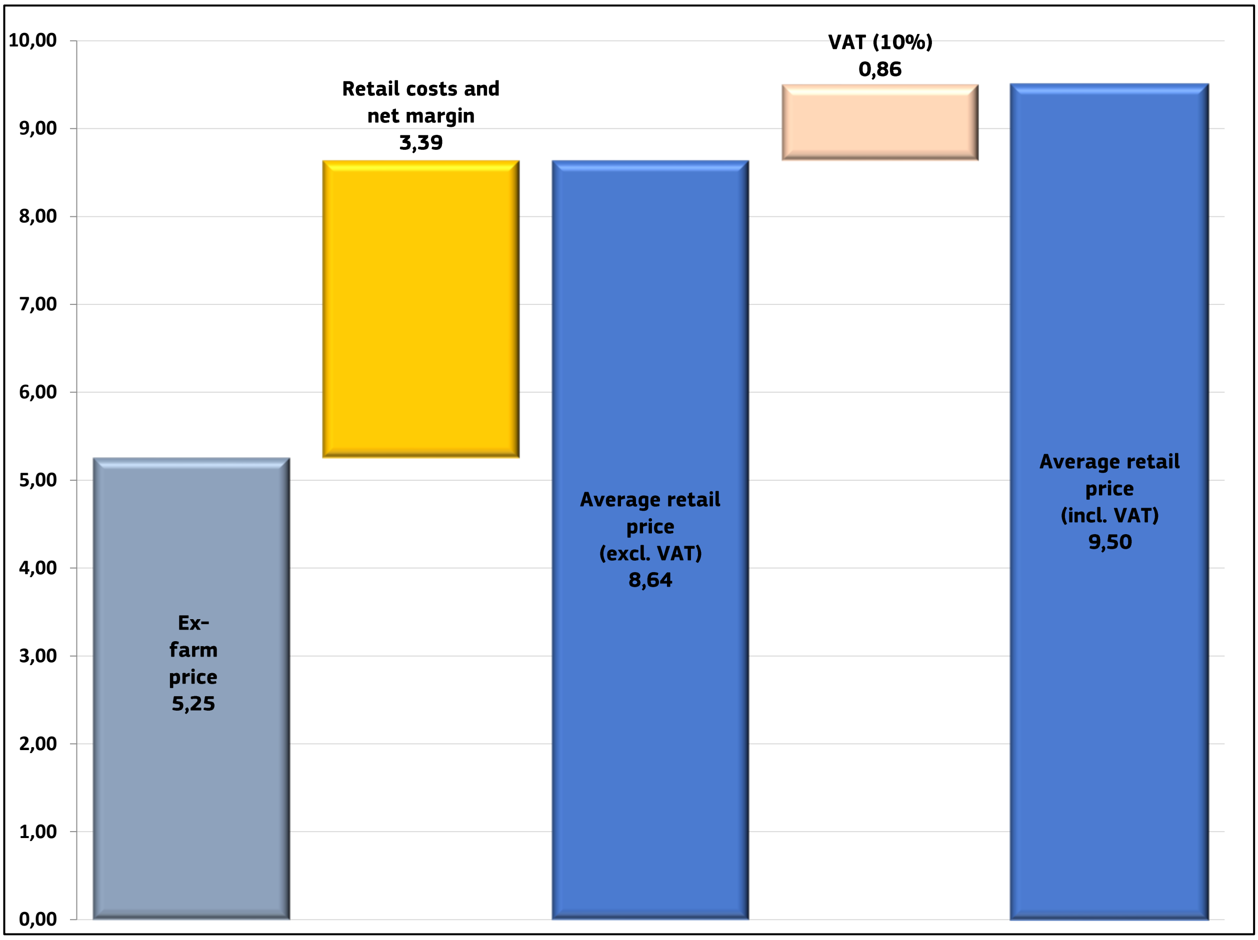
The shrink rate is very low for this product (1-2%) since the seabream is marketed whole and not gutted most of the time. According to interviewed stakeholders this cost is included in ex-farm price, as well as transport from farm to platform costs. Due to the high variability of costs and margin, which depend heavily on the supermarkets' commercial strategy, details on costs and margins could not be provided by interviewed stakeholders so these are estimates provided at aggregated level.

Table 19 – Costs and margins for fresh whole seabream farmed medium (400-600g) of Spanish origin retailed by supermarkets in Spain (EUR/kg, 2021)

	ES origin	% of final price	Comment
Transport farm - platform	-		*Included in ex farm price*
Shrink (1-2% of production volumes)	-		*Included in ex farm price*
Ex farm price	**5,25**	61%	Price reference: November 2021
Retail costs and net margin	3,39	39%	
Average selling price exclusive of VAT	**8,64**	100%	
VAT (10%)	0,86		
Average selling price	**9,50**		Price reference: November 2021

Source: EUMOFA survey

Figure 7 – Costs and margins for fresh whole seabream farmed medium (400-600g) of Spanish origin retailed by supermarkets in Spain (EUR/kg, 2021)



