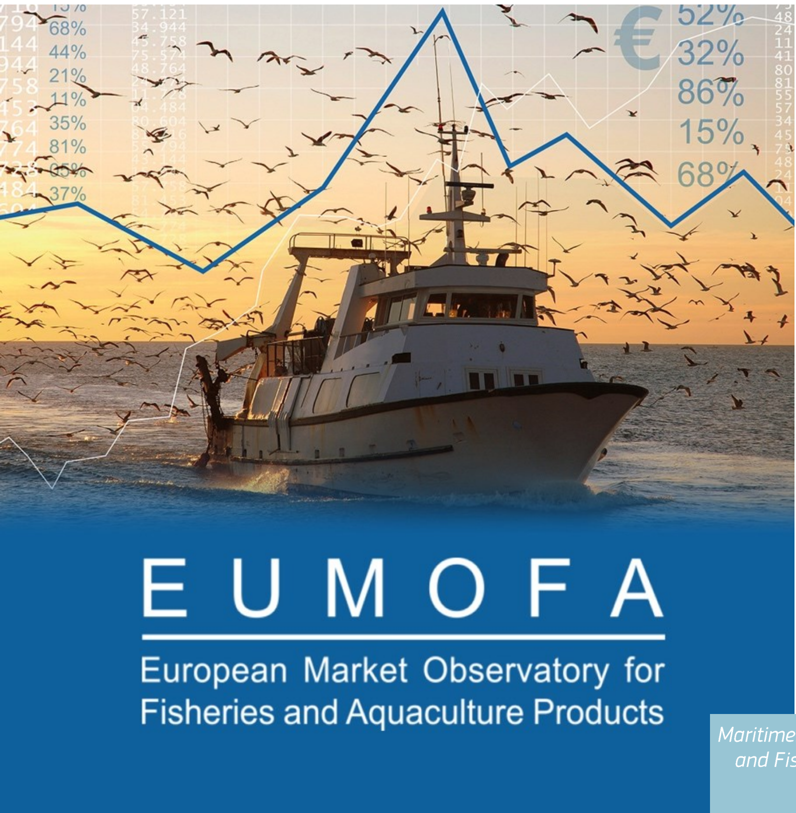
European Commission

# CASE STUDY

# SCALLOP IN THE EU




## PRICE STRUCTURE IN THE SUPPLY CHAIN

### FOCUS ON FRANCE, IRELAND AND THE UNITED KINGDOM

NOVEMBER 2023

WWW.EUMOFA.EU

*Maritimes Affairs and Fisheries*

Manuscript completed in November 2023.



Luxembourg: Publications Office of the European Union, 2023



PDF ISBN 978-92-68-07565-4 KL-04-23-867-EN-N doi:10.2771/37312

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# Summary


- In 2021, the global scallops production amounted to almost 2,9 million tonnes, mainly from aquaculture (73% in 2021). China is by far the main producer, contributing to 64% of global production in 2021. The same year, Japan came second followed by the United States and Peru, with respectively 18%, 6% and 4% of the global production. Global production has increased by 23% over the period between 2012 and 2021, mainly driven by the increase of Chinese and Peruvian production by respectively 34% and 175% over the same period.

- The EU-27 accounted for only 2% of the world scallop production with 45.985 tonnes in 2021. However, the EU is the main global producer of great Atlantic scallop and the second producer of queen scallop, with 59% and 29% respectively. Scallop production in the EU comes almost exclusively from fisheries, and great Atlantic species is the main species caught (93% of the EU production). France is by far the largest EU producer, with 91% of the total EU-27 production in 2021. The same year, it was followed by Ireland which accounted for 6% of the EU production. Only limited volumes have been produced in other Member States (less than 500 tonnes in Belgium, Spain and Italy).

- The EU imports great Atlantic scallop, mainly from the UK (which is also a major producer, with almost 28.000 tonnes in 2021) and lower value scallops from other third countries. In 2022, scallops imports from third countries to the EU-27 amounted to 25.513 tonnes (product weight), from which around 6.000 tonnes were great Atlantic scallop. Great Atlantic scallop is imported to the EU fresh or frozen, while the other scallop species are imported frozen or smoked (mainly from Argentina, Peru, Japan and Canada). Scallop exports from the EU are lower than imports, with 4.247 tonnes (product weight) exported in 2022 (including 700 tonnes of great Atlantic scallop). Denmark and France were the main exporters. The main destinations of the EU exports include Vietnam for frozen scallops and the UK for fresh scallops. Within the EU, trade involves only some MS (Belgium, Denmark, France, Germany, Italy, Spain and the Netherlands). France is the main exporter within the EU, while Italy is the main importer of mainly fresh and frozen scallops from France.

- Apparent consumption of scallops at EU-27 level was estimated to 124.429 tonnes live weight equivalent in 2021, with the EU market being mainly supplied with imports (70% of the EU supply the same year).

- This study focuses on the scallops market in France and Ireland in the EU-27, as well as the UK, given its importance as a major supplier of the EU-27 market.

  - France is the largest producer of great Atlantic scallop at EU level and globally. The scallop sector in France is well structured. The resource is well managed and there is significant involvement of producer organisations to organise the market. France is also the main importer of scallops in the EU, with the UK being the main supplier. The other scallop species are imported from Argentina, Peru and Canada. Even though significant volumes of other scallop species are imported to France, the great Atlantic scallop (*Pecten maximus*) has a unique image given its marketing position as a premium product and the importance of the fisheries (first species landed in France in volume and value terms). Recent years have been characterised by an increase in processing the product and as a result increase in the volumes of scallop meat (unlike past years where the market was dominated by whole live scallop). This trend is explained by a change in

consumer habits (preference for easy to prepare products) and seasonality (scallops being mainly consumed during Christmas and New Year period).

- Ireland is the second largest producer of scallops in the EU. The economic model is different from the French model, with a few large vessels (seven) and some small vessels. The sector is also very concentrated with only a few operators involved in processing and marketing scallops landed by the Irish vessels. The Irish production is all processed and whole live scallop is not found on the Irish market. The Irish production is export oriented, with France being the main destination for fresh scallops, while Spain and Italy are the main destinations for frozen scallops. The domestic market for scallops is very small.
- The scallop production is one the highest value commercial fisheries in the UK. Scallop is mainly caught with large vessels. Unlike France, all the British production is processed. The market is vertically integrated as processors own fishing vessels or shares in fishing vessels. The domestic market is very small and characterised by the consumption of low value scallops imported from Peru and Canada. The great Atlantic scallop caught by the British vessels is mainly for the export market, which is made of a variety of products depending on the destination: fresh and frozen meat for the French market and half-shell for the Italian and Spanish markets. The European market is for roe-on meat, while the USA market is for roe-off meat.

- The price structure analysis developed in this report focuses on the following value chains:
  - Great Atlantic scallop caught in the Bay of Saint Brieuc (France), processed (shucked and frozen) and packed by a local processor to be sold to retailers;
  - Great Atlantic scallop caught in the Bay of Seine (France), cleaned and packed by a wholesaler to be marketed whole in wooden boxes to retailers during Christmas;
  - Great Atlantic scallop caught by Irish vessels processed (shucked) and packed in Ireland and then exported to France to be sold in supermarkets;
  - Great Atlantic scallop caught by British vessels, landed in the UK, processed and packed in the UK (fresh meat packed in 2 kg packaging) and then exported to France to be sold in supermarkets.
- The main results of this analysis can be summarized as follows:
  - The first sale price varies depending on origin, destination market (fresh market versus processing market), and period (highest prices being recorded during Christmas period).
  - The retail price in the French market was different depending on the origin: 55 EUR/kg for frozen scallop meat originating from the Bay of Saint Brieuc (France), while imported fresh scallop meat from Ireland and the UK is sold at 35 EUR/kg in the French market. The raw material accounts for 38%, 45% and 33% of the final prices at retail stage, respectively in France, Ireland and the UK.

# List of acronyms

| | |
|---|---|
| CN | Combined Nomenclature |
| DCF | Data Collection Framework |
| EU | European Union |
| FAO | Food and Agriculture Organisation of the United Nations |
| HORECA | HOtels, REstaurants and CAtering |
| Ifremer | French Research Institute for Exploitation of the Sea |
| LR | Label Rouge |
| LWE | Live Weight Equivalent |
| MS | Member State |
| MSC | Marine Stewardship Council |
| Nei | Not Elsewhere Included |
| PO | Producer Organisation |
| PGI | Protected Geographical Indication |
| RNM | *Réseau des Nouvelles des Marchés* |
| SICG | Scallop Industry Consultation Group |
| VAT | Value Added Tax |

# 1. SCOPE AND CONTENT

## 1.1. Case study scope

Key elements of the analysis on scallops price structure and distribution of value in the supply chain are detailed in the following table.

| Products | Origin | Characteristics | Market and price drivers |
|---|---|---|---|
| Scallop | Fisheries (EU) | In the EU, production takes place mainly in France and to a lesser extent in Ireland. Very small volumes are produced in other Member States.<br>The United Kingdom is a main producer, and the British market is export-oriented (mainly to the EU market).<br>Significant imports from third countries of other scallop species. | Species (great Atlantic scallop versus other imported species)<br>Origin (national/import)<br>Product presentation (whole live, shelled meat)<br>Differentiation strategies in the French market. |

## 1.2. 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 France, Ireland and the United Kingdom.

EUMOFA provides other relevant publications on the topics covered by this study:

- King scallop species profile
  https://www.eumofa.eu/documents/20178/137160/King+scallop_31-1.pdf

- Country profiles:
  - France - https://www.eumofa.eu/france
  - Ireland - https://www.eumofa.eu/ireland

# 2. DESCRIPTION OF THE PRODUCT AND MARKETS

## 2.1. Biological and commercial characteristics

### Case study product

**Name:** Great Atlantic scallop (*Pecten maximus*)

**FAO 3-alpha code:** SCE

**Presentation:** Fresh; Frozen

### Other main species:

Queen scallop (*Aequipecten opercularis*): mainly produced in France and UK.

Other species imported from third countries are also available in the EU market.

### Related codes in the product nomenclature (COMEXT/EUROSTAT)

For this case study, the Combined Nomenclature (CN) identified for scallops are provided in Table 1.

The codes for fresh scallops cover different species. However, great Atlantic scallop accounts for 93% of the EU production and according to operators, trade of fresh scallops concern mainly the great Atlantic species (as the other species are imported frozen or prepared from third countries). For frozen scallops, a specific code for the great Atlantic scallop species has existed since 2017. Thus, the trade sections focus on analysis of trade data from 2017 onward.

In addition, the details of the terms used in the report for each trade code (CN-8 code) are provided in the following table in order to simplify the understanding of the products that are traded. Table 1 below also provides an overview of the species covered.

**Table 1: Custom codes for scallop products (CN-8 nomenclature)**

| Codes | Description | EUMOFA short description | Species covered |
|---|---|---|---|
| 03072100 | Live, fresh or chilled, scallops, incl. queen scallops, of the genera Pecten, Chlamys or Placopecten, even in shell | Live, fresh scallops | Most likely to correspond to *Pecten maxiums* but could also include small volumes from other scallop species, which are produced in small volumes in the EU. It is unlikely that they are traded fresh. |
| 03072110 | Live, fresh or chilled, scallops, incl. queen scallops of the genera Pecten, Chlamys or Placopecten, even in shell | Live, fresh scallops | Ibidem |
| 03072190 | Live, fresh or chilled, scallops and other molluscs of the family Pectinidae, even in shell (excl. genera Pecten, Chlamys and Placopecten) | Live, fresh scallops | Other species than *Pecten maximus* (trade data for this code are very limited for the UE) (only for 2022) |
| 03072210 | Coquilles St Jacques "*Pecten maximus*", frozen, even in shell | Frozen great Atlantic scallop | Great Atlantic scallop (*Pecten maximus*) |
| 03072290 | Scallops, incl. queen scallops, of the genera Pecten, Chlamys or Placopecten, frozen, even in shell (excl. Coquilles St Jacques "*Pecten maximus*") | Frozen, other than great Atlantic scallop | Other scallop species than *Pecten maximus* |
| 03072295 | Scallops and other molluscs of the family Pectinidae, frozen, even in shell (excl. genera Pecten, Chlamys and Placopecten) | Frozen, other scallops | Other scallop species than *Pecten maximus* |
| 03072900 | Scallops, incl. queen scallops, of the genera Pecten, Chlamys or Placopecten, smoked, dried, salted or in brine, even in shell | Smoked scallops | Other scallop species than *Pecten maximus* |
| 03072905 | Scallops, incl. queen scallops, of the genera Pecten, Chlamys or Placopecten, smoked, even in shell, even cooked but not otherwise prepared | Smoked scallops | Other scallop species than *Pecten maximus* |
| 03072910 | Scallops, incl. queen scallops, of the genera Pecten, Chlamys or Placopecten, smoked, dried, salted or in brine, even in shell | Smoked scallops | Other scallop species than *Pecten maximus* |
| 03072990 | Scallops and other molluscs of the family Pectinidae, smoked, dried, salted or in brine, even in shell (excl. genera Pecten, Chlamys and Placopecten) | Smoked scallops | Other scallop species than *Pecten maximus* |
| 16055200 | Scallops, incl. queen scallops, prepared or preserved (excl. smoked) | Prepared-preserved scallops | Other scallop species than *Pecten maximus* |

Source: EUMOFA elaboration on Eurostat/Comext classification

**Table 2: Biological parameters of great Atlantic scallop**

| Parameter | Characteristics |
|---|---|
| **Habitat** | Lives on sand and gravel bottoms but can be found in mud as well, from the extreme low tide down to 250 m (in literature to 1.846 m). They spend most of the time resting on the lower (right or convex) valve in self-dug depressions in the bottom, so that the upper (left or flat) valve is parallel to the sea floor. Sand, mud, gravel or living organism cover the upper valve so that only the margin of the shell (with all tentacles and eyes) remains visible, most active during the day. When disturbed the animal retracts with a quick movement into its valves and becomes virtually undetectable[1]. |
| **Diet in the wild** | Great Atlantic scallop is a fully filter-feeding mollusc. It eats mainly phytoplankton, including diatoms. |
| **Juvenile phase** | The larval stage of *Pecten maximus* is relatively long, up to a month, and the potential for dispersal is quite high. Once an egg is fertilized, it becomes part of the plankton community drifting in the water column for four to seven weeks before settling to the ocean floor, where they attach themselves to objects through their byssal threads. The byssus is eventually lost with adulthood and the scallop transforms into a free swimmer. Rapid growth occurs within the first several years, with an increase of 50 to 80% in shell height and quadrupled size in meat weight[2]. |
| **Grow-out** | Scallops reach maturity at the age of three, when they measure approx. 9 cm in diameter. Adult shells are free-swimming. Spawning takes place in the warmer months, from May to August, and a three-year-old individual can produce between 15 and 21 million eggs each year. Older adults seem to be able to spawn twice a year with partial spawning in the spring and full spawning in late August[3]. |
| **Distribution in the wild** | Scallops of the species *Pecten Maximus* can be found off the coast of western Europe, from the Scandinavian coasts to the North Sea, on the continental shelf off United Kingdom, Ireland and France, and the coasts of North of Spain and Portugal. According to the FAO, they can also be found in Canarias, Madeira and Azores. |
| **Catches** | In 2021, the global scallops production amounted to circa 2,9 million tonnes. Great Atlantic scallop and the queen scallop, both produced in Europe, represented combined less than 3% of the global scallop production. |
| **Farming systems** | Scallop aquaculture is entirely sea-based. Scallop aquaculture exists in Europe but production levels remain very low. |

Source: FAO

[1] FAO 2023. Pecten maximus Linnaeus,1758. Fisheries and Aquaculture Division [online]. Rome. https://www.fao.org/fishery/en/aqspecies/sce [access 01/08/23]
[2] Trinity College Dublin. History of Scallops around Ireland. https://www.tcd.ie/tceh/projects/foodsmartdublin/recipes/March_Scallops/HistoryEcology_Scallop.php [access 01/08/23]
[3] Ibidem

## 2.2. World production

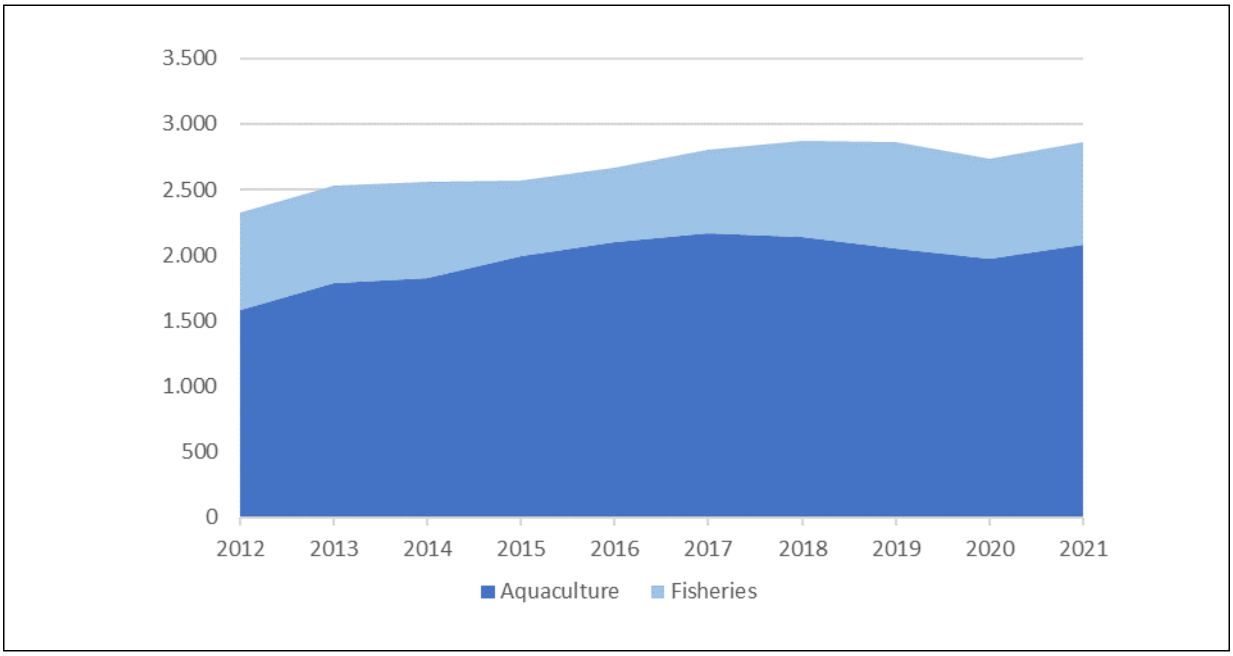
In 2021, the global scallop production amounted to circa 2,9 million tonnes, showing a 23% increase since 2012. Scallop production mainly originates from aquaculture (73% in 2021). The volume of wild caught scallops represented 27% of global production the same year. The aquaculture production has significantly increased over the period from 2012 to 2021 (+32%), while fisheries production has remained relatively stable over the same period (+4%).