Source: EUMOFA survey

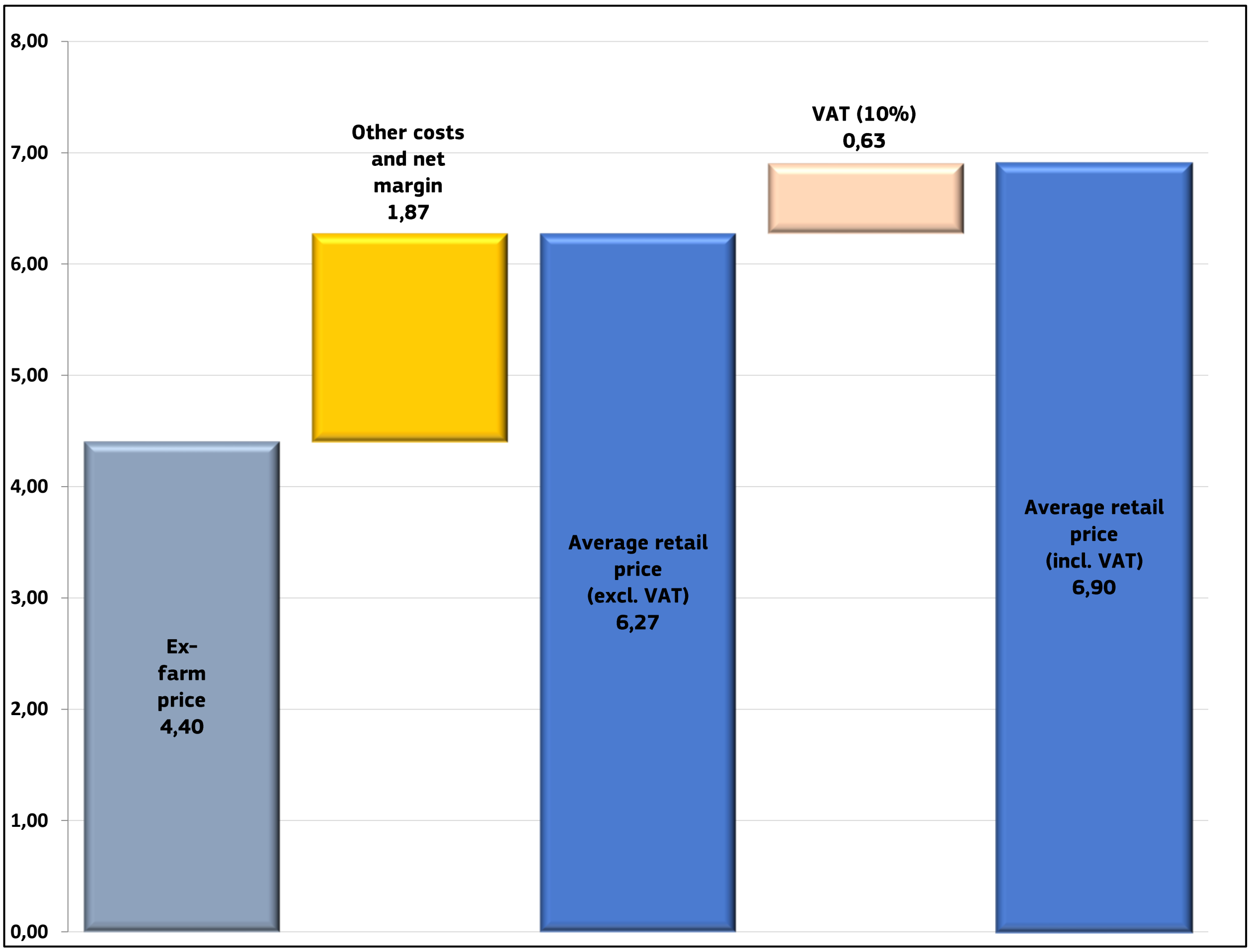
For comparison, below is provided the transmission analysis for imported seabream (400-600 g) from Greece sold by large-scale retailers in Spain. Ex-farm price is 16% lower than ex-farm price of national origin. It also includes shrink and transport from farm to platform, as there is no intermediary between farm and retailer platform. Retail costs and net margin are also lower than for Spanish origin. Seabream of Greek origin is often used as a loss leader in Spanish large-scale retail.

Table 20 – Costs and margins for fresh whole seabream farmed medium (400-600g) of Greek origin retailed by supermarkets in Spain (EUR/kg, 2021)

	EL origin	% of final price	Comment
Transport farm - platform	-		*Included in ex farm price*
Shrink	-		*Included in ex farm price*
Ex farm price	**4,40**	70%	Price reference: November 2021
Retail costs and net margin	1,87	30%	
Average selling price exclusive of VAT	**6,27**	100%	
VAT (10%)	0,63		
Average selling price	**6,90**		Price reference: November 2021

Source: EUMOFA survey

Figure 8 – Costs and margins for fresh whole seabream farmed medium (400-600g) of Greek origin retailed by supermarkets in Spain (EUR/kg, 2021)



Source: EUMOFA survey

3 The German market

3.1 Structure of the supply chain

3.1.1 Production

There was a small production of farmed gilthead seabream in Germany from 2012 to 2020.

This production was achieved by one single company, today called FRESH Corporation, based in Völklingen (close to Saarbrücken, in the South-West of Germany). FRESH Corporation is an in-land RAS facility consisting of 4 saltwater pools, each with a water volume of 1600 m^3 and a production capacity of 150 tonnes live weight. The facility was built in 2012 in a large area previously used for coal mining with access to water, waste management and permits for industrial operations. The investment cost at the time was EUR 25 million for a production capacity of 600 tonnes live weight[11].

FRESH's yearly production of sea bream was a few dozens of tonnes (60 tonnes at the maximum). In March 2020, FRESH decided to stop farming sea bream, both for technical and economic reasons: the growth rate was not high enough and the competition of large producers (Turkey, Greece) was too strong. The sea bream produced in Völklingen had an ex-farm price of around 7,50 EUR/kg, while the average import price of Turkish sea bream in 2020 was 3,67 EUR/kg. The locally produced sea bream was much appreciated by the German consumers, especially for its optimal freshness, but the consumers were not ready to pay twice the price of the imported fish.

The Germany-produced sea bream was mostly sold in the local large-scale retail (EDEKA) and promoted by the retailer as a "sea fish from the region".

The last sea breams produced by FRESH Corporation have been sold in the first weeks of 2021. FRESH now focuses on farming of yellowtail kingfish.

3.1.2 Imports - Exports

In 2020, Germany imported more than EUR 31 million of gilthead seabreams and exported less than EUR 4 million. Frozen contributes to 18% of imports and 31% of exports. The deficit of the German trade balance is thus mainly due to fresh (84% of the total deficit).

Imports

Table 21: Imports of gilthead seabreams to Germany in 2020

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	5.625	25.709	4,57	82%
Frozen	1.122	5.735	5,11	18%
Total	**6.746**	**31.444**	**4,66**	**100%**

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

[11] See "Recirculation Aquaculture Systems" (EUMOFA, 2020): https://www.eumofa.eu/documents/20178/84590/RAS+in+the+EU.pdf/c9ee5f4c-a41d-160e-e9cc-17a19228d669?t=1606927186649

Fresh seabreams represented 82% of the total value of seabreams imported by Germany in 2020.

Imports of fresh gilthead seabream have increased by 54% in volume between 2013 and 2020. The main suppliers were Turkey (1.531 tonnes in 2020), Greece (1.444 tonnes), Italy (1.239 tonnes), the Netherlands (988 tonnes) and Croatia (225 tonnes).

Imports of frozen seabreams have also significantly increased in the period (+62% in volume). They are mostly provided by Turkey (704 tonnes in 2020), Austria (248 tonnes) and the Netherlands (146 tonnes).

Table 22: Evolution of imports of gilthead seabreams to Germany between 2013 and 2020

	2013	2014	2015	2016	2017	2018	2019	2020	Evol. 2020 / 2013
Volume (tonnes) - fresh	3.662	3.812	4.808	5.920	5.801	5.935	4.840	5.625	+54%
Volume (tonnes) - frozen	692	1.073	992	910	835	685	966	1.122	+62%
Nominal value (1.000 EUR) – fresh	17.717	20.425	27.620	30.366	29.340	27.851	22.273	25.709	+45%
Nominal value (1.000 EUR) - frozen	3.606	5.194	5.670	5.479	4.205	3.630	5.092	5.735	+59%
Price (EUR/kg) – fresh	4,84	5,36	5,74	5,13	5,06	4,69	4,60	4,57	-6%
Price (EUR/kg) - frozen	5,21	4,84	5,72	6,02	5,04	5,30	5,27	5,11	-2%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Exports

Gilthead seabreams exported by Germany are shipped to the neighbouring countries (Switzerland, Netherlands, Sweden, Czech Republic and Denmark for fresh, and France, Poland, Netherlands, Austria, for frozen).

Table 23: Exports of Gilthead seabreams from Germany in 2020

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% Val. 2020
Fresh	402	2.705	6,73	69%
Frozen	217	1.218	5,61	31%
Total	**619**	**3.923**	**6,34**	**100%**

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

German exports of fresh gilthead seabreams are on a downward trend since 2016; they have been divided by four between 2016 and 2020. After a period of decrease between 2015 and 2018, the German exports of frozen seabreams are increasing again, but the level reached in 2020 (217 tonnes) is far from the peak registered in 2015 (526 tonnes).

Table 24: Evolution of exports of gilthead seabreams from Germany between 2013 and 2020

	2013	2014	2015	2016	2017	2018	2019	2020	Evol. 2020 / 2013
Volume (tonnes) - fresh	848	860	1.293	1.622	1.539	1.418	821	402	-53%
Volume (tonnes) - frozen	83	425	526	191	109	40	72	217	+161%
Nominal value (1.000 EUR) – fresh	4.217	4.903	7.937	9.058	8.414	7.232	4.437	2.705	-36%
Nominal value (1.000 EUR) - frozen	513	674	2.907	1.001	721	234	425	1.218	+137%
Price (EUR/kg) – fresh	4,97	5,70	6,14	5,58	5,47	5,10	5,40	6,73	+35%
Price (EUR/kg) - frozen	6,18	1,59	5,53	5,24	6,61	5,85	5,90	5,61	-9%

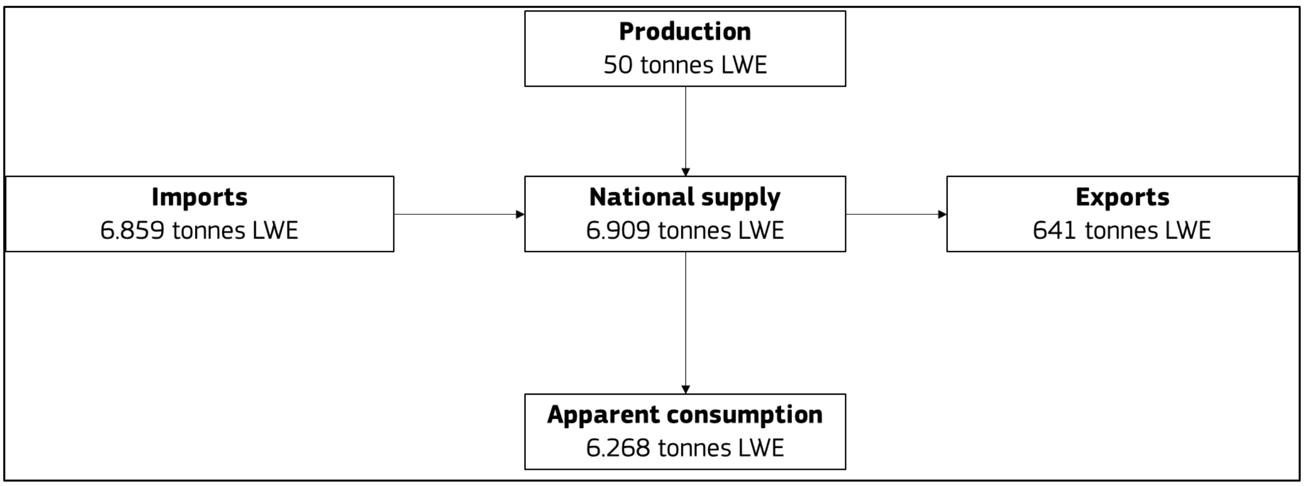
Source: EUMOFA elaboration of EUROSTAT-COMEXT data

3.1.3 Apparent consumption

Thanks to the development of aquaculture in the Mediterranean basin, Germany has over the years become a significant market for gilthead seabream. From less than 1.000 tonnes in the beginning of the years 2000, German consumption then regularly increased to exceed 5.000 tonnes from 2016 onwards.

In 2020, the national supply of gilthead seabream was approximately 6.900 tonnes (16% up compared to the previous year). One-tenth (9%) of this supply was exported. Apparent consumption of gilthead seabream in Germany was thus 6.268 tonnes of live weight equivalent in 2020, 24% up compared to 2019.

Figure 9: Supply balance for Gilthead seabream in Germany (2020, tonnes of live weight equivalent)



Source: EUMOFA elaboration (from EUROSTAT-COMEXT data and own investigation)

3.2 Characteristics of the German market and consumption

3.2.1 Characteristics of the market

Most of the consumption of gilthead seabream in Germany (85%) is made of fresh whole fish. Seabream is often promoted by large-scale retailers and regularly appears in weekly leaflets.

The market for fillets increased somewhat, for both fresh and frozen, but remains limited.

3.2.2 Consumption

Seabream is among the top-20 species consumed in Germany, with a market share of 0,4%.

Table 25. Ranking of the top-20 fish species consumed in Germany in 2019 (% of consumption in volume)

Species	%
Alaska pollock	19,3
Salmon	17,3
Tuna	12,4
Herring	8,9
Shrimps	7,7
Rainbow trout	7,1
Cephalopods	2,5
Cod	2,3
Saithe	2,2
Pangasius	1,7
Redfish	1,6
Mackerel	1,5
Hake	1,1
Sardine	1,1
Pike perch	1
Mussel	0,7
Plaice	0,6
Carp	0,5
Hoki	0,5
Seabream	0,4
Other	9,6
Total	**100,0**

Source: FIZ

3.3 Price transmission in the supply chain

3.3.1 First-sale prices

Seabreams have been produced in Germany in the period 2012-2020 (between 10 and 60 tonnes/year) at an ex-farm price ranging between 7,00 and 8,00 EUR/kg (source: EUMOFA survey).

3.3.2 Import and export prices

Price trends are downward for imported seabreams, especially in the last years (- 20% between 2015 and 2020).

Export prices have been on an upward trend since 2018 (+6% in 2019 and +25% in 2020), in relation with a decrease of export volumes.

Table 26: Import and export prices (nominal prices) and for fresh Gilthead seabreams in Germany (2013-2020)

		2013	2014	2015	2016	2017	2018	2019	2020	Evol. (2020/2013)
Price (EUR/kg)	Import	4,84	5,36	5,74	5,13	5,06	4,69	4,60	4,57	-6%
	Export	4,97	5,70	6,14	5,58	5,47	5,10	5,40	6,73	+35%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

3.3.3 Wholesale prices

In METRO[12] markets seabream is offered at prices between 10-13 EUR/kg (excl. VAT).