**Table 3: World production of scallop between 2012 and 2021 (1.000 tonnes)**

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Evol. 2021/12 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Aquaculture** | 1.577 | 1.782 | 1.824 | 1.988 | 2.096 | 2.169 | 2.141 | 2.055 | 1.970 | 2.077 | +32% |
| **Fisheries** | 751 | 747 | 739 | 576 | 570 | 633 | 726 | 811 | 768 | 782 | +4% |
| **Total** | 2.328 | 2.529 | 2.563 | 2.564 | 2.666 | 2.802 | 2.867 | 2.866 | 2.738 | 2.859 | +23% |

Source: FAO

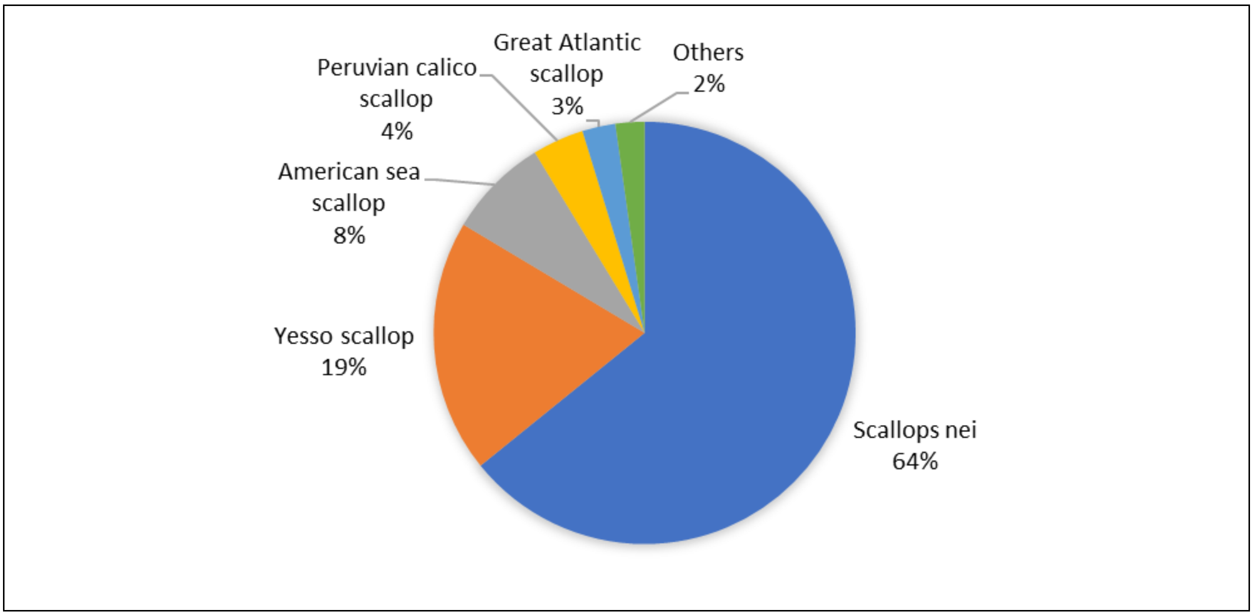
**Figure 1: World production of scallops from fisheries and aquaculture (1.000 tonnes)**




Source: FAO

In 2021, 64% of the global scallops production concerned scallops "nei". This category of species corresponds to several scallop species. Production is declared under this category when the accurate species in not known. Yesso scallop followed with 19% of the global production. The species is mainly produced in aquaculture in Asia. The same year, it was followed by American sea scallop (8%) and Peruvian calico scallop (4%). Combined, great Atlantic scallop and queen scallop, both produced in Europe, represented less than 3% of the global scallop production (Figure 2).

**Figure 2: World production of main scallop species in 2021**




Source: FAO

China is by far the largest producer of scallop worldwide, with 64% of global production in 2021. The same year, it was followed by Japan, the United States and Peru, with respectively 18%, 6% and 4% of global production. The EU-27 accounts only for 2% of world production with 45.985 tonnes in 2021. However, the EU is the main global producer of great Atlantic scallop and the second producer of queen scallop, with 59% and 29% respectively. Global production has increased by 23% over the period from 2012 to 2021, mainly driven by the increase of the Chinese and Peruvian production by respectively 34% and 175% over the same period.

**Table 4: Main scallop producer countries (1.000 Tonnes)**

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | % total | Evol 2021/12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **China** | 1.361 | 1.539 | 1.576 | 1.710 | 1.850 | 2.008 | 1.918 | 1.828 | 1.746 | 1.830 | 64% | 34% |
| **Japan** | 500 | 515 | 544 | 482 | 428 | 371 | 479 | 484 | 495 | 521 | 18% | 4% |
| **USA** | 217 | 157 | 130 | 136 | 154 | 197 | 221 | 231 | 185 | 164 | 6% | -24% |
| **Peru** | 40 | 90 | 111 | 40 | 34 | 18 | 51 | 107 | 96 | 109 | 4% | 175% |
| **Canada** | 54 | 65 | 70 | 61 | 54 | 56 | 55 | 66 | 64 | 58 | 2% | 8% |
| **EU-27** | 31 | 35 | 29 | 28 | 31 | 37 | 43 | 40 | 39 | 46 | 2% | 49% |
| **Argentina** | 37 | 42 | 34 | 32 | 36 | 39 | 27 | 22 | 33 | 46 | 2% | 24% |
| **UK** | 52 | 50 | 36 | 38 | 36 | 30 | 27 | 28 | 23 | 30 | 1% | -43% |
| **Russia** | 4 | 6 | 11 | 13 | 16 | 18 | 15 | 23 | 27 | 28 | 1% | 624% |
| **Others** | 38 | 34 | 28 | 28 | 30 | 32 | 35 | 40 | 32 | 27 | 1% | -28% |
| **Total** | 2.333 | 2.534 | 2.568 | 2.568 | 2.670 | 2.806 | 2.871 | 2.870 | 2.741 | 2.859 | 100% | 23% |

Source: FAO

## 2.3. EU production

### 2.3.1. EU production by main producing Member States

EU-27 scallop production amounted to almost 46.000 tonnes in 2021[4]. France is by far the largest EU producer, with 91% of the total EU-27 production in 2021 (41.993 tonnes). The same year, it was followed by Ireland, which accounted for 6% of total EU production (2.750 tonnes). Only limited volumes have been produced in Belgium, Spain and Italy (less than 500 tonnes in each country). EU-27 scallop production has significantly increased between 2012 and 2021 (+49%), driven mainly by French production (+59%), with a strong progression between 2020 and 2021 (+19%). Irish production has remained stable over the same period. Scallop production in the EU comes almost exclusively from fisheries. The UK, which is a major supplier of the EU-27, produced 30.021 tonnes in 2021 (i.e. most of EU-27 imports originates from the UK). Its production decreased significantly over the past decade (-43%).

**Table 5: Main scallop producing countries in the EU-27 and UK (tonnes)**

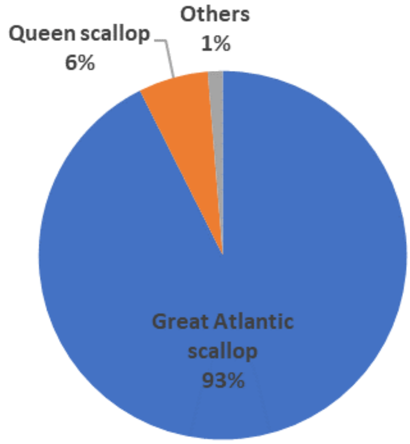
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | % 2021 | Evol. 2021/ 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **FR** | 26.403 | 30.977 | 23.622 | 24.601 | 27.496 | 33.173 | 38.910 | 36.793 | 36.103 | 41.993 | 91% | 59% |
| **IE** | 2.744 | 3.077 | 2.978 | 2.103 | 2.258 | 2.555 | 2.325 | 2.385 | 1.572 | 2.750 | 6% | 0% |
| **BE** | 751 | 618 | 1.224 | 765 | 769 | 836 | 700 | 431 | 510 | 457 | 1% | -39% |
| **ES** | 302 | 339 | 314 | 217 | 178 | 172 | 300 | 366 | 265 | 395 | 1% | 31% |
| **IT** | 679 | 346 | 296 | 239 | 437 | 140 | 407 | 349 | 218 | 301 | 1% | -56% |
| **HR** | 53 | 106 | 152 | 182 | 168 | 99 | 99 | 66 | 53 | 66 | 0% | 24% |
| **NL** | 0 | 0 | 0 | 0 | 1 | 3 | 8 | 11 | 20 | 19 | 0% | New |
| **EL** | 4 | 4 | 3 | 6 | 5 | 2 | 2 | 2 | 1 | 1 | 0% | -78% |
| **EU-27** | **30.936** | **35.467** | **28.589** | **28.113** | **31.312** | **36.980** | **42.751** | **40.403** | **38.742** | **45.982** | **100%** | **49%** |
| **UK** | 52.422 | 50.067 | 36.261 | 37.996 | 35.875 | 30.331 | 27.207 | 27.528 | 23.255 | 30.021 | 65% | -43% |

Source: FAO

Great Atlantic scallop (*Pecten maximus*) is the main scallop species produced in the EU, accounting for 42.564 tonnes in 2021 (93% of the EU scallop production). The same year, the queen scallop production consisted in 6% of the EU production with 2.821 tonnes. Other scallop species are produced only in limited volumes.

[4] FAO statistics were used for the EU production as for the case of Ireland, FAO data were closer to national statistics..

**Figure 3: Main species produced in the EU-27 (tonnes)**




Source: FAO

### 2.3.2. Import - Export

**Extra-EU trade**

In 2022, import of scallops from third countries accounted for 25.513 tonnes, including around 6.000 tonnes of great Atlantic scallop (24% of extra-EU imports in volume). Great Atlantic scallop is imported to the EU fresh or frozen (respectively 59% and 41% of the EU imports), while other scallop species are imported frozen or smoked. Most fresh scallops imported to the EU come from the UK (93% of the EU imports), which are most likely to be great Atlantic scallop. Suppliers of frozen scallops to the EU market differ depending on the species. The UK is the main supplier of frozen great Atlantic scallop (95% of EU imports in 2022), while frozen imports of other scallop species come mainly from Argentina, Peru, Japan and Canada. France is the main importer of scallop in the EU, with 57% of EU imports volume in 2022. It is followed by Denmark (14%), Spain (12%) and Netherlands (10%). Even though trade codes do not distinguish between meat and scallops in shell, interviews with operators show that EU imports from third countries are likely to involve scallop meat.

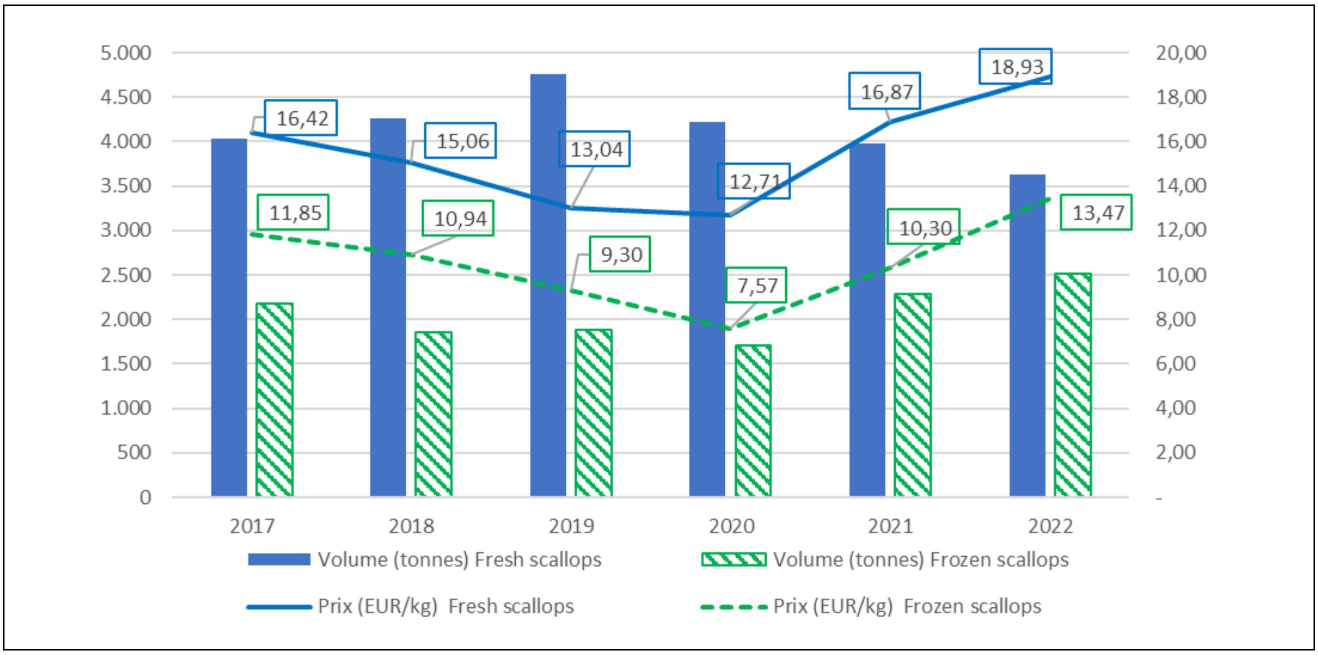
**Table 6: Extra-EU scallop imports in 2022, product weight (tonnes) and nominal value (1.000 EUR)**

| | Volume (tonnes) | Value (1.000 EUR) | % of total volume | % of total value |
|---|---|---|---|---|
| **Live, fresh scallops** | 3.634 | 68.789 | 14% | 18% |
| **Frozen great Atlantic scallops** | 2.511 | 33.827 | 10% | 9% |
| **Frozen, other than great Atlantic scallop** | 19.198 | 285.217 | 75% | 73% |
| **Smoked, dried, salted scallops** | 130 | 3.609 | 1% | 1% |
| **Prepared-preserved scallops** | 39 | 239 | 0% | 0% |
| **Total** | **25.513** | **391.681** | **100%** | **100%** |

Source: EUMOFA elaboration of Eurostat/Comext data

Figure 4 represents the evolution of extra-EU imports of great Atlantic scallop between 2017 and 2022[5]. This period has been characterised by a decrease in imports of fresh scallops (10%) and an increase in imports of frozen scallops (16%), with an overall increase in prices for both types of products (15% for fresh scallops and 14% for frozen scallops). The year 2020 was characterised by a decrease in both volumes and prices, explained by the Covid-19 pandemic.