Table 27: Range of prices for fresh gilthead seabream sold in bulk in METRO (April 2021)

Presentation	Label	Origin	Size	Price per kg (EUR/kg)	
				excl. VAT	incl. VAT
Gutted, with head	ASC	Croatia	330-500 g/piece	13,29	14,22
Gutted, with head	ASC	Croatia	400-500 g/piece	13,29	14,22
Gutted, with head	ASC	Croatia	400-600 g/piece	10,99	11,76
Round, with head	None	Mediterranean	400-600 g/piece	9,99	10,69

Source: METRO

In April 2021, the HAMBERGER[13] Wholesale Market in Berlin offered fresh seabreams (300-600 g/piece) imported from Greece at a price of 5,50 EUR/kg excl. VAT for the purchase of a 6 kg box. HANDELSHOF[14] sells fresh seabreams at 7,99 EUR/kg excl. VAT.

[12] METRO is a German wholesale group. In 2019/2020, its net sales amounted to EUR 25,6 billion worldwide, of which EUR 4,7 billion in Germany, where METRO owns 103 cash-&-carry (METRO Markets). METRO is the leading food wholesaler in Germany.

[13] HAMBERGER Grossmarkt GmbH is a German wholesale company, which owns 4 wholesale markets (cash-&-carry) in Munich, Berlin, Wittenberg und Bitterfeld.

[14] HANDELSHOF is a German wholesale company, which owns 18 wholesale markets (cash-&-carry) in North Rhine-Westphalia, Mecklenburg-Western Pomerania and Hamburg. Handelshof has been taken over by EDEKA in 2019.

3.3.4 Retail prices

Retail prices of fresh standard[15] seabreams ranged from 11 to 20 EUR/kg in May 2021. Organic seabream exceeded 23 EUR/kg.

Table 28: Retail prices of fresh Gilthead sea breams, gutted with head (May 2021)

Retailer	Product designation	Comments	Origin	Size	Packaging	Price per kg (EUR/kg) incl. VAT
REAL	Dorade Royal	-	Croatia	-	bulk	19,90
V-MARKT	Dorade Royal	-	-	-	bulk (fish counter)	15,90
ALDI	Dorade Royal	ASC	-	ca. 450 g/piece	vacuum-packed	10,99
GLOBUS	Dorade Royal	-	-	-	bulk (fish counter)	15,90
KAUFLAND	Dorade Royal	-	-	-	bulk (fish counter)	11,90
TEGUT	Bio-Dorade	Organic	-	-	-	23,90
REWE online	Dorade Royal	-	Greece	400 g/piece	-	17,48*
DEUTSCHE SEE Online-Shop	Dorade Royal	ASC	Turkey	ca. 390 g/piece	MAP	20,26
	Bio-Dorade Royal	Organic	Greece	6-7 pieces/box	3 kg-box	28,33

*plus shipping costs

Source: EUMOFA survey

[15] Not organic.

3.3.5 Price transmission

Available all year long, fresh gilthead seabreams are often referred to as a "traffic builder" by large-scale retailers and can be heavily promoted.

The table and chart below show the price transmission for fresh gilthead seabream in the large-scale retail. The import price is 4,30 EUR/kg and the retail price is 11,13 EUR/kg.

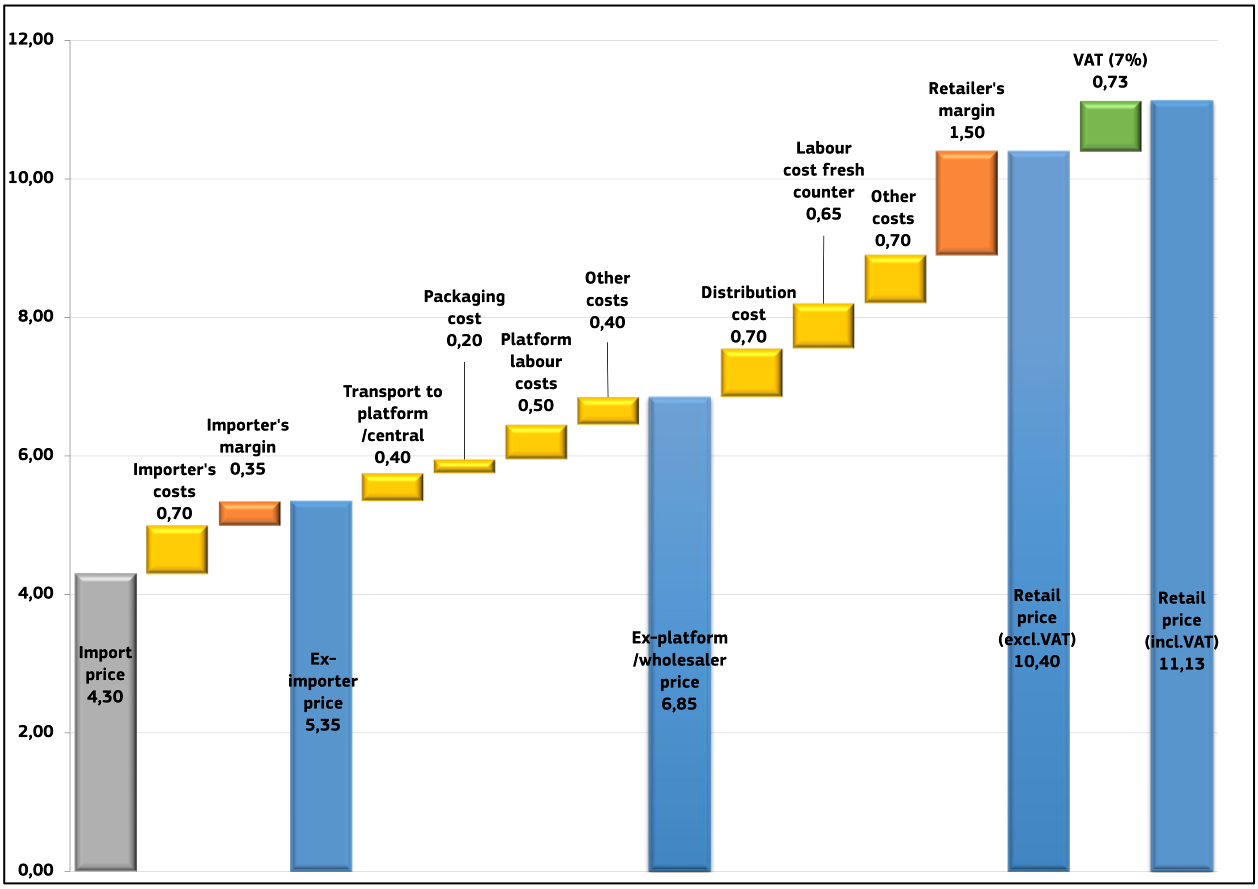
48% of the final price go the importer, 45% go to the distributor (14% for wholesaling and 31% for retailing), and the remaining 7% to the tax authority (VAT).

Table 29: Costs and margins for fresh Gilthead seabream in large-scale retail in Germany (EUR/kg, May 2021)

	Price (EUR/kg)	% final price
Import price	4,30	39%
Importer's costs	0,70	6%
Importer's margin	0,35	3%
Ex-importer price	**5,35**	**48%**
Transport to platform/central	0,40	4%
Packaging cost	0,20	2%
Platform labour costs	0,50	4%
Other costs	0,40	4%
Ex-platform/wholesaler price	6,85	62%
Distribution cost	0,70	6%
Labour cost fresh counter	0,65	6%
Other costs	0,70	6%
Retailer's margin	1,50	13%
Retail price (excl.VAT)	**10,40**	**93%**
VAT (7%)	0,73	7%
Retail price (incl.VAT)	**11,13**	**100%**

Source: EUMOFA survey

Figure 10: Costs and margins for whole fresh gilthead seabream sold in bulk in supermarkets in Germany (EUR/kg, 2020)



Source: EUMOFA survey.

4 The French market

4.1 Structure of the supply chain

4.1.1 Production

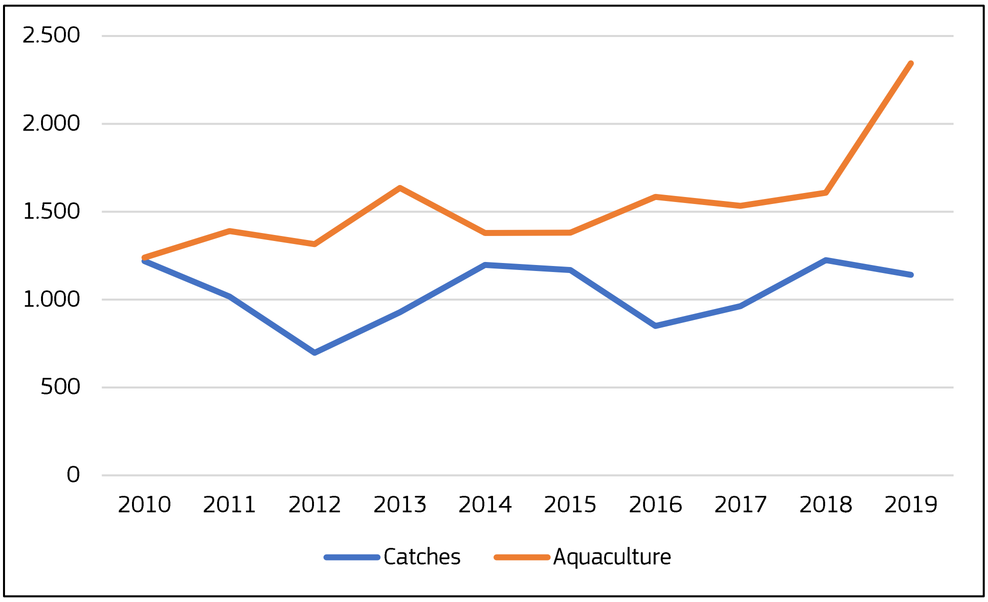
Production of gilthead seabream in France was 3.484 tonnes in 2019, 67% from aquaculture and 33% from fisheries The production increased by 34% between 2014 and 2018. This increase in mostly due to the aquaculture production which soared over the period (+70%), with an acceleration in 2019 (+46% against 2018). Meanwhile catches experienced annual fluctuations but remain relatively stable (-5%).

Table 30: Gilthead seabream production in France between 2014 and 2019 (tonnes)

	2014	2015	2016	2017	2018	2019	Evol. 2019 / 2014
Aquaculture	1.379	1.381	1.584	1.534	1.608	2.344	+70%
Catches	1.198	1.167	851	962	1.225	1.140	-5%
Total	**2.577**	**2.548**	**2.435**	**2.496**	**2.833**	**3.484**	**+34%**

Source: Eurostat

Figure 11: Evolution of farmed gilthead seabream and wild caught gilthead seabream in France between 2012 and 2018 (tonnes)



Source: Eurostat

4.1.2 Imports - Exports

Imports

French imports of gilthead seabream were 9.354 tonnes and EUR 45 million in 2020, mainly composed of fresh gilthead seabream (99% of the imported value). Frozen products accounted only for a minor share of seabream imports (1%). Most of the imported volume originated from Greece (62%) and to a lesser extent the Netherlands (12%), Italy (9%) and Spain (7%).

Table 31: French imports of gilthead seabream (2020)

	Volume (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	9.311	44.565	4,79	99%
Frozen	43	245	5,63	1%
Total	**9.354**	**44.810**	**4,79**	**100%**

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Between 2016 and 2020, imports of gilthead seabream have been relatively stable in both volume (+3%) and price (-1%). However, after a significant increase of imported volumes in 2017 (+13% vs 2016), a decrease was observed in 2020 (-11% vs 2019), probably related with the impact of the measures implemented to face the COVID-19 outbreak.

Table 32: Evolution of French imports of gilthead seabream between 2010 and 2019

	2016	2017	2018	2019	2020	Evol. 2020 / 2016
Volume (tonnes)	9.104	10.675	10.872	10.724	9.354	+3%
Nominal value (1.000 EUR)	44.152	49.987	49.543	50.144	44.810	+1%
Price (EUR/kg)	4,85	4,68	4,56	4,68	4,79	-1%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Exports

French exports of gilthead seabream and gilthead seabream products were much lower than imports, amounting to 752 tonnes and EUR 5 million in 2020, consisting almost exclusively of fresh products. The main destinations of French exports were neighbouring countries, especially Belgium and Italy, accounting for 34% and 24% the total exported volume respectively.

Table 33: French exports of gilthead seabream (2020)

	Volume (tonne)	Nominal value (1.000 EUR)	Price (EUR/kg)	% val. 2020
Fresh	751	5.190	6,91	99,7%
Frozen	1	14	11,93	0,3%
Total	**752**	**5.204**	**6,92**	**100%**

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

Between 2016 and 2020, exports experienced a +22% increase in both volume and value (with stable export price) however sharply decreased in 2020 (-18% in volume and -16% in value compared to 2019).