**Figure 4: Evolution of extra-EU imports of fresh and frozen scallops between 2017 and 2022**




Source: EUMOFA elaboration of Eurostat/Comext data

In 2022, scallops exports to third countries accounted for 4.247 tonnes, including around 700 tonnes of great Atlantic scallop, which is mostly exported frozen. Frozen scallops from the EU are mainly exported to Vietnam[6] (80% of the extra-EU exports in volume in 2022), while fresh scallops are mostly exported to the UK (47%). Other destinations of EU exports (after Vietnam and the UK) include the United States (8% of extra-EU exports in volume), Norway and Switzerland (with 4% each). Denmark and France were the main exporters in 2022, with 47% and 37% of extra-EU exports, respectively.

[5] Regarding frozen scallops, the trade code for frozen great Atlantic scallop has been used. For fresh scallops, we assume that imports of fresh scallops consist mostly the great Atlantic scallop as it is the major producing species of the main scallop supplier of the EU market (namely the UK).

[6] Some of the frozen scallops exported by the EU to Vietnam are intended for the Vietnamese domestic market. The population in Vietnam has increased demand for various imported valuable seafood products, including scallops.

**Table 7: Extra-EU scallop exports in 2022, product weigth (tonnes) and nominal value (1.000 EUR)**

| | Volume (tonnes) | Value (1.000 EUR) | % of total volume | % of total value |
|---|---|---|---|---|
| **Live, fresh scallops** | 157 | 3.392 | 4% | 10% |
| **Frozen great Atlantic scallop** | 623 | 2.713 | 15% | 8% |
| **Frozen, other than great Atlantic scallop** | 2.959 | 20.492 | 70% | 62% |
| **Smoked, dried, salted scallops** | 151 | 3.823 | 4% | 12% |
| **Prepared-preserved scallops** | 453 | 6.120 | 11% | 18% |
| **Total** | **4.247** | **33.219** | 100% | 100% |

Source : EUMOFA elaboration of Eurostat/Comext data

**Intra-EU trade**

France is the main exporter within the EU, with a value of circa EUR 84 million in 2022, followed by the Netherlands, with over EUR 61 million. France was the largest intra-EU exporter of fresh and frozen great Atlantic scallop, while the Netherlands was the first exporter of other scallop species frozen and prepared. Other major exporters are Belgium, Denmark and Germany, exporting mainly frozen scallops and Italy, exporting mainly fresh great Atlantic scallops.

**Table 8: Value of intra-EU exports from the main MS (1.000 EUR, nominal value, 2022)**

| MS | Fresh scallops | Frozen great Atlantic scallop | Frozen scallops, other than great Atlantic scallop | Smoked scallops | Prepared-Preserved scallops | Total |
|---|---|---|---|---|---|---|
| **France** | 27.378 | 24.949 | 25.572 | 1.421 | 4.517 | **83.836** |
| **Netherlands** | 14.908 | 2.527 | 31.788 | 2.234 | 9.944 | **61.401** |
| **Belgium** | 720 | 289 | 20.059 | 148 | 306 | **21.522** |
| **Denmark** | 1.548 | 1.705 | 11.134 | 118 | 3 | **14.509** |
| **Italy** | 11.296 | 720 | 288 | 1.520 | 147 | **13.973** |
| **Germany** | 1.781 | 836 | 8.041 | 152 | 368 | **11.179** |

Source: EUMOFA elaboration of Eurostat/Comext data

Within the EU, Italy was the largest importer of scallops (EUR 51 million), which imports mainly fresh and frozen great Atlantic scallop from France. France followed, with mainly imports of frozen scallops of species other than great Atlantic scallop. Germany, Belgium and the Netherlands were the main importer of prepared and preserved scallops from other EU countries, while Spain is by far the main importer of smoked scallops.

**Table 9: Value of intra-EU imports to the main MS of destination (1.000 EUR, nominal value, 2022)**

| MS | Fresh scallops | Frozen *Pecten maximus* | Frozen scallops, other than great Atlantic scallop | Smoked scallops | Prepared-Preserved scallops | Total |
|---|---|---|---|---|---|---|
| **Italy** | 20.050 | 20.262 | 6.668 | 1.988 | 2.003 | **50.970** |
| **France** | 8.088 | 3.439 | 29.977 | 2.254 | 482 | **44.240** |
| **Spain** | 4.089 | 9.651 | 4.560 | 8.749 | 994 | **28.042** |
| **Germany** | 4.096 | 1.526 | 16.614 | 418 | 3.617 | **26.272** |
| **Belgium** | 6.830 | 3.055 | 9.716 | 2.923 | 2.821 | **25.345** |
| **Netherlands** | 4.073 | 709 | 11.978 | 868 | 3.309 | **20.937** |

Source: EUMOFA elaboration of Eurostat/Comext data

**Apparent consumption by Member State[7]**

Table 10 provides an estimate of the apparent consumption of scallops in the EU-27 and the main MS (see box below for some methodological notes).

According to this estimate, the total supply of scallops in the EU-27 (production + imports) was 151.236 tonnes **Live Weight Equivalent** (LWE) in 2021. The EU supply of scallops was mainly based on imports which constituted 70% of the EU supply. Since exports represented 26.807 tonnes LWE, apparent consumption at EU-27 level (national supply – export) was estimated at 124.429 tonnes.

France is by far the main market for scallops. In 2021, it was followed by the Netherlands, Denmark and Spain.

[7] In this section, volumes are expressed in live weight equivalent. As a result, volumes of imports and exports are different from the volumes provided in the section on trade, which are expressed in product weight.

**Table 10: Supply balance of scallops in the main MS in 2021 (tonnes Live Weight Equivalent)**

| | Production | Import | National supply | Export | Apparent consumption |
|---|---|---|---|---|---|
| **France** | 41.993 | 102.147 | 144.140 | 21.441 | 122.699 |
| **Netherlands** | 19 | 11.497 | 11.516 | 932 | 10.584 |
| **Denmark** | 0 | 17.588 | 17.588 | 13.015 | 4.572 |
| **Spain** | 395 | 4.493 | 4.888 | 475 | 4.413 |
| **Belgium** | 457 | 2.690 | 3.147 | 277 | 2.870 |
| **Ireland** | 2.750 | 957 | 3.707 | 2.830 | 877 |
| **Italy** | 301 | 1.926 | 2.227 | 77 | 2.150 |
| **Sweden** | 0 | 817 | 817 | 363 | 454 |
| **Romania** | 0 | 245 | 245 | 67 | 178 |
| **Croatia** | 66 | 0 | 66 | 4 | 62 |
| **Cyprus** | 0 | 6 | 6 | 0 | 6 |
| **Greece** | 1 | 1 | 2 | 0 | 2 |
| **Czechia** | 0 | 1 | 1 | 0 | 1 |
| **Poland** | 0 | 7 | 7 | 7 | 1 |
| **Others** | 0 | 273 | 273 | 530 | n.a. |
| **EU-27** | **45.982** | **105.254** | **151.236** | **26.807** | **124.429** |

n.a.: not available[8]

Source: EUMOFA estimations based on FAO and Eurostat-Comext data

**Note:**

***Apparent consumption= National supply – Export***

***National supply = Production + Import***

The apparent consumption calculated in the table above takes into account a harmonized methodology for the use of the conversion factors (used to convert traded volumes from product weight to live weight). The scallop related CN-8 codes (i.e. trade data) do not distinguish between scallops in shell and scallops meat. The harmonised methodology assumes that scallops are in shell when they are traded fresh and are in meat format when traded frozen. However, a variety of products (scallops in shell or meat) are traded based on consumption habits in each MS.

As in this study, we focus on French and Irish markets, it is possible to take into account the variety of product presentations (e.g. in shell, meat) in the calculation of the apparent consumption in both countries.

[8] Apparent consumption may result in a negative value in MS, as a result of the lack of accuracy in the use of the conversion factors (used to convert trade data from product weight to live weight equivalent). Negative value in this case is noted for MS where very low consumption is recorded.

# 3. THE FRENCH MARKET

## 3.1. Structure of the supply chain

### 3.1.1. Production

With almost 42.000 tonnes produced in 2021, France is the largest producer of scallops in the EU (91% of the EU production volume). The great Atlantic scallop is the main species caught (94% of the French scallop production in 2021). Queen scallop is the second scallop species caught by French vessels in the French waters. In 2021, 2.544 tonnes were produced, showing a 166% increase from 2012. Other scallop species are caught in very small volumes.

**Table 11: Scallop fisheries production in France between 2012 and 2021 (Tonnes)**

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018* | 2019 | 2020 | 2021 | Evol. 2021/12 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Great Atlantic scallop** | 25.029 | 28.458 | 22.143 | 22.278 | 25.524 | 27.757 | 31.923 | 34.140 | 33.709 | 39.267 | 57% |
| **Queen scallop** | 955 | 2.299 | 1.351 | 2.112 | 1.909 | 5.270 | 6.500 | 2.608 | 2.285 | 2.544 | 166% |
| **Other** | 419 | 220 | 128 | 211 | 63 | 146 | 486 | 45 | 109 | 182 | -57% |
| **Total** | **26.403** | **30.977** | **23.622** | **24.601** | **27.496** | **33.173** | **38.910** | **36.793** | **36.103** | **41.993** | **59%** |

Source: FAO

Even though significant volumes of other scallop species are imported to France, the great Atlantic scallop (*Pecten maximus*) has a unique image given its marketing position as a premium product and the importance of the fisheries. Great Atlantic scallop is the first species caught in terms of volume and value. In 2021, it represented 13% of French production in volume and 12% in value. It is also an important fishery from the socio-economic point of view as almost 14% of the French fleet (i.e., 572 vessels) target the species. Most of these vessels are polyvalent vessels as they target the species with dredges during the opening fishing season (from 15 May to 30 September) and they target other species in the rest of the year. However, in most cases, the species represent a significant share of the vessels' turnover. According to 2020 Data Collection Framework, there are 233 vessels for which great Atlantic scallop fisheries represent at least 70% of their turnover.

The French production of great Atlantic scallop has increased by 57% between 2012 and 2021 to reach over 39.000 tonnes in 2021. According to interviews, the last two years (2021 and 2022) have been characterised by records in terms of biomass availability and production.

**<u>French production by fishing area</u>**

According to the French Research Institute for Exploitation of the Sea (Ifremer), up to 98% of the French catches of great Atlantic scallop occur in the Bay of Seine and Bay of Saint Brieuc. Fisheries in these areas are different in terms of product, resource management measures, fishing gears, etc.

- **Bay of Seine (*Baie de Seine*)**: located in the region of Normandy, it is the most important seabed for great Atlantic scallop in Eastern Channel[9]. According to Ifremer, two-thirds of the French production of great Atlantic scallop occur in this area.

- **Bay of Saint Brieuc (*Baie de Saint Brieuc*)**: located in the region of Britanny. According to Ifremer estimates, one-third of French production occurs in the Bay of Saint Brieuc. This

[9] ICES. 2020. Scallop Assessment Working Group (WGSCALLOP).
ICES Scientific Reports. 2:111. 57 pp. http://doi.org/10.17895/ices.pub.7626

area has the highest-level density in Europe[10]. This parameter is taken into account in the elaboration of resource management measures presented below, mainly the allowed time for fishing. In recent years, the exploitation has been undertaken by 220-230 vessels (98% dredges, 2% diverse).

Great Atlantic scallop caught in this area is characterised by the presence of roe or coral (called "*corail*"), while great Atlantic scallop caught in the Bay of Saint-Brieuc is roe-less. For the latter, the roe appears only from April (i.e., the end of the fishing season). The presence of roe in scallops from the Bay of Seine is considered an asset as it is a unique characteristic for the great Atlantic scallop (*Pecten maximus)* when compared to the other imported scallop species, which are sold in the French market at lower prices.

**Fisheries management of great Atlantic scallop in France[11]**

The fisheries of great Atlantic scallop in France are well managed. Resource management measures are taken annually, based on a historical collaboration between scientists (Ifremer) and producers (fisheries committees[12]). The roles of both scientists and producers are described below.

- **Ifremer**: each year Ifremer carries out stock assessment surveys. The same scientific protocol has always been followed, which allows for continuity in the historical time-series (i.e., since 1976 in the Bay of Seine and since 1974 in the Bay of Saint Brieuc). Ifremer provides scientific advice, including maximum tonnage that can be exploited each year and a series of management measures that include dates for opening the fishing season, closing areas and periods, etc.

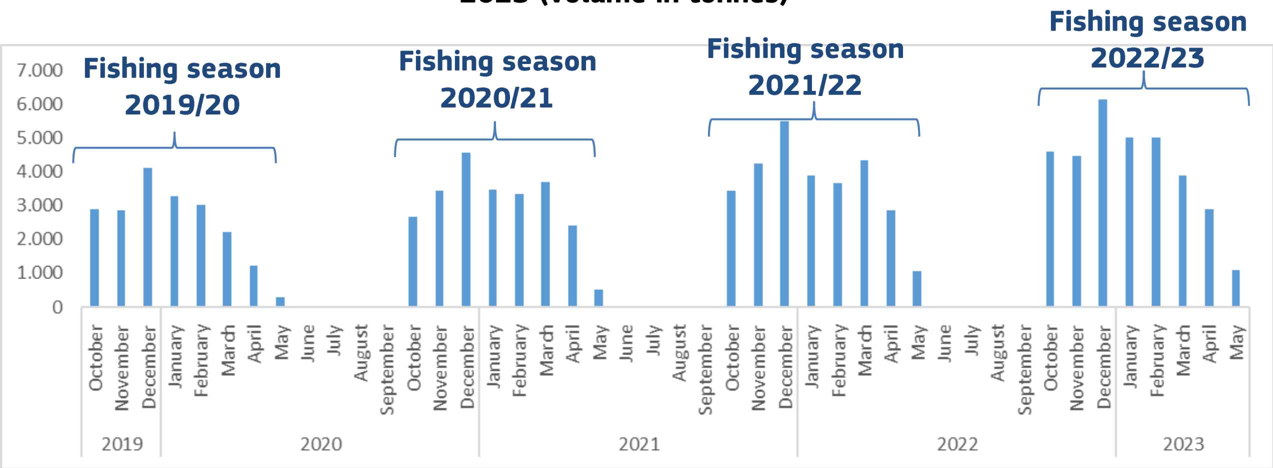
- Based on the scientific advice provided by Ifremer, **fisheries committees** (at department or regional level according to the areas) develop a number of management measures that are binding for all producers who have license to fish scallop. These measures contain:
    - Resource management measure common to both areas: specific fishing license to exploit scallop, closing fishing season (from 15 May to 30 September), gear characteristics, etc.
    - Resource management measures that are specific to each area:
        - a minimum fishing size which is more restrictive in France than the European Minimum Conservation Reference Size (MCRS)[13]. In France, minimum size is 10,2 cm in the Bay of Saint Brieuc and 11 cm in the Bay of Seine;
        - opening and closure areas/dates;
        - specific hours authorized for fisheries by taking into account the scallop density level (45 minutes in the Bay of Saint Brieuc for instance, given the high-density level as mentioned earlier).
        - Limited quotas (per vessel and per day), etc.
- **Producer organisations** (PO) also play an important role in providing the market perspective to the management policy.

[10] ICES. 2020. Scallop Assessment Working Group (WGSCALLOP). ICES Scientific Reports. 2:111. 57 pp. http://doi.org/10.17895/ices.pub.7626
[11] This paragraph has been drafted based on interviews with operators
[12] ICES. 2020. Scallop Assessment Working Group (WGSCALLOP). ICES Scientific Reports. 2:111. 57 pp. http://doi.org/10.17895/ices.pub.7626
[13] MSCRS is 10 cm in the North Sea.

**Production seasonality**

Fishing activity for great Atlantic scallop is closed in France between 15th of May and 30th of September. The fishing season occurs from October in year *n* to mid-May in year *n*+1.

**Figure 5: First sales for great Atlantic scallop in France between october 2019 and May 2023 (volume in tonnes)**




Source: EUMOFA elaboration of FranceAgriMer data

### 3.1.2. Trade

**Imports**

France imports different species of scallops to supply the French market. In 2022, France imported 17.115 tonnes of scallops, including around 6.000 tonnes of great Atlantic scallop (i.e., 35% of imports). While the EU and the UK are the main suppliers of the French market with great Atlantic scallop, other scallop species are imported frozen or prepared from Argentina, Peru and Canada (with 49%, 12% and 11% of the French imports in volume in 2022). The main supplier of great Atlantic scallop is the UK (87% of the French imports volume in 2022) and to a lesser extent Ireland (4%) and the Netherlands (3%).

The French imports of great Atlantic scallop have increased over the period from 2017 to 2022 (63% in volume), while imports of other scallop species have remained relatively stable (+5% during the same period).

Specifically for great Atlantic scallop, imports of frozen great Atlantic have increased from 619 tonnes in 2017 to 2.097 tonnes in 2022. A possible explanation provided by a French Producer organisation was that following Brexit, France has become a transit hub for the trade from the UK to Spain and Italy. In fact, over the same period, exports of frozen Atlantic scallop from France to Italy and Spain have increased by respectively 253% and 455%.

CN-8 codes do not distinguish between whole scallop and shucked meat (i.e., shell removed) neither for fresh and frozen scallops. According to operators, the French market is mainly for shucked meat fresh or frozen. Operators reported also that a share of imports could include  some half-shell scallops that transit from France to be exported to the Spanish and Italian markets, following Brexit.

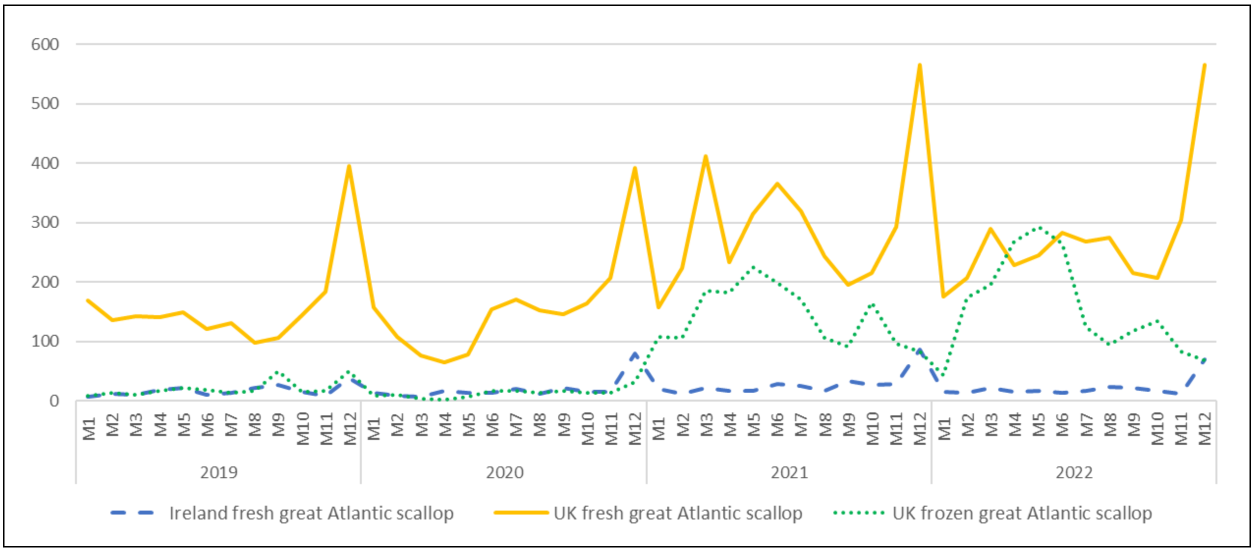
**Table 12: Imports of scallops to France between 2017 and 2022 (tonnes, product weight)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops** | 3.012 | 3.021 | 2.934 | 2.671 | 4.485 | 3.849 | +28% |
| **Frozen great Atlantic scallop** | 619 | 482 | 559 | 414 | 1.896 | 2.097 | +239% |
| **Frozen, other than great Atlantic scallop** | 9.851 | 8.228 | 9.849 | 8.965 | 9.579 | 11.021 | +12% |
| **Smoked, dried, salted scallops** | 711 | 913 | 672 | 346 | 136 | 104 | -85% |
| **Prepared-preserved scallops** | 122 | 92 | 39 | 32 | 36 | 45 | -63% |
| **Total** | **14.315** | **12.737** | **14.052** | **12.427** | **16.132** | **17.115** | **20%** |

Source: EUMOFA elaboration of Eurostat-Comext data

There is a high seasonality in French imports of fresh great Atlantic scallop as most imports occur between October and December each year due to the high consumption of fresh scallops during the end of the year period (see section 3.2.3). In the period 2019-2022, imports of fresh scallops between October and December represented on average 40% of the imports of fresh scallops from Ireland and 35% of the imports from the UK. There is less seasonality in imports of frozen great Atlantic scallops, even though they decrease during the Christmas period, as the market is mostly in demand of fresh scallops.

**Figure 6: Monthly imports of fresh and frozen great Atlantic scallop from Ireland and the UK between 2019 and 2022 (tonnes, product weight)**




Source: EUMOFA elaboration of Eurostat-Comext data

**Exports**

French scallop exports are dominated by exports of great Atlantic scallop. In 2022, these comprised 72% of the French exports of scallops. Exports of great Atlantic scallop have significantly increased by 180% between 2017 and 2022. The share of frozen great Atlantic scallops in total exports of the species have increased (from 24% in 2017 to 43% in 2022).

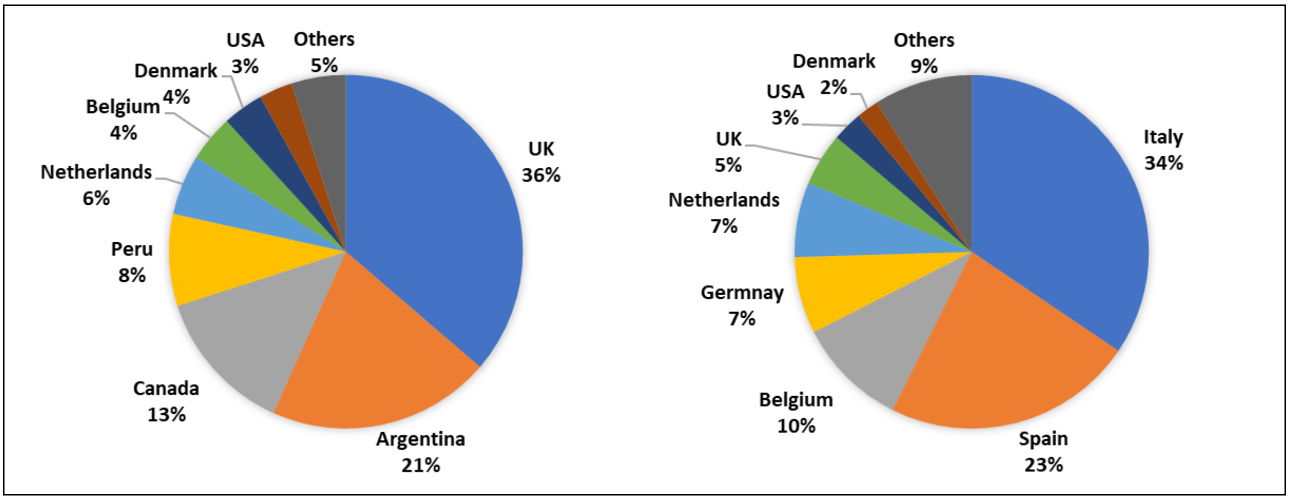
**Table 13: Scallop exports from France between 2017 and 2022 (tonnes, product weight)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops** | 2.256 | 2.533 | 3.033 | 2.580 | 3.816 | 4.809 | +113% |
| **Frozen great Atlantic scallop** | 710 | 644 | 953 | 892 | 2.671 | 3.610 | +408% |
| **Frozen, other than great Atlantic scallop** | 2.189 | 2.333 | 1.332 | 1.470 | 2.190 | 2.467 | +13% |
| **Smoked, dried, salted scallops** | 280 | 466 | 313 | 290 | 141 | 128 | -54% |
| **Prepared-preserved scallops** | 624 | 573 | 418 | 455 | 565 | 581 | -7% |
| **Total** | **6.058** | **6.549** | **6.050** | **5.687** | **9.383** | **11.594** | **+91%** |

Source: EUMOFA elaboration of Eurostat-Comext data

Italy and Spain constitute the main markets for French exports of scallops. Together, they accounted for 57% of exports value in 2022. French exports (fresh and frozen) to both markets have increased in recent years (see explanation in the section on imports).

**Figure 7: Main supliers of the French market with scallops (left) and main destinations of French exports (right) (share in value, 2022)**




Source: EUMOFA elaboration of Eurostat-Comext data

### 3.1.3. Apparent consumption

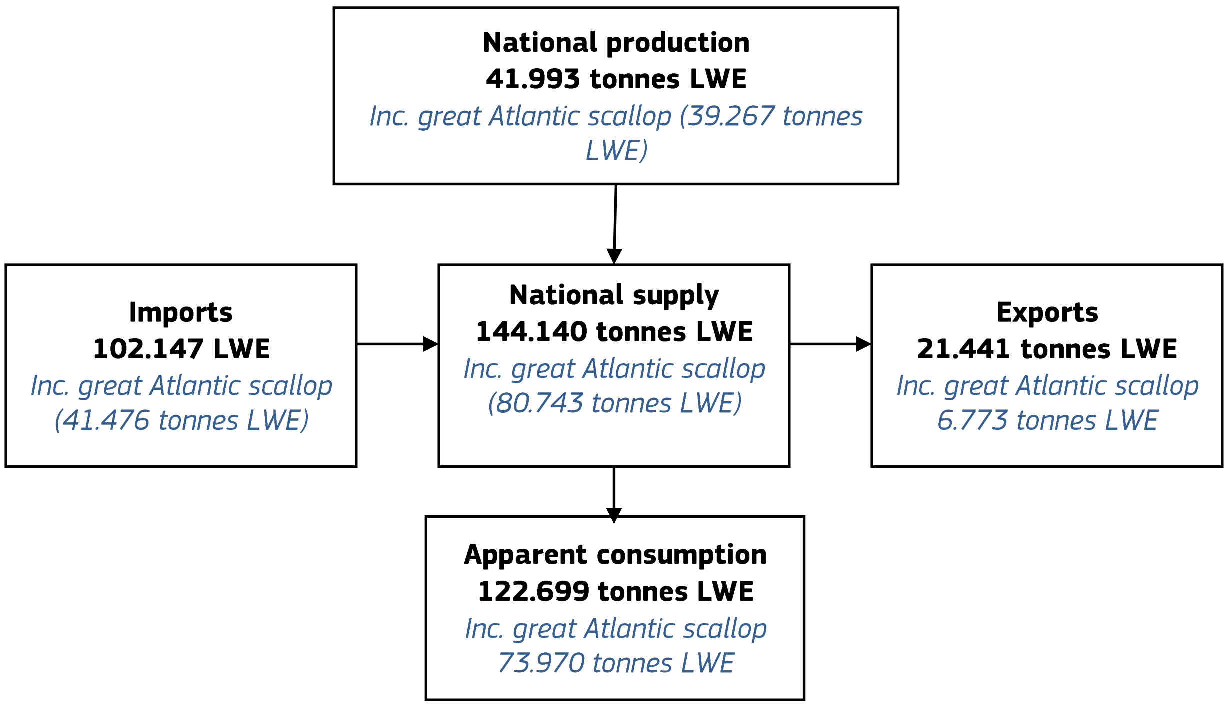
This section provides the apparent consumption of scallops (all species combined) and an estimate of the apparent consumption of great Atlantic scallop. The estimate was based on the following assumptions in order to accurately convert from ratios from product weight to the live weight equivalent:

- The CN-8 codes for live, fresh or chilled scallops do not distinguish great Atlantic scallop from other scallop species, nor whole scallop from scallop meat. Based on operators' feedback, the only scallop species imported fresh to France is great Atlantic scallop (*Pecten maximus*). Furthermore, according to operators, fresh scallops are only imported as shucked meat, but exported mainly whole (i.e., with shell).
- The CN-8 code for frozen great Atlantic scallop does not distinguish whole scallop from shucked meat. According to operators, imports of frozen scallops are most likely to consist of frozen scallop meat. Exports include both whole scallop and scallop meat. Export prices have been used as an indication of the breakdown of exports between frozen whole scallops and frozen scallop meat.

As a result, the conversion factors used for the calculation of apparent consumption (from the product weight to the live weight) have been elaborated based on the trade flow and the partner country.

In 2021, the total supply of scallops in France amounted to over 144.000 tonnes LWE, including circa 81.000 tonnes LWE of great Atlantic scallop. 48% of the supply of great Atlantic scallop came from production and 52% from imports, while other scallop species mainly were supplied by imports. 15% of the scallop supply was exported the same year. Thus, the apparent consumption for scallops can be estimated at 85% of the national supply, i.e., over 122.000 tonnes. The French domestic market for scallops is dominated by the great Atlantic scallop, which represents 60% of the apparent consumption of scallops in France.

**Figure 8: Supply balance for scallops in France (tonnes LWE) - 2021**




Source: EUMOFA elaboration based on FAO and Eurostat-Comext

## 3.2. Characteristics of the market and consumption

### 3.2.1. Presentation of the product

In France, scallops are marketed under the following product presentations:

- Whole live scallops: marketed through wholesalers or producers;
- Shucked meat fresh or frozen: scallops could be shucked by wholesalers or producers and shucked and frozen by processors. Shucking is carried out manually for scallops caught in the Bay of Seine (in order to preserve the roe) and mechanically in the Bay of Saint Brieuc (as the scallop there is roe-less).

**Market segmentation**

The great Atlantic scallop (*Pecten maximus*) is appreciated by French consumers and is considered a premium product. The French market is also supplied with significant volumes of imports of great Atlantic scallop from Ireland and the UK and of other scallop species from third countries (e.g., Argentina, Peru and Canada). According to international law, shellfish of the family Pectinidae, when presented in the preserved, semi-preserved or deep-frozen state, can be marketed under the description "Saint-Jacques" (alongside with the scientific name and the country of origin)[14]. According to producers, this could mislead consumers as most of them are not aware of the scientific name of the species. In addition, these products are often marketed at lower prices in comparison to French products. In this context, producers put a lot of effort into communication and differentiation strategies. Producers in the Bay of Seine were less concerned about competition with imported products. They consider the presence of roe a unique characteristic of the great Atlantic scallop which allows for differentiation of the species in the market (the roe-less scallop meat is more easily assimilated to the other scallop species).

The following strategies are implemented in the scallops' value chain in France:

- **Label Rouge (LR) for fresh and frozen scallop meat (*"Noix de Coquilles Saint-Jacques (Pecten maximus) fraiches ou surgelées")***: as this quality scheme is well known by French consumers, producers have chosen to implement it. The objective is not to get a price premium but to communicate on the high quality of the product. The LR technical specifications compare the great Atlantic scallop (*Pecten maximus*) to the American Sea scallop (*Placopecten magellanicus*), caught in the USA and Canada[15] and imported to the French market. According to the POs, almost 10% of the production of the Bay of Saint Brieuc is certified (between 1.000 and 1.200 tonnes annually). In the Bay of Seine, only 1% of the production is certified LR.

- **Marine Stewardship Certification** (MSC) **for the scallop fishery of the Bay of Saint Brieuc**: the fishery has been certified in 2022. The objective is to reinforce the marketing position regarding large retailers and to communicate on the efforts made in terms of resource management.

[14] https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-DP.aspx?language=E&CatalogueIdList=11788&CurrentCatalogueIdIndex=0&FullTextHash=1&HasEnglishRecord=True&HasFrenchRecord=True&HasSpanishRecord=True

[15] According to FAO statistics on catches.

- The existing PGI "*Coquilles Saint-Jacques des Côtes d'Armor*" is not used. Producers of the Bay of Saint-Brieuc plan to implement a new **Protected Geographical Indication** (PGI) **for scallops of the Bay of Saint Brieuc**.

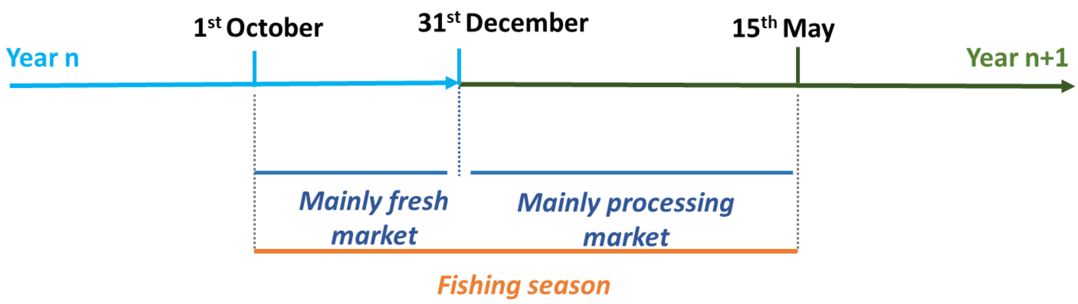
### 3.2.2. Characteristics of the market

In France, there is a high seasonality in scallop marketing which follows the seasonality of scallop consumption (see section 3.2.3). There are two different marketing seasons (see Figure 9):

- First part of the fishing season (from October to December): mainly driven by the fresh market (whole and meat). According to interviews, the fresh market represents 70% and up to 90% of the total production during this period. Sales are made at auctions or directly by fishermen to consumers (contracts between fishermen and wholesalers are limited). Direct sale from fishermen to consumers has significantly increased since the Covid-19 pandemic.

- From January to the end of the fishing season: scallops are mainly destined for the processing market for frozen scallop meat. Processing mainly consists of the following activities: cleaning, shucking and freezing for frozen scallop meat or cleaning and freezing for frozen whole scallop for the Spanish and Italian markets.