Table 34: Evolution of the French exports of gilthead seabream between 2016 and 2020

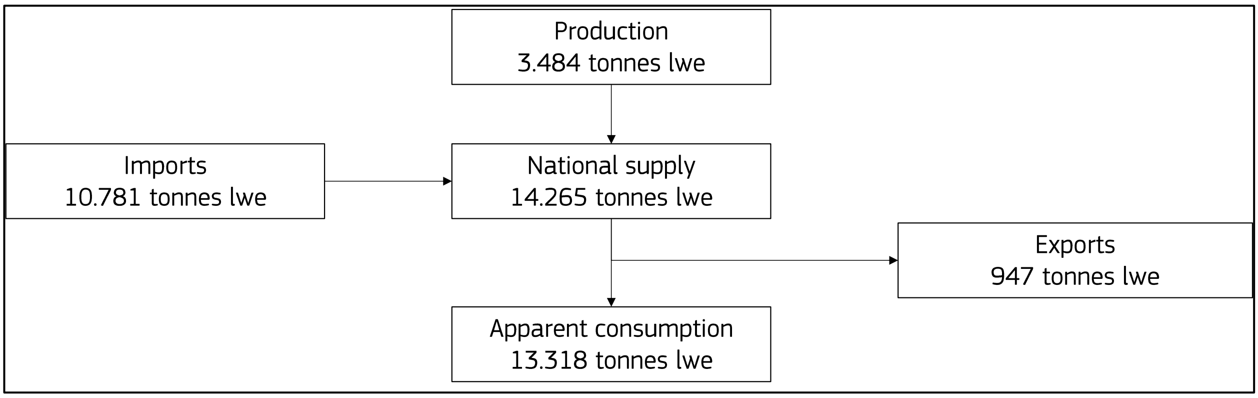
	2016	2017	2018	2019	2020	Evol. 2020 / 2016
Volume (tonnes)	618	686	869	920	752	22%
Nominal value (1.000 EUR)	4.275	4.942	5.896	6.204	5.204	22%
Price (EUR/kg)	6,92	7,20	6,78	6,74	6,92	0%

Source: EUMOFA elaboration of EUROSTAT-COMEXT data

4.1.3 Apparent consumption

In 2019, the total supply of gilthead seabream amounted to 14.236 tonnes in live weight equivalent, 26% from national production (aquaculture + fisheries) and 74% from imports. Only 7% of this supply were exported, thus 83% can be estimated as "apparent consumption" at national level, namely 13.318 tonnes lwe.

Figure 12: Supply balance for gilthead seabream in France (2019, tonnes, live weight equivalent)



Source: EUMOFA elaboration of EUROSTAT-COMEXT and FAO data

4.2 Characteristics of the French market and consumption

The seabream farming sector in France is relatively small with a limited number of companies. The main company has farms in Corsica, Sardinia and in the north of France and represents around 70% of total production. Furthermore, there are several small companies mainly located in the South-East and the Mediterranean and producing less than 100 tonnes per year each. Gilthead seabream production occurs exclusively in the Mediterranean. Due to the size of the sector and the level of concentration, it is relatively difficult to get detailed information and data about markets, prices, costs, etc.

Although the French production of seabass and seabream of commercial size is relatively small compared to Greece, Turkey and Spain, France is one of the main suppliers of juveniles for both species with 4 hatcheries established in the country.

Almost all adult seabreams are sold whole to local and national retailers. The increase in preference to purchase domestic products is resulting in a significant price premium. This premium is also due to high quality standards (on fish concentration in cages especially) leading to a moderate share of the production with certifications such as organic or *Label Rouge*.

With regards to fish sizes, the farmed production provides fish of 300 to 800 g. Larger sizes (800-1.000 g and 1kg+) are also available to a lesser extent. Fish from wild-caught fisheries are much larger, from

1 to 2 kg or even up to 5 kg. Gilthead seabream is mostly sold as whole fish not gutted but can also be found prepacked whole and gutted and more rarely in fillets.

According to FranceAgriMer consumption data based on Kantar worldpanel[16], the yearly household consumption of fresh seabream is around 5 thousand tonnes meaning a market share of 12% over the fresh fish consumption. Therefore out-of-home consumption would account for more than half of the French apparent consumption of seabream. According to interviewed stakeholders this could be an overestimation of the Horeca market share.

Of the household consumption, supermarkets account for two-thirds of total purchase volumes, open markets for 14%, and fishmongers for 12%. In terms of seasonality, the consumption of seabream is relatively stable on a monthly basis thanks to the regularity of supplies provided by farmed production. However, contrary to many other seafood products, the consumption is relatively low in December and January and peaks in Spring.

In 2020, the French seabream sector has been highly impacted in the first weeks of lockdown in March-April, as it was mostly relying on Horeca and exports which were closed or at least facing strong difficulties. French producers had then to find new outlets to maintain sales and avoid keeping fish in cages for too long and therefore face further problems (fish growing too much and taking more space, increased feed costs, impossibility to put new juveniles in cages, etc.). The sector benefited from the government's call to support French products and for the whole fishery and aquaculture sector to provide domestically produced fish and seafood to consumers via retailers. However, producers had to slightly adapt their process with more prepacked fish and fillets (for the larger fish usually sold to Horeca channels)[17]. The increased willingness of French consumers to buy French products has brought some new perspectives for French producers. The main producing company hopes that sales to retailers will grow in the future[18]. Although the shift from Horeca to retailers has limited the negative impacts of the pandemic on the French farming sector, that did not allow to maintain ex-farm prices at high level as it used to be for the Horeca sector. The major company reported a 25% price decrease when selling to retailers compared to the wholesale/Horeca channel[19].

[16] Source: https://www.franceagrimer.fr/fam/content/download/67093/document/STA_MER_CONSO_2020.pdf?version=3

[17] Source: https://www.lineaires.com/les-produits/covid-19-la-societe-corse-gloria-maris-est-sur-le-front

[18] Source: https://business.lesechos.fr/entrepreneurs/marketing-vente/0603133304034-gloria-maris-vend-ses-poissons-en-supermarche-pour-ne-pas-couler-337082.php

[19] Source: https://pdm-seafoodmag.com/lactualite/detail/items/bar-et-daurade-des-cartes-rebattues.html

4.3 Price transmission in the supply chain

4.3.1 First-sale prices

First-sales data

In France, first sales cover wild-caught gilthead seabreams mostly sold at fish auctions. The average size of wild-caught gilthead seabreams is significantly higher than the one of farmed products.

According to data collected by EUMOFA, annual first sales of gilthead seabream in France ranged from 630 to 886 tonnes over the 2016-2020 period, accounting for about 70% of the gilthead seabream catches in the country.

Based on these data, the average price was 10,67 EUR/kg in 2020 (10% lower than in 2019). However, the price was relatively stable over the last five years ranging from 10,67 in 2010 to 11,86 in 2019.

Table 35: First sales of gilthead seabream in French auctions

FR	Volumes (tonnes)	Nominal value (1.000 EUR)	Price (EUR/kg)
2016	630	6.755	10,72
2017	738	8.207	11,11
2018	886	9.276	10,47
2019	784	9.296	11,86
2020	842	8.988	10,67

Source: EUMOFA

Ex-farm price

Based on Eurostat data, the average ex-farm price was 8,06 EUR/kg in 2019. It was a slight decrease compared to 2018 (-6%), probably due to the sharp increase in production volume, but it was a +4% increase compared to five years before.

Table 36: Ex-farm price price (nominal price) for farmed gilthead seabream in France (2015-2019)

	2015	2016	2017	2018	2019
Price (EUR/kg)	7,73	7,30	6,98	8,55	8,06

Source: EUMOFA based on Eurostat.

However, this average price takes into account all sizes and also fish sold under organic or *Label rouge* labels (resulting in a price premium).