**Figure 9: Marketing seasonality for great Atantic scallop in France**




Source: EUMOFA elaboration based on interviews

As already mentioned, the scallop sector is well structured in France. The resource management dimension is managed by producers in close collaboration with scientists, while POs are involved in the marketing activities for their members. In fact, since the end of the European price withdrawal scheme, some POs have continued to fund an equivalent regime on their own funds. According to this scheme, POs set a fixed minimum price at auction level under which they will take scallops off the market (see indications on these prices in section 3.3.1). In addition, POs play an important role in organising the production between fresh and processing market to ensure that both markets are sufficiently supplied and to maintain good prices for producers. Thus, there is a variety of marketing strategies, combining both individual and collective strategies.

**<u>Marketing strategies in the Bay of Saint Brieuc</u>**

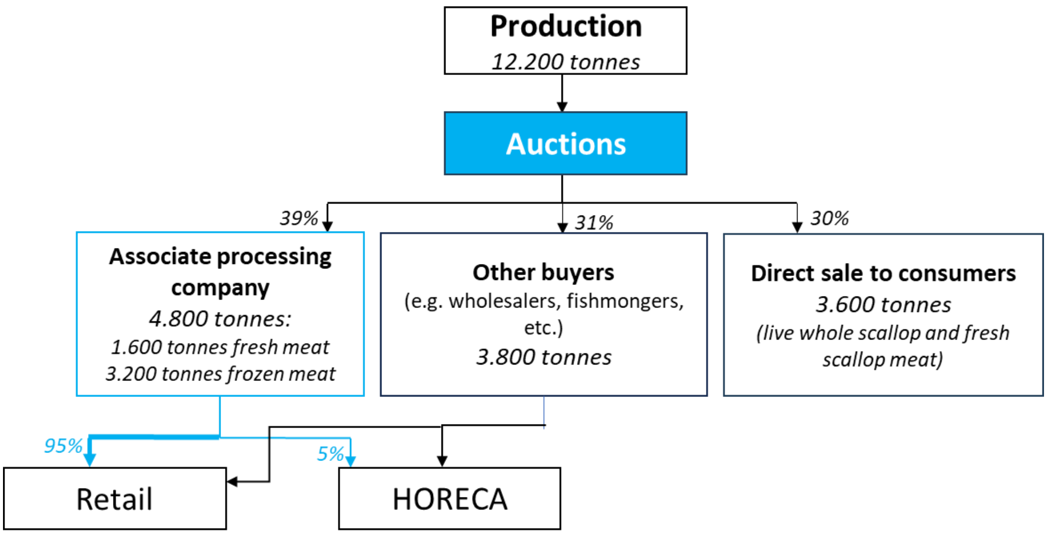
The particularity of the Bay of Saint Brieuc is that all the production is to be marketed through auctions. This mandatory measure has been decided by producers to ensure transparency in the market. This allows an accurate overview of the market, i.e., the breakdown of production between the different marketing channels.

There are three marketing channels for producers in the Bay of Saint Brieuc:

- **Production marketed to be processed through an associate processing company** (i.e., producers' group) created by producers (with the intermediate of their PO) in 1993, in association with a processing company. Through this association, the processor guarantees his supply and producers guarantee the market for their production. This processing unit produces frozen scallop meat (70% of the products) and fresh scallop meat (30%) to be marketed mainly by large retailers under their own brands (e.g. *Reflet de France*, *Saveur de nos régions*, etc.). It is the largest company specialised in scallop processing in France. It annually absorbs 4.500 tonnes (4.600 tonnes during the fishing season 2022/2023, i.e., almost 40% of the production of the Bay of Saint Brieuc). In practice, the PO manages volume and price negotiation with the processing unit. Price negotiation takes into account the fact that prices may vary between the first part of the fishing season (October to December) and the second part of the fishing season (from January to the end of the fishing season) (see section 3.3.1).
- **Production marketed directly from producers to consumers**: as already mentioned, this marketing channel has increased significantly since Covid-19 as producers can reach higher prices by selling directly to consumers (see section 3.3.4). In this case, producers sell whole live scallops or shucked fresh scallops. During the last fishing season (2022/2023), it is estimated that 30% of the production of the Bay of Saint Brieuc was marketed through direct sale.
- **Production marketed to wholesalers, fishmongers and other processors**: during the last fishing season (2022/2023), this marketing channel accounted for 30% of the scallop production of the Bay of Saint Brieuc.

The production of the Bay of Seine is 100% destined for the domestic market and there is no export.

**Figure 10: Scallop supply chain in the Bay of Saint Brieuc, fishing season (2022/2023)**




Source: EUMOFA elaboration based on interviews

## Marketing strategies in the Bay of Seine

In the Bay of Seine, there is no obligation to market scallops through auctions. As a result, there is less quantitative information on the breakdown of production between different marketing channels.

The Bay of Seine is the most important producing area in France. The marketing channels in the Bay are similar to those taking place in the Bay of Saint Brieuc, in addition to exports.

The different marketing channels of the Bay of Seine are:

- **Direct sales to consumers of whole live scallops or shucked scallops**. According to interviews, an increasing number of producers have their own processing unit for shucking scallops as the demand for this type of product is increasing.
- **Sales to wholesalers and other buyers through auctions**. Buyers can supply the domestic or export markets.
- **Production marketed to be processed through producers' unions** which process the scallops (shucking and freezing) and then sell them to wholesalers or directly to retailers.
- **Production marketed through a partnership with a processing unit located in Scotland:** this partnership is managed by a PO in Normandy which, on behalf of its members, sells a share of the local production. Scallops are exported whole and live to be shucked by the Scottish processing unit. Scallop meat is then reimported to be sold to the French market or exported to other EU markets. According to interviews, the aim of this partnership is also to remove whole live scallops from the market in order to maintain prices.

### 3.2.3. Consumption

The household consumption of fresh scallops in France reached over 9.000 tonnes in 2021 for a value of circa EUR 80 million. On average 80% of the household consumption of scallops consist of whole fresh scallops while 20% was scallop meat over the period between 2016 and 2021. According to producers, there is a steady and significant increase in the consumption of scallop meat and a decrease in the consumption of whole scallops since Covid-19. A comparison between the periods before and after Covid-19 shows a 13% increase in consumption of scallop meat and a slight decrease in consumption of whole scallops (3%).

**Table 14: Volume of household consumption of fresh scallop products in France between 2016 and 2021 (tonnes, product weight)**

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Evol. 2021/19 |
|---|---|---|---|---|---|---|---|
| **Whole fresh great Atlantic scallop (shell-on)** | 4.850 | 6.725 | 7.267 | 7.265 | 5.998 | 7.065 | -3% |
| **Fresh great Atlantic scallop in meat** | 1.598 | 1.555 | 1.561 | 1.763 | 1.925 | 1.989 | 13% |
| **Total** | **6.448** | **8.280** | **8.828** | **9.028** | **7.923** | **9.054** | **0%** |

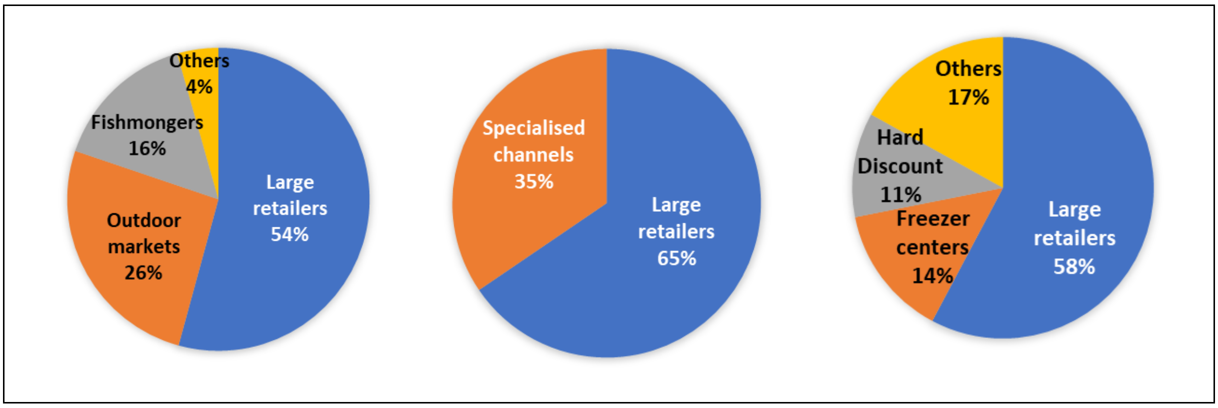
Source: FranceAgriMer based on Kantar Worldpanel[16]

Large retailers and outdoor markets are the main channels for household consumption of whole scallops, accounting for 80% of the purchase volume in 2021. It is also by far the first distribution channel of scallop meat with 65% of the purchase volume the same year. Regarding frozen scallop meat, large retail is the most important distribution channel (58% of sales), followed by freezer centres (14%) and Hard discount (11%) (see Figure 11).

In terms of geographical distribution for consumption, whole scallops are mostly consumed in the western region of France (near the production areas) and the region of Paris (due to its proximity to the production area of the Bay of Seine). Fresh and frozen scallop meat has a wider geographical distribution.

[16] FranceAgriMer. Consommation des produits de la pêche et l'aquaculture 2021. https://www.franceagrimer.fr/fam/content/download/70428/document/rapport%20final%20consommation%202021%20.pdf?version=5

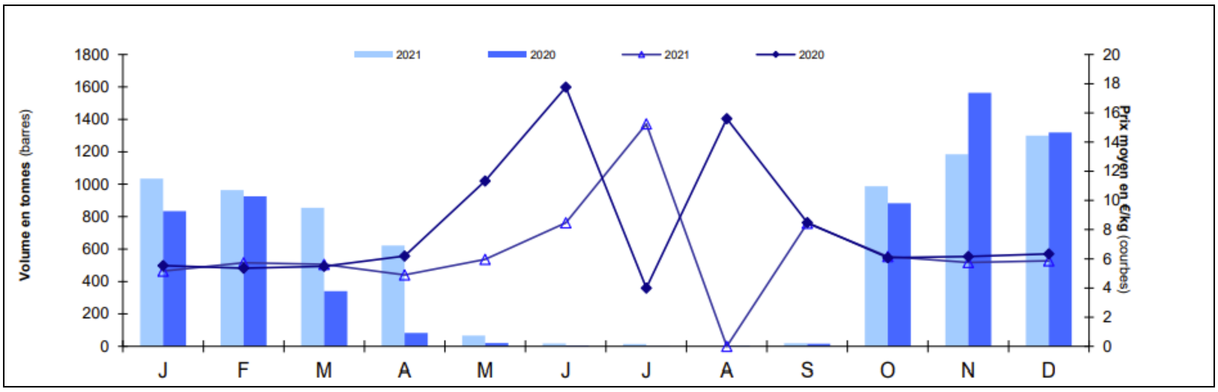
**Figure 11: Market shares of main distribution channels for household consumption of fresh whole scallops (left), fresh scallop meat (middle) and frozen scallop meat (right) in France in 2021**




Source: FranceAgriMer based on Kantar Worldpanel[17]

The consumption is highly seasonal for whole live scallops, which are marketed only during the fishing season. Consumption is particularly significant during Christmas and New Year and decreases significantly from March (see Figure 12).

**Figure 12: Seasonality of live whole scallops (volume and prices) in 2020 and 2021**



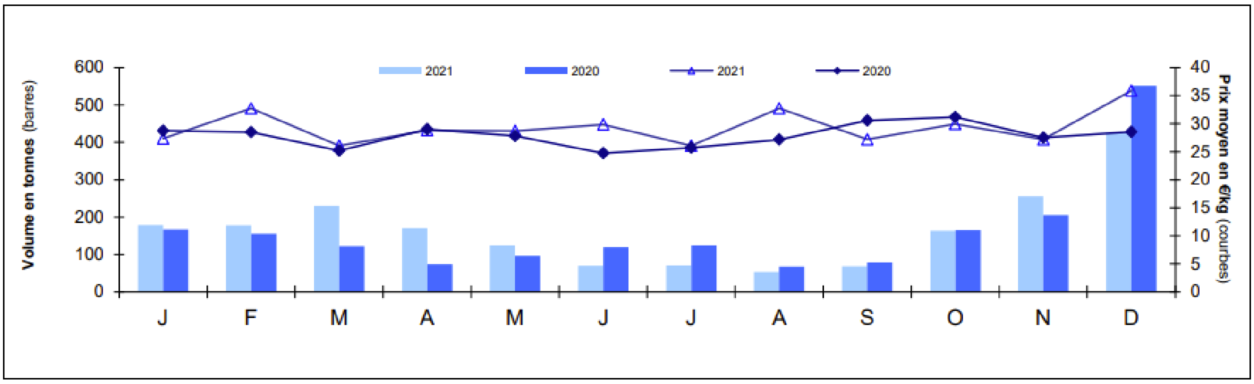

Source: FranceAgriMer based on Kantar Worldpanel[18]

Consumption of fresh scallop meat is less seasonal than consumption of whole scallops, even though there is a peak of consumption during the Christmas holidays (see Figure 13). The consumption outside the fishing season corresponds to the consumption of fresh scallop meat imported from the UK and Ireland as scallops are caught all year round in both countries.

[17] FranceAgriMer. Consommation des produits de la pêche et l'aquaculture 2021. https://www.franceagrimer.fr/fam/content/download/70428/document/rapport%20final%20consommation%202021%20.pdf?version=5

[18] Ibidem

**Figure 13: Seasonality of fresh scallop meat (volume and prices) in 2020 and 2021**



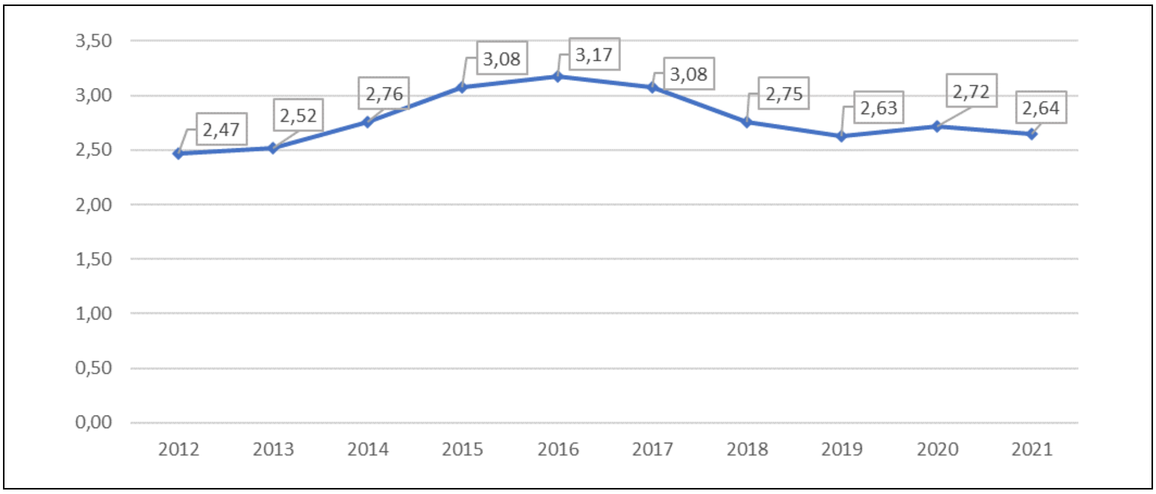

Source: FranceAgriMer based on Kantar Worldpanel[19]

## 3.3. Price transmission in the supply chain

### 3.3.1. First sale prices

In France, producers are paid for live whole scallop. These prices have been relatively steady over the period 2012 to 2021, except for a small increase between 2015 and 2017, which could be explained by a decrease in produced volumes during this period. In 2021, landing price for great Atlantic scallop was 2,64 EUR/kg, showing little change compared to 2012 (-3% in real terms). According to producers, in the context of an increased production, keeping prices steady will be challenging in the coming years.

**Figure 14: Evolution of landing prices of scallops between 2012 and 2021 (EUR/kg)**




Source: Eurostat

Based on interviews, first sale prices vary throughout the year. The highest prices are recorded during the first part of the fishing season (between October and December), when there is a high demand for fresh scallops. Prices decrease during the second part of the fishing season as the demand for fresh scallops decreases and the product is destined for processing. First sale data at auctions show a price difference up to 0,91 EUR/kg between the different parts of the fishing season. During the second part of the fishing season, first sale prices are on average 19% lower than those during the first part of the fishing season, over the period between 2018 and 2023 (see Table 15).

[19] FranceAgriMer. Consommation des produits de la pêche et l'aquaculture 2021. https://www.franceagrimer.fr/fam/content/download/70428/document/rapport%20final%20consommation%202021%20.pdf?version=5

As already mentioned, POs have intervened at auctions to maintain prices since the end of the European price withdrawal scheme. Thus, they fix two levels of minimum prices, one for each part of the fishing season. In 2022/2023, the principal PO of the Bay of Saint Brieuc fixed these prices at 2,40 EUR/kg for the first part of the fishing season and 1,98 EUR/kg for the second part.