4.3.2 Wholesale prices

The main wholesale market in France, Rungis, provides price data for several gilthead seabream products. When looking at the most common size (400-600 g.), prices were relatively stable over the last 2 years with French seabream at around 6,50 EUR/kg and imported products at around 6,00 EUR/kg. The price premium of the French origin would be around 10%. However interviewed operators of the French supply chain provided different feedbacks, with a 30-40% price premium for domestically farmed products compared to imported seabream from other origins (Greece, Turkey, Spain, etc.).

4.3.3 Import and export prices

Over the last five years, average import prices of whole fresh gilthead seabream were relatively stable ranging between 4,50 and 4,90 EUR/kg. Export prices were significantly higher ranging from 6,60 to 7,20 EUR/kg, likely comprising a mix of seabream farmed in France and re-exports to neighbouring countries.

Table 37: Import and export prices (nominal price) for fresh whole gilthead seabream in France (2016-2020)

		2016	2017	2018	2019	2020	Evol. 2016-2020
Price (EUR/kg)	**Export**	6,91	7,21	6,83	6,68	6,91	0%
	Import	4,85	4,68	4,55	4,66	4,79	-1%
Volume (tonnes)	**Export**	616	676	827	832	751	22%
	Import	9.056	10.625	10.737	10.539	9.311	3%

Source: EUMOFA elaboration of EUROSTAT-COMEXT and FAO data

4.3.4 Retail prices

According to FranceAgriMer consumption data based on Kantar worldpanel[20], the average price paid by French households for 1 kg of fresh whole seabream was 11,50 EUR/kg in large-scale retailers, 13,10 EUR/kg in open markets and 16,20 EUR/kg at fishmongers (where it is likely that the share of products farmed in France or wild-caught is higher than in other retail channels). Gilthead seabream is considered as a loss-leader product in supermarkets, meaning that the margin is very low and the product is very often discounted. Therefore, it is common to find special offer for imported products at less than 8,00 EUR/kg, mostly for portion-size fish (300-400 g.). According to interviewed stakeholders, the premium for seabream farmed in France is about 30-40%.

4.3.5 Price transmission

Although the seabream farmed in France is traditionally oriented to the Horeca market, the product analysed here concerns whole fresh seabream sold in bulk at large-scale retailers. The price for adult gilthead seabream (400-600 g) is 8,20 EUR/kg and the retail price of the final product is 14,70 EUR/kg in supermarkets. The shrink rate is very low for this product since the seabream is marketed whole and not gutted most of the time (1% according to interviewed stakeholders). Due to the small size and the high concentration of the farming sector in France other costs and margin could not be provided by interviewed stakeholders so these are estimates provided at aggregated level.

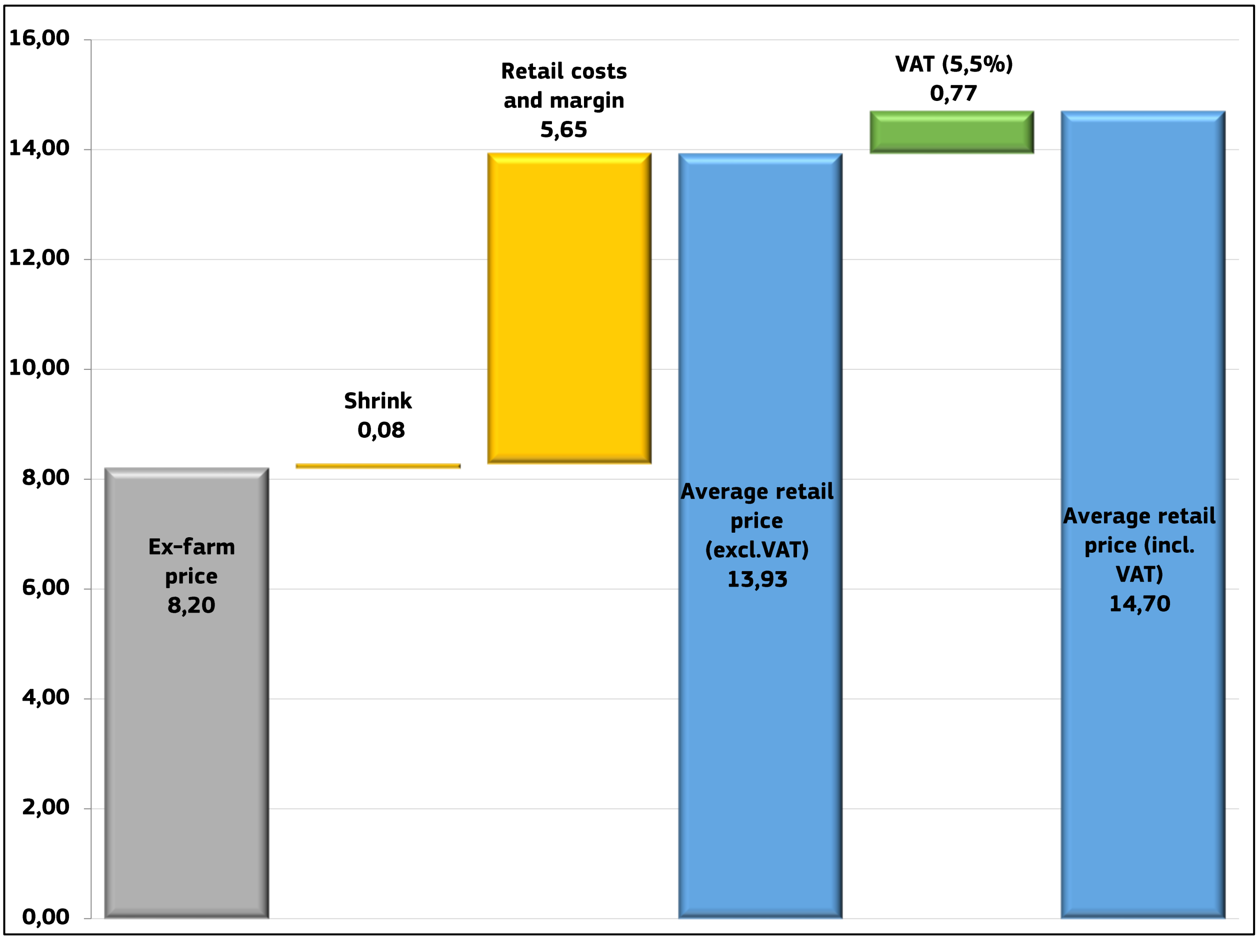
[20] Source: https://www.franceagrimer.fr/fam/content/download/67093/document/STA_MER_CONSO_2020.pdf?version=3

Table 38: Costs and margins for whole fresh gilthead seabream sold in supermarkets in bulk (2020, farmed in France)

FR	Average price (EUR/kg)	% of final price
Whole fresh gilthead seabream price (from farmers to retailers) – not gutted (transport included)	**8,2**	**56%**
Shrink (1%)	0,08	1%
Retail costs and margin	5,65	38%
Retail price (excl. VAT)	**13,93**	**95%**
VAT (5,5%)	0,77	5%
Retail price (incl. VAT)	**14,7**	**100%**

Source: EUMOFA survey.