**Table 15: First sale volumes and nominal prices for scallops by fishing season between 2018/2019 and 2022/2023**

| | First part of the fishing season (Oct-Dec) | | Second part of the fishing season (Jan-May 15th) | |
|---|---|---|---|---|
| | Volume (Tonnes) | Price (EUR/kg) | Volume (Tonnes) | Price (EUR/kg) |
| **2018/2019** | 9.803 | 2,75 | 9.060 | 2,72 |
| **2019/2020** | 9.881 | 3,07 | 11.586 | 2,16 |
| **2020/2021** | 13.169 | 2,99 | 10.044 | 2,24 |
| **2021/2022** | 13.169 | 2,99 | 13.445 | 2,33 |
| **2022/2023** | 15.187 | 3,14 | 15.848 | 2,57 |

Source: EUMOFA elaboration of FranceAgriMer data

### 3.3.2. Import and export prices

Table 16 provides prices of French imports of fresh scallop by main supplier (i.e., UK, Ireland and the Netherlands). Prices of imports from the UK and Ireland have decreased by 7% and 39% respectively (15% and 44% in real terms). The decrease in prices could be explained by the significant increase in supply from both countries. Price levels confirm that fresh great Atlantic scallop is imported as meat.

**Table 16: Nominal prices of French imports of great Atlantic scallop (*Peten maximus*) from main origin markets between 2017 to 2022 (EUR/kg)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **UK** | 21,22 | 20,71 | 19,62 | 19,66 | 17,34 | 19,69 | -7% |
| **Ireland** | 25,49 | 25,02 | 21,04 | 14,11 | 14,62 | 15,65 | -39% |
| **Netherlands** | 15,17 | 14,66 | 15,93 | 15,80 | 21,63 | 23,36 | 54% |

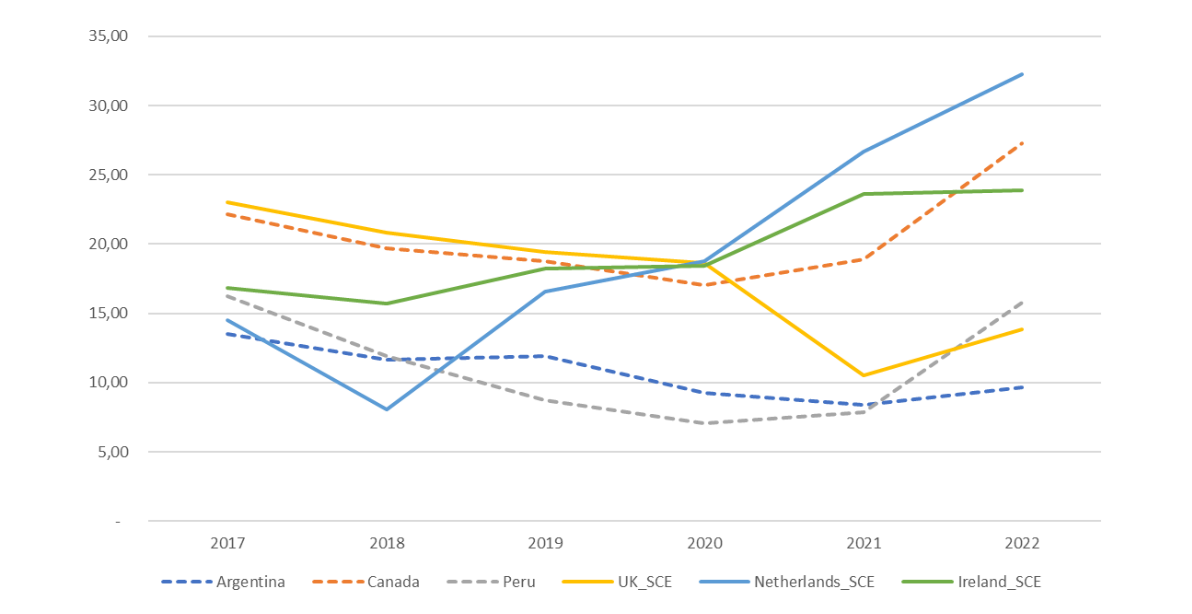
Source: EUMOFA elaboration of Eurostat-Comext data

A comparison of prices of imports of frozen scallops by supplier suggests that the price difference is related to species, origin and presentation (whole or shucked). Figure 15 shows that great Atlantic scallop (imported from the UK, Ireland and the Netherlands) is imported at higher prices than the other scallop species (imported from Argentina, Peru and Canada).

While import prices from the Netherlands and Ireland have increased over the period 2017-2022, import prices from the UK have decreased. This could be explained by the increase of imports from the UK since Brexit (2020) and by a change in the import composition, according to interviews (a portion of the imports is made of half-shell scallops transiting through France for export to the Spanish and Italian markets)[20].

[20] This explanation was given by a PO during interviews but could not be confirmed as CN-8 codes do not distinguish between different presentation forms (i.e. whole and shucked).

**Figure 15: Evolution of nominal prices of imports of frozen scallops from the main suppliers (EUR/kg) between 2018 and 2022**




*Note: the great Atlantic scallop is indicated in the Figure with the FAO code (SCE)*

Source: EUMOFA elaboration of Eurostat-Comext data

Export prices for fresh scallops from France have decreased slightly in real terms between 2017 and 2022 (-3%) while export volumes have significantly increased by 109%. Export prices for frozen exports have increased during the same period by 39% (27% in real terms), even though export volumes have significantly increased.

Price levels for both fresh and frozen scallops confirm that scallops are exported mainly whole from France to other countries.

**Table 17: French exports of great Atlantic scallop (*Peten maximus*) 2017 to 2022**

| | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|---|
| **Fresh great Atlantic scallop** | **Volume (tonnes)** | 2.256 | 2.533 | 3.033 | 2.580 | 3.816 | 4.708 | 109% |
| | **Price (EUR/kg)** | 5,57 | 5,21 | 4,30 | 4,17 | 7,19 | 5,91 | 6% |
| **Frozen great Atlantic scallop** | **Volume (tonnes)** | 710 | 644 | 953 | 892 | 2.671 | 3.610 | 408% |
| | **Price (EUR/kg)** | 5,28 | 4,67 | 3,36 | 3,24 | 6,42 | 7,36 | 39% |

Source: EUMOFA elaboration of Eurostat-Comext data

### 3.3.3. Wholesale prices

Prices at wholesale stage are available from quotations at Rungis wholesale market[21] (located in Paris suburbs). Prices are provided for the different presentation and preservation states and for the different origins (France versus import).

Table 18 below shows that there is a slight difference between the two types of scallop products that are caught in France. Overall, there is a difference between the roe-on scallops ("*coquille Saint-Jacques coraillée*") and the roe-less scallops ("*coquille Saint-Jacques blanche*"), mainly related to the possible transport costs that could be added for scallops caught in the Bay of Saint Brieuc (i.e., roe-less). This price gap reached 0,27 EUR/kg in 2023 at wholesale stage.

**Table 18: Average prices at wholesale stage (nominal prices) in France for scallops caught in France from 2017 to 2023 (EUR/kg)**

| | Roe-less scallop | Roe-on scallop |
|---|---|---|
| **2017** | 3,81 | 4,25 |
| **2018** | 4,10 | 4,15 |
| **2019** | 3,76 | 3,93 |
| **2020** | 3,82 | 3,85 |
| **2021** | 4,00 | 4,50 |
| **2022** | 5,25 | 5,01 |
| **2023** | 5,13 | 4,88 |

Source: RNM, Rungis Wholesale Market

In addition, prices at wholesale stage show that French scallop products are more valuable than the imported products. In 2023, there were a price-gap of 2,50 EUR/kg for roe-less scallop meat and 4,93 EUR/kg for roe-on scallop meat (see Table 19).

[21] Data available through "Réseau des Nouvelles des Marchés" (RNM). https://rnm.franceagrimer.fr/prix?SAINOMPRODUIT

**Table 19: Average prices at wholesale stage (nominal price) in France for scallop meat from French fisheries and from import from 2017 to 2023 (EUR/kg)**

| | Roe-less scallop meat | | Roe-on scallop meat | |
|---|---|---|---|---|
| | France | Import | France | Import |
| **2017** | 27,72 | 22,41 | 28,69 | 22,82 |
| **2018** | 28,74 | 25,75 | 24,93 | 28,68 |
| **2019** | 27,40 | 27,79 | 29,16 | 23,25 |
| **2020** | 29,13 | 27,89 | 30,26 | 28,21 |
| **2021** | - | 26,35 | | 27,12 |
| **2022** | - | 34,41 | 35,78 | 31,04 |
| **2023** | 37,74 | 35,24 | 35,78 | 30,85 |

Source: RNM, Rungis Wholesale Market

### 3.3.4. Retail prices

Kantar Worldpanel provides data on French household consumption and average prices of fresh whole scallop and fresh scallop meat. According to these data, prices at retail stage have decreased for both products, by 14% for the whole fresh scallop (19% in real terms) and by 2% for the fresh scallop meat (8% In real terms).

**Table 20: Scallop nominal prices at retail stage in France from 2016 to 2021 (EUR/kg)**

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Evol. 2021/16 |
|---|---|---|---|---|---|---|---|
| **Whole fresh great Atlantic scallop (shell-on)** | 6,6 | 6 | 5,8 | 5,6 | 6,0 | 5,7 | -14% |
| **Fresh great Atlantic scallop in meat** | 30,7 | 30,9 | 30,7 | 29,6 | 28,1 | 30,1 | -2% |

Source: FranceAgriMer based Kantar Worldpanel

In addition, according to producers the highest prices at retail stage are reached when producers sell directly to consumers (directly at fishing ports or at outdoor markets in the neighbouring cities). Direct sale prices range between 4,5 EUR/kg and 6 EUR/kg. The price varies depending on the distance from the landing areas. Direct sales occur mainly during the first fishing season.

### 3.3.5. Price transmission

This section focuses on the two following supply chains:

- **Frozen meat of great Atlantic scallop** caught in the Bay of Saint Brieuc, processed and packed by a local processor to be sold to retailers.
- **Fresh whole great Atlantic scallop** caught in the Bay of Seine, cleaned and packed by a wholesaler to be marketed in wooden boxes to retailers **during Christmas** (in the same area).

**Frozen meat of great Atlantic scallop:**

The following chain involve scallops caught in the Bay of Saint Brieuc, bought by a local processor through a specific contract between the PO and the processor for a price of 2,10 EUR/kg (see section 3.2.2 for more details about this marketing channel). In practice, the processor is supplied by the auction and thus pay an auction tax, estimated at 5,5%. Scallops are then cleaned, sorted, shucked, frozen and packed (following the customers' requirements). Afterwards, scallops are transported to the retailer to be marketed under the retailer's brand.

**Table 21: Costs and margins for frozen scallop meat of the Bay of Saint Brieuc marketed in large retail in France (2023)**

| | Average price (EUR/kg) | % of final price | Source |
|---|---|---|---|
| **Raw material (1)** | **21,00** | **38%** | Interview with a processor in the Bay of Saint Brieuc |
| Auction tax | 1,16 | 2% | |
| Processing costs | 3,50 | 6% | |
| Loss of weight at processing stage (2) | 2,10 | 4% | |
| Transport to retailer | 0,40 | 1% | |
| Other costs | 1,85 | 3% | |
| Total processor costs (3) | 30,00 | 55% | |
| Processor margin | 2,40 | 4% | |
| **Total processor costs and margins (4)** | **32,40** | **59%** | |
| Retail costs and margins | 19,73 | 36% | |
| Average selling price, exclusive of VAT | 52,13 | 95% | |
| VAT (5,5%) | 2,87 | 5% | |
| **Average selling price (5)** | **55,00** | **100%** | |

Sources:

(1) Raw material refers to the price for 10 kg of fresh scallops caught in the Bay of Saint Brieuc and supplied directly from the auction (without any transport between the auction and the processor as they are located in the same location). The processor reported that 10 kg of whole live scallops are needed for 1 kg of scallop meat (when it is caught in the Bay of Saint Brieuc). The price reported during the interview for the whole live scallop was 2,10 and specifically for the second part of the fishing season (between January and mid-May) – interview with a processor.

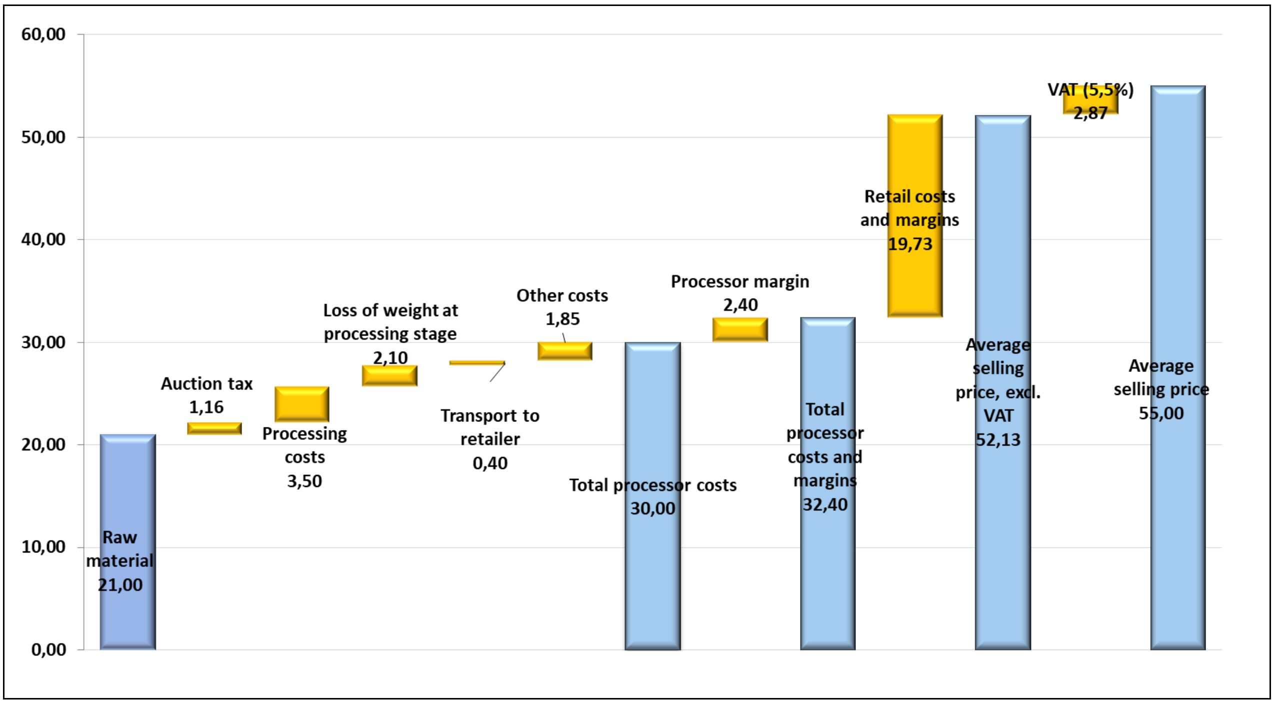
(2) Costs related to the loss of weight refer to the costs associated to the loss of water during the processing according to the estimation of the processor and producers.

(3) Total processor costs include: costs related to the purchase of the raw material, the auction tax, the processing costs (labour costs, energy, etc.), costs related to the loss of weight, costs related to the transport to retailer and other costs.

(4) Total processor costs and margins refer to the price at which the processor sells to the retailer – interview with a processor

(5) According to the interview with a processor and confirmed through a store check done the August 1st 2023.

**Figure 16: Costs and margins for frozen scallop meat of the Bay of Saint Brieuc marketed in large retail in France (2023)**




Source: EUMOFA based on interviews

## Fresh whole great Atlantic scallop

This supply chain involves great Atlantic scallop caught in the Bay of Seine, sold at auction to a wholesaler (“*mareyeur*”) during the Christmas season (prices are highest during this period of the year). Scallops are then cleaned, sorted and packed in wooden boxes. They are then transported to be sold in supermarkets located in the same area at the fresh fish counter.

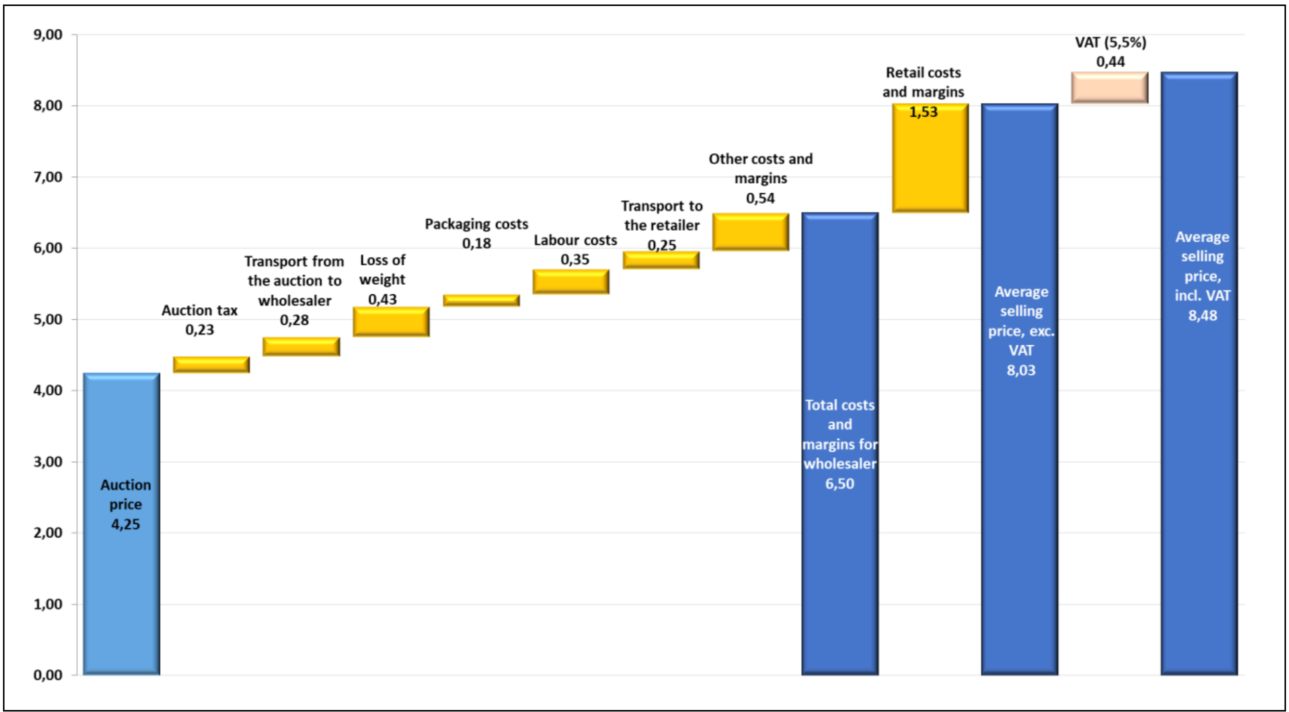
**Table 22: Costs and margins for fresh whole scallop, caught in the Bay of Seine and marketed in wooden boxes in large retail in France (2023)**

| | Average price (EUR/kg) | % of final price | Sources |
|---|---|---|---|
| **Auction price (1)** | **4,25** | **50%** | Interview with a PO |
| Auction tax (5,5% of the auction price) | 0,23 | 3% | Interview with a wholesaler/processor |
| Transport from the auction to wholesaler | 0,28 | 3% | |
| Loss of weight (10% of the initial weight) | 0,43 | 5% | |
| Packaging costs | 0,18 | 2% | |
| Labour costs | 0,35 | 0% | |
| Transport to the retailer | 0,25 | 3% | |
| Other costs and margins | 0,54 | 0% | |
| **Total costs and margins for wholesaler (2)** | **6,50** | **77%** | |
| Retail costs and margins | **1,53** | **18%** | Calculated |
| Average selling price, exclusive of VAT | **8,03** | **95%** | |
| VAT (5,5%) | **0,44** | **5%** | |
| **Average selling price (3)** | **8,48** | **100%** | Interview with a PO |

Sources:

(1) Auction price refers to the price paid by buyers in the auction, excluding the auction tax which is estimated to be 5,5% of the first sale price.
(2) Total costs and margins for wholesaler refer to the price at which the wholesaler sells its product to the retailer (including transport to the point of sale).
(3) Average selling price at retail stage refers to the price of fresh scallops marketed in wooden boxes in supermarkets.

**Figure 17: Costs and margins for fresh whole scallop, caught in the Bay of Seine and marketed in wooden boxes in large retail in France (2023)**




Source: EUMOFA elaboration based on interviews

# 4. THE IRISH MARKET

## 4.1. Structure of the supply chain

### 4.1.1. Production

The Irish scallop production has been relatively stable since 2012, except for a sharp decrease in catches in 2020, with 1.572 tonnes, mainly due to Brexit (according to FAO[22]). The Irish production has recovered above 2019 levels in 2021 with 2.750 tonnes. According to operators, Brexit forced Irish fishermen to find new landing strategies for scallops as these could not be landed in the UK anymore before processing in Ireland, because of border controls and new sanitary rules in the UK. This disturbance led to low captures in 2020. The Irish production has recovered above 2019 levels in 2021 with 2.750 tonnes.

**Table 23: Scallop production in Ireland between 2012 and 2021 (tonnes)**

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Great Atlantic scallop** | 2.689 | 2.894 | 2.876 | 2.043 | 2.141 | 2.549 | 2.320 | 2.382 | 1.572 | 2.747 |
| **Queen scallop** | 12 | 146 | 76 | 10 | 84 | 6 | 5 | 4 | 0 | 3 |
| **Total** | **2.701** | **3.040** | **2.952** | **2.053** | **2.225** | **2.555** | **2.325** | **2.385** | **1.572** | **2.750** |

Source: FAO

Irish production of scallop consists almost exclusively of the great Atlantic scallop (*Pecten maximus*), called king scallop in Ireland. While all the current Irish production comes from fisheries, there was a small aquaculture production in place until 2016, which remained very low, peaking at 50 tonnes of great Atlantic scallop in 2015.

The Irish production of great Atlantic scallop (*Pecten maximus*) can be divided between two types of fisheries[23]:

- Fisheries of South-East Ireland, also called "offshore fisheries", consist of seven large vessels with a length of 22 to 27 m. According to operators, these fishing vessels tow up 20 to 24 spring toothed dredges each. The dredges are held in series on two beams, which are fished on each side of the vessel. The production from these boats represents 80-90% of the Irish scallop production. These vessels operate in Celtic Sea, Irish Sea east of Dublin, Isle of Man, Cardigan Bay in Wales and the Channel. Most of these boats supply processors based in Kilmore Quay and Wexford.
- Fisheries of the West and Southern coasts of Ireland, also called "inshore fisheries", consist of fishing vessels under 10 m that tow two dredges which often are lighter than those used by large vessels. Their fishing zones are scallop beds close to the coasts of Southwest and West Ireland.

In addition to these differences, fishing seasons vary geographically. Offshore fisheries can fish all year long and are only restricted in French and British waters due to their respective closed seasons for scallop fishing. However, summer is the best season to fish scallop in West Ireland. Due to catches occurring in

[22] For Ireland, FAO data have been used as there are some data gaps for Eurostat data.
[23] Based on: 1) interviews, and 2) BIM. Monitoring and Assessment of Scallops off the South East Coast of Ireland. 2006.

shallow waters, inshore fisheries are, according to operators, more exposed to seasonality and toxicity risks than offshore fisheries.

**Resource management measures:**

There are no quotas or closed fishing season for great Atlantic scallop in Ireland. The main management measure for scallop fishing in Ireland is limiting the size of the fishing fleet over 10 m, which as stated above only includes seven fishing vessels today. This was achieved with the implementation of an EU regulation[24] in 2005 which included a decommissioning plan for reducing the size of the fleet from its initial size of 22 fishing boats[25]. Power and tonnage are now ring-fenced for three distinct areas[26]. According to operators, no significant changes of the fleet occurred since the decommissioning plan. It must be noted that the diminution of the total number of boats and dredges due to decommissioning have been partly compensated by higher catch rates. A particularity of Ireland is the prohibition of scallop dive fishing[27].

### 4.1.2. Trade

**Imports**

The Irish scallop production is mostly export-oriented. Scallop imports to Ireland are very low and are decreasing (-73% in volume and -46% in value). Scallop imports to Ireland consist mainly of great Atlantic scallop (51 tonnes out of 98 tonnes in 2022), which is mostly imported live, fresh (90% of the imports of great Atlantic scallop in volume). Imports of other scallop species are also quite limited (less than 46 tonnes).

**Table 24: Scallop imports to Ireland between 2017 and 2022, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops** | 308 | 407 | 215 | 111 | 95 | 46 | -85% |
| **Frozen great Atlantic scallop** | 44 | 1 | 0 | 1 | - | 5 | -89% |
| **Frozen, other than great Atlantic scallop** | 0 | 3 | 12 | 18 | 12 | 14 | 367%* |
| **Smoked, dried, salted scallops** | 7 | 7 | 8 | 2 | 1 | 2 | -71% |
| **Prepared-preserved scallops** | 4 | 44 | 82 | 87 | 38 | 31 | 675% |
| **Total** | **364** | **463** | **318** | **219** | **146** | **98** | **-73%** |

*) evolution between 2022 and 2018

Source: EUMOFA elaboration of Eurostat-Comext data

Imports of great Atlantic scallop come almost exclusively from the UK. According to operators, these imports consist mainly of scallop from Northern Ireland, Scotland and Isle of Man. Based on interviews, a share of these imports, in particular regarding those coming from Northern Ireland, are possibly reexported. In addition, small volumes of dive-caught scallops are imported from Norway mainly to supply some Irish restaurants with high-value products.

[24] EU Council Regulation (EC) No 1415/2004

[25] BIM. Monitoring and Assessment of Scallops off the South East Coast of Ireland. 2006.

[26] BIM. "Minimum Conservation Reference Sizes (MCRS)". Fisheries Management 2022 map. 2022.

[27] Sea-fisheries protection authority. "Diving for fisheries products" [access 01/08/23].

**Table 25: Imports of great Atlantic scallop (*Pecten maximus*) to Ireland by partner country, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| **United Kingdom** | 341 | 372 | 207 | 100 | 93 | 52 |
| **Other** | 12 | 36 | 8 | 12 | 2 | 0 |
| **Total** | **353** | **408** | **215** | **112** | **95** | **52** |

Source: EUMOFA elaboration of Eurostat-Comext data

**Exports**

Irish scallop exports are low in terms of product weight, with 321 tonnes in 2022, composed mainly of great Atlantic scallop (92% of the exports volume). Because all exports concern scallop meat, we can assume that almost all Irish production is exported.

Great Atlantic scallop is mainly exported fresh (72% of Irish exports of great Atlantic in volume and 76% in value), while frozen products represented 28% of exports with 83 tonnes. Scallops exported to France are mainly live, fresh, while exports to Italy and Spain consist mostly of frozen products.

**Table 26: Scallop exports from Ireland between 2017 and 2022, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops*** | 428 | 390 | 508 | 230 | 273 | 212 | -50% |
| **Frozen great Atlantic scallop** | 263 | 223 | 144 | 116 | 157 | 83 | -68% |
| **Frozen, other than great Atlantic scallop** | 12 | 0 | 2 | 3 | 5 | 20 | 67% |
| **Smoked, dried, salted scallops** | 43 | 42 | 28 | 9 | 0 | 0 | -100% |
| **Prepared-preserved scallops** | - | - | - | 1 | 1 | 5 | - |
| **Total** | **746** | **656** | **681** | **358** | **436** | **321** | **-57%** |

*Note: Trade of live, fresh scallops in Ireland concern exclusively the great Atlantic scallop*

Source: EUMOFA elaboration of Eurostat-Comext data

Irish exports of scallops have decreased significantly over the past six years by 57% in volume and 46% in value. Specifically, the export volume of great Atlantic scallop products has decreased significantly, from 691 tonnes in 2017 to 295 tonnes in 2022. According to operators, the Covid-19 crisis caused a temporary disruption of the supply chain. However, Brexit has caused stronger and more enduring consequences for exports. Exports of great Atlantic scallop decreased significantly to all main consumer countries: exports to the UK and Italy fell by respectively 98% and 89%, while exports to Spain and France, the two main consumer countries, declined by respectively 58% and 35%. One of the consequences of the evolution over the last five years is a reconfiguration of the great Atlantic scallop export landscape, with France's share in the total increasing from 43% in 2017 to 73% in 2022.

**Table 27: Exports of great Atlantic scallop (*Pecten maximus*) from Ireland by partner country, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **France** | 329 | 261 | 388 | 230 | 270 | 214 | -35% |
| **Spain** | 139 | 124 | 54 | 58 | 90 | 58 | -58% |
| **Italy** | 157 | 116 | 80 | 53 | 61 | 17 | -89% |
| **UK** | 46 | 24 | 3 | 1 | 3 | 1 | -98% |
| **Other** | 18 | 88 | 127 | 5 | 6 | 4 | -78% |
| **Total** | **691** | **613** | **652** | **346** | **430** | **295** | **-57%** |

Source: EUMOFA elaboration of Eurostat-Comext data

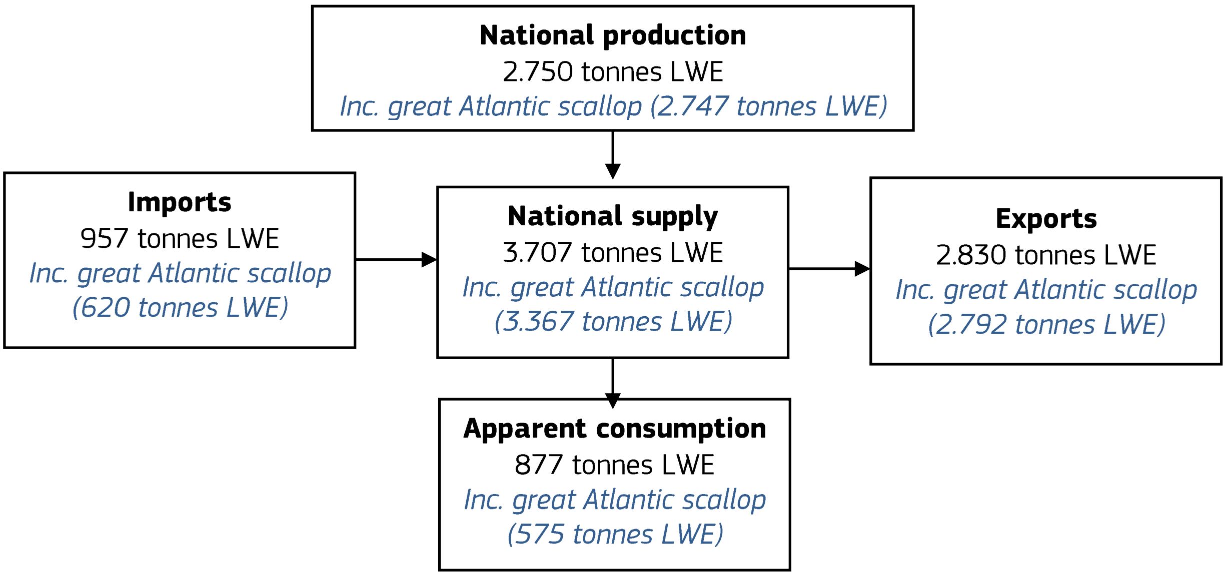
### 4.1.3. Apparent consumption

The apparent consumption of great Atlantic scallop in Ireland was calculated based on the following assumptions:

- As already mentioned, CN-8 codes for live, fresh scallops do not distinguish between great Atlantic scallop and other scallop species, nor whole scallop from scallop meat. Based on feedback from operators, the only scallop species that is traded fresh in Ireland is the great Atlantic scallop (*Pecten maximus*).
- Operators also confirmed that for great Atlantic scallop, only scallop meat is imported and exported.

In 2021, the total supply of scallops in Ireland amounted to over 3.707 tonnes LWE, including circa 3.400 tonnes LWE of great Atlantic scallop. 76% of the scallop supply was exported the same year, while for great Atlantic scallop 83% of the supply was exported. Thus, the domestic market is estimated to 877 tonnes LWE for scallops, including 575 tonnes LWE of great Atlantic scallop.

**Figure 18: Supply balance for scallops in Ireland (tonnes LWE) – 2021**




Source: EUMOFA elaboration based on Eurostat and Eurostat-Comext

## 4.2. Characteristics of the Irish market and consumption

The main sale method is direct contracts between fishermen and wholesalers/processors, with prices being regularly actualized. Scallops are often sold in bags of 30-40 kg of live scallop, and fishermen get paid based on the amount of meat processed from it. According to operators, the fact that biotoxin tests on scallop also include testing of the shell, when present[28], encourages the removing of the shell at the early stages of processing. However, all scallops are still landed whole (with shell). There are no auction sales for scallops in Ireland, and no direct sales from fishermen to consumers.

The Irish scallop sector is very concentrated and only a few operators are involved in processing scallops landed by the Irish vessels. One main operator in Kilmore Quay buys and processes 90-95% of the Irish production of great Atlantic scallop, 99% of which is exported. One other specialized wholesaler and processor, also based in Kilmore Quay, is more oriented towards the domestic market. A few other wholesalers only marginally buy and process scallop alongside other shellfish species, while some others have recently stopped processing scallops.

Irish production of scallops doesn't benefit from the MSC label. However, most scallop wholesalers are recognized by the Origin Green label, which was created by the Irish Ministry of Agriculture (Bord Bia) to assess their environmental and social performance. This label encourages participating companies to set commitments and apply it to their supply chain, with a special focus on reducing GHG emissions.