Figure 13 – Costs and margins for whole fresh imported gilthead seabream sold in supermarkets in France (EUR/kg, 2020)



Source: EUMOFA

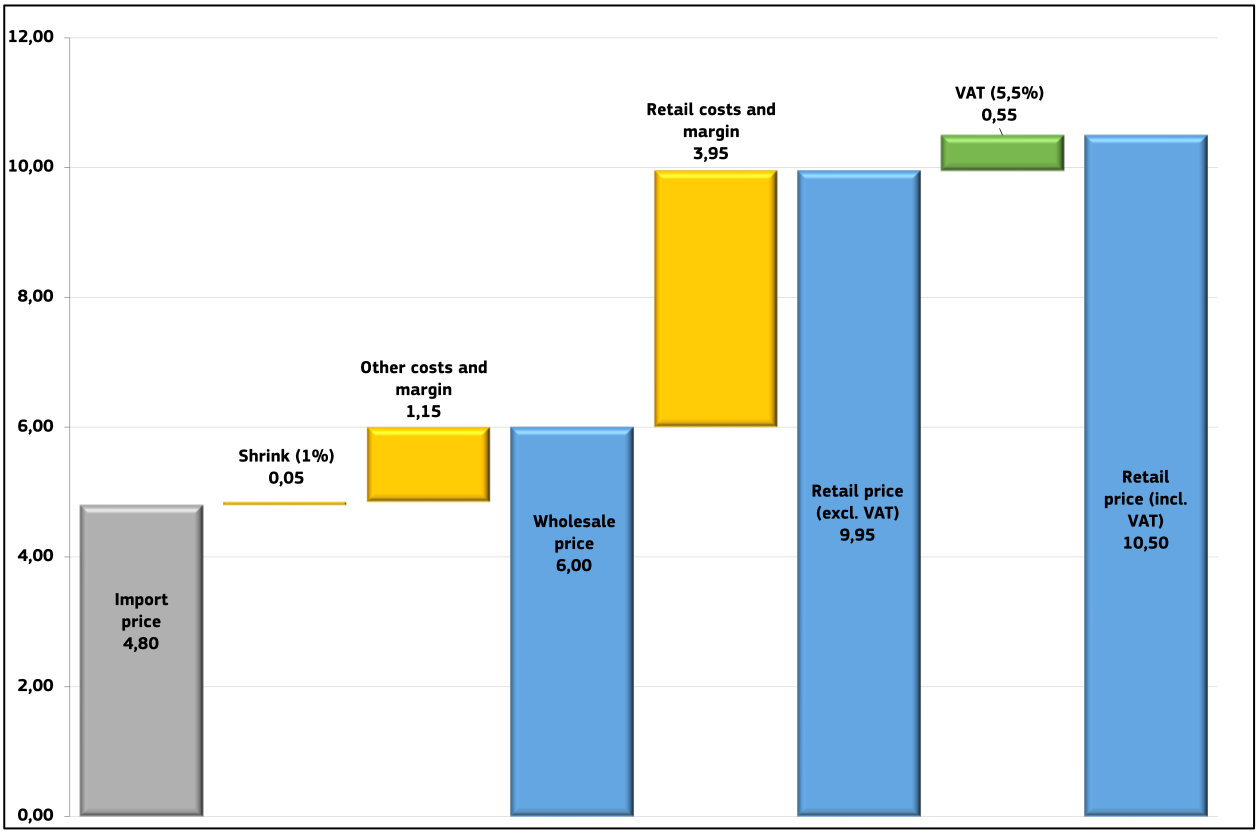
For comparison, below is provided the transmission analysis for imported seabream (400-600 g) sold in large-scale retailers in France with an intermediary stage (wholesale).

Table 39: Costs and margins for whole fresh imported gilthead seabream sold in supermarkets in bulk (2020)

import	Average price (EUR/kg)	% of final price
Whole fresh gilthead seabream import price – not gutted	**4,80**	**46%**
Shrink (1%)	0,05	0%
Other costs and margin	1,15	11%
Wholesale price	**6,00**	**57%**
Retail costs and margin	3,95	38%
Retail price (excl. VAT)	**9,95**	**95%**
VAT (5,5%)	0,55	5%
Retail price (incl. VAT)	**10,5**	**100%**

Source: EUMOFA

Figure 14 – Costs and margins for whole fresh imported gilthead seabream sold in supermarkets in France (EUR/kg, 2020)



Source: EUMOFA

5 Conclusions

The gilthead seabream supply chain is different in the three countries selected for the case study. In Spain, the national market relies on both domestic farmed production and imports whereas in France the domestic production is limited so the market (especially the retail market) relies mostly on imports. In Germany, there is almost no domestic production, so the market depends exclusively on imported products.

The analysis covers sales of whole fresh gilthead seabream sold in bulk in large scale retailers. In Spain and France, comparisons are provided between imported and domestically farmed seabream.

The details are covered in the following table.

The purchase price for raw material (either ex-farm or import prices) ranges from 4,30 (import from Greece or Turkey) to 8,20 EUR/kg (ex-farm in FR), and the retail price (excl. VAT) from 6,27 EUR/kg in Spain (for imported seabream) up to 14,70 EUR/kg in France for domestically farmed seabream. The raw material cost accounts for 39% (in DE) to 70% (in ES for imported seabream) of the final price at retail stage.

Table 40: Synthesis of the price structure analysis in Spain, Germany and France (EUR/kg, nominal value, 2020)

Member State:	Spain		Germany	France	
Product	**Farmed in ES**	**Imported from EL**	**Imported**	**Farmed in FR**	**Imported**
Sales channel:	**Large-scale retailer**	**Large-scale retailers**	**Large-scale retailer**	**Large-scale retailer**	**Large-scale retailer**
Gilthead seabream price (raw material): ex-farm or import price	**5,25**	**4,40**	**4,30**	**8,20**	**4,80**
Wholesale costs and margin	/	/	2,55	/	1,20
Wholesale price	/	/	6,85	/	6,00
Retail costs and margin	3,39	1,87	3,55	5,65	3,95
Retail price excl VAT	8,64	6,27	10,40	13,93	9,95
Retail price incl. VAT	**9,50**	**6,90**	**11,13**	**14,70**	**10,50**

Source: EUMOFA

Stakeholders interviewed

- Spain
    - Fish farming company
    - Wholesaler
    - Organizacion de Consumidores y Usuarios – OCU (consumer association)
- Germany
    - Aquaculture company
    - Wholesaler
    - Large-scale retailer
- France
    - CIPA (fish farming national interbranch organization)
    - Wholesalers

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