As already mentioned, the Irish market is mainly export oriented. Exports from Ireland to France involve fresh scallops while those to Spain and Italy consist of frozen scallops. In the domestic market, local consumption remains very low. Great Atlantic scallop in Ireland is mostly sold fresh, with little processing. Some restaurants sell dive-caught scallop imported from Norway as premium products. Great Atlantic scallop can be bought in fish shops, supermarkets or in restaurants. There is no direct sale between the fishermen and the final consumer.

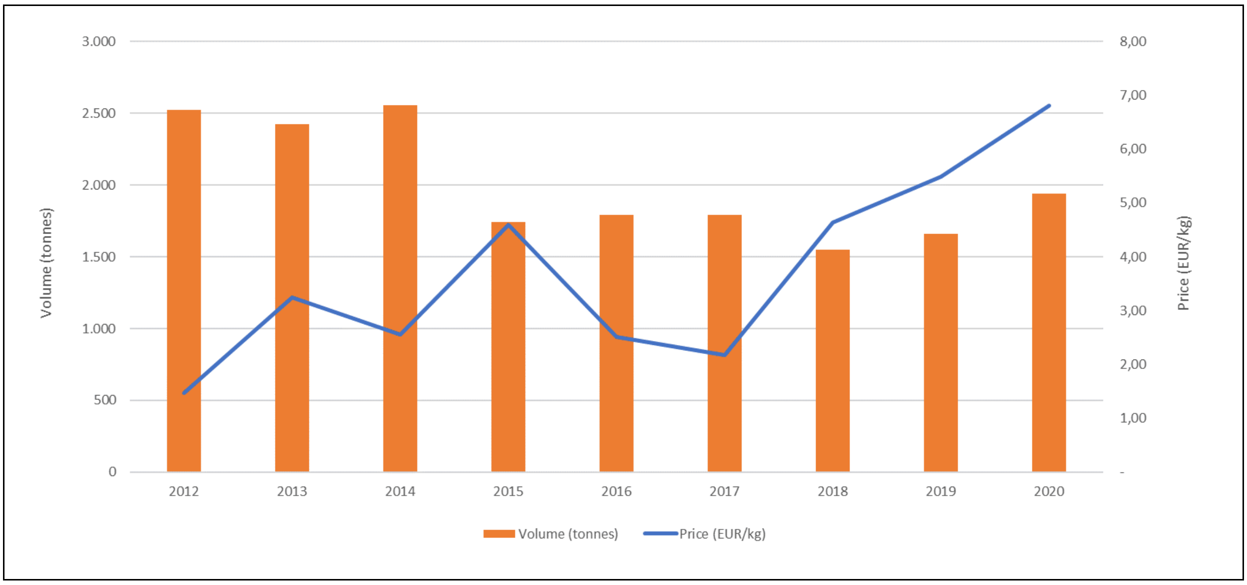
[28] Code of Practice for the Irish Shellfish Monitoring Programme (Biotoxins) Version 9 (2022), p 41.

## 4.3. Price transmission in the supply chain

### 4.3.1. Landing prices

According to Eurostat data (available only to 2020), landing prices have been variable over the period between 2012 and 2020, with an overall upward trend from 1,47 EUR/kg to 6,81 EUR/kg (304% in real terms between 2020 and 2012). This fluctuation suggests that landing prices vary significantly depending on production volume (see Figure 19). Operators also agree that prices vary depending on production volume, meat yield and demand. Based on interviews, first-sale prices for live scallop range from 2,00 EUR/kg for offshore fisheries supplying exports to 5,00 EUR/kg for producers supplying the Irish market with smaller volumes. As scallops in Ireland are sold without shell, fishermen are paid for the amount of scallop meat. According to operators, first-sale prices for scallop meat vary from 15,00 to 19,00 EUR/kg, with record low prices under 15 EUR/kg in 2019 and 2020.

**Figure 19 Landing volume (tonnes) and prices (EUR/kg) for live great Atlantic scallop (*Pecten maximus*) in Ireland between 2012 and 2020**




Source: Eurostat

### 4.3.2. Import and export prices

According to operators, export prices range from 19 to 30 EUR/kg for the exports to France, which is considered as a price maker for other markets. According to Eurostat, average export prices of fresh great Atlantic scallop to the French market fell under 19 EUR/kg in 2019, and recovered progressively to reach over 24 EUR/kg in 2022. Export prices of frozen great Atlantic scallop to Spain and Italy are lower, ranging from 13 to 20 EUR/kg. Export prices tend to be slightly higher for Spain than for Italy.

**Table 28: Export volume (tonnes) and prices (EUR/kg) of great Atlantic scallop (*Pecten maximus*) meat to the main destination countries**

| | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|
| **France (fresh)** | **Volume (tonnes)** | 316 | 287 | 389 | 238 | 271 | 211 |
| | **Price (EUR/kg)** | 23,29 | 22,38 | 18,55 | 19,66 | 21,63 | 24,27 |
| **Spain (frozen)** | **Volume (tonnes)** | 99 | 105 | 49 | 56 | 90 | 58 |
| | **Price (EUR/kg)** | 14,21 | 15,04 | 16,78 | 14,02 | 13,55 | 20,25 |
| **Italy (frozen)** | **Volume (tonnes)** | 149 | 102 | 79 | 53 | 61 | 17 |
| | **Price (EUR/kg)** | 13,59 | 15,71 | 15,13 | 13,16 | 13,61 | 19,64 |

Source : EUMOFA elaboration of Eurostat-Comext data

### 4.3.3. Wholesale prices

Irish domestic market for scallop is very limited. Scallops are sold by wholesalers fresh or frozen in bags of various quantities of scallop meat. Small wholesalers sometimes sell scallop in lots of dozens of scallops, which they can sell at a better price to local retailers also dealing with small quantities. According to operators, wholesale prices range from 20,00 to 25,00 EUR/kg and up to 30,00 EUR/kg in some cases.

### 4.3.4. Retail prices

According to operators and based on the prices available online[29], retail prices on the Irish market as well as retail prices on export markets range from 35,00 to 40,00 EUR/kg, and up to 45,00 EUR/kg in some cases.

### 4.3.5. Price transmission

The following value chain focuses on great Atlantic scallop (*Pecten maximus*), caught by Irish vessels, landed in Ireland, processed and packed in Ireland and then exported to France to be sold in supermarkets.

Fishermen sell their production to processors in bags of 30,00 to 40,00 kg of live scallop (with shell). They get paid for scallop meat (range from 15,00 to 19,00 EUR/kg depending on the year). Processors transport products to their processing units, process (shucking and cleaning), pack the products and transport them to wholesalers or supermarkets in France. They get paid between 20,00 and 24,00 EUR/kg. The product is sold at an average price of 40,00 EUR/kg.

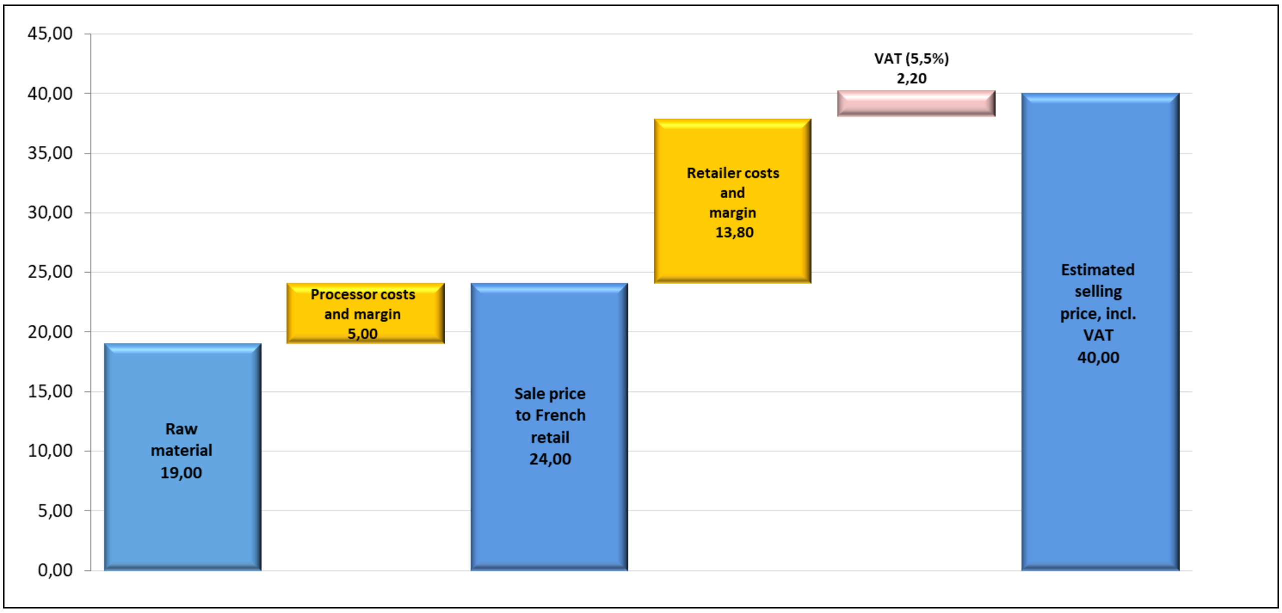
[29] M Wright & Sons https://www.mwrightandsons.ie/product/king-scallops/ ; EatMoreFish https://eatmorefish.ie/product/kg-deal-fresh-scallops/ ; Atlantis of Kilmore Quay https://www.atlantisofkilmorequay.ie/buy-fish-online/wild-irish-scallops-off-the-shell/.

**Table 29: Costs and margins for fresh scallop, caught by Irish vessels, processed in Ireland and exported as scallop meat to France (2022)**

| | Price (EUR/kg) | % of the final price | Source |
|---|---|---|---|
| **Raw material price (fresh meat)** | **19,00** | 48% | Interview with a producer |
| Processor costs and margin | 5,00 | 13% | Estimated |
| **Sale price to the French retailer** | **24,00** | 60% | EUROSTAT-comext |
| Retail costs and margin | 13,80 | 35% | Estimated |
| **Average selling price, exclusive of VAT** | **37,80** | 95% | |
| VAT (5,5%) | 2,20 | 6% | |
| **Average selling price in the French market** | **40,00** | 100% | Web check |

Source : EUMOFA

**Figure 20: Costs and margins for fresh scallop caught by Irish vessels, processed in Ireland and exported as scallop meat to France (2022)**




Source: EUMOFA

# 5. THE BRITISH MARKET

## 5.1. Structure of the supply chain

### 5.1.1. Production

The scallop production is one the highest valued commercial fisheries in the UK. Scallop alone represented 8% of the landings' volume and 7% of the landings' value in 2022 according to national statistics[30].

Two scallop species are caught in the UK. The great Atlantic scallop is the main species as it represents on average 89% of the scallop production over the period between 2017 and 2021.

Scallop production has considerably decreased during the period between 2012 and 2021 (-43%). The production of the queen scallop has decreased by 90%, while the great Atlantic scallop production has decreased by 14%.

**Table 30: Scallop catches in the UK between 2012 and 2021 (tonnes)**

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Evol. 2021/12 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Great Atlantic scallop** | 32.484 | 31.183 | 26.790 | 26.916 | 26.179 | 25.247 | 24.745 | 24.296 | 20.960 | 27.978 | **-14%** |
| **Queen scallop** | 19.931 | 18.878 | 9.464 | 11.075 | 9.686 | 5.067 | 2.457 | 3.228 | 2.292 | 2.041 | **-90%** |
| **Total** | **52.415** | **50.061** | **36.254** | **37.991** | **35.865** | **30.314** | **27.202** | **27.524** | **23.252** | **30.019** | **-43%** |

Source: FAO

In the UK, scallops are mainly caught by dredges which land 95% of all scallop production. The remaining share is caught by diving or as bycatches in other trawl fisheries[31].

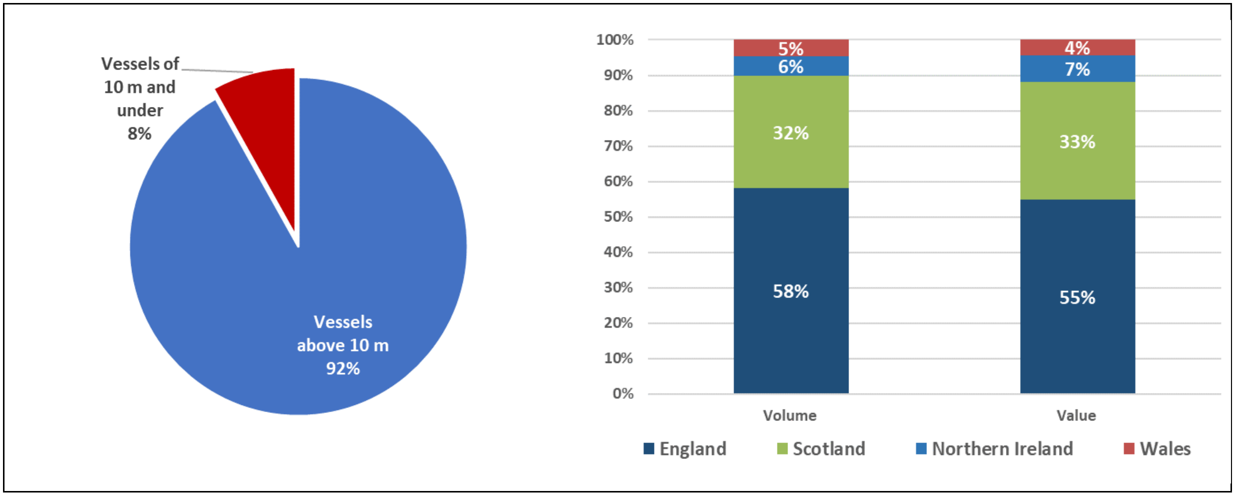
Scallop is mainly caught with large vessels. According to national fisheries statistics, vessels above 10 m land 92% of scallop landings (based on six-year average between 2016 and 2020) (Figure 21).

The UK scallop dredges operate around the entire coastline of the UK. According to a recent report on scallop fisheries in the UK[32], the largest quantity of landings is taken from the Irish Sea, followed by the Western English Channel and then the West of Scotland. The eastern English Channel, central and northern North Sea follow and have significant landings. This study highlighted particular hotspots around the Isle of Man (Irish Sea), and the Western and Eastern Channel (including within the French EEZ, Baie de Seine).

In terms of landing locations, 58% of scallop landings' volume occur in ports in England, 32% in ports in Scotland, 6% in Northern Ireland and 5% in Wales (Figure 21).

[30] https://www.gov.uk/government/collections/monthly-uk-sea-fisheries-statistics
[31] Cappell, R., Huntington, T., Nimmo, F., and MacNab, S. (2018) UK scallop fishery: current trends, future management options and recommendations. Report produced by Poseidon Aquatic Resource Management Ltd.
[32] Ibidem

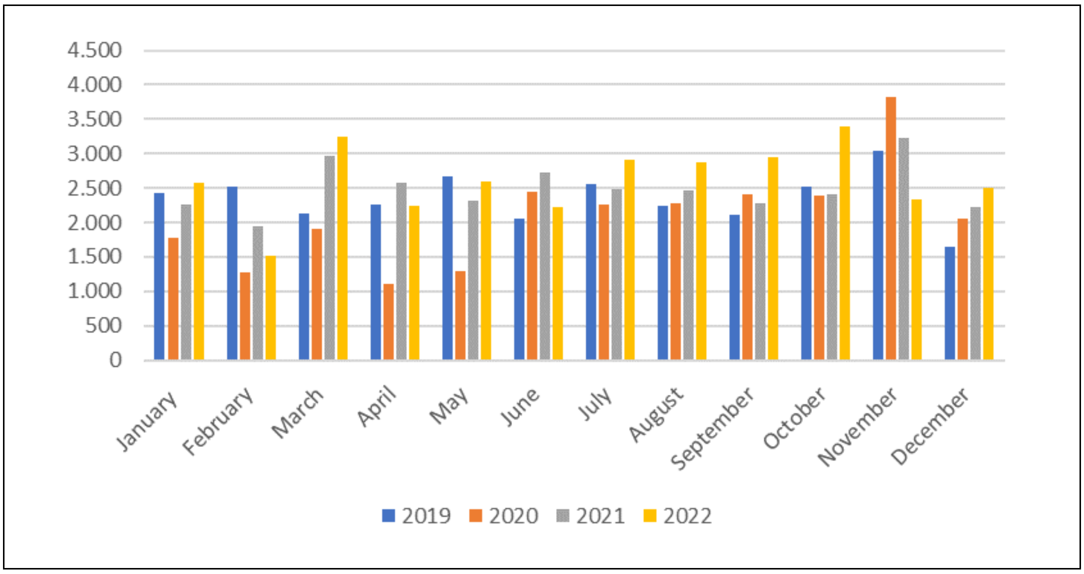
**Figure 21: Breakdown of the scallop landings volume in the UK by vessels length in 2020 (left), and by State (right) in 2020**




Source: EUMOFA elaboration of National statistics (UK government)

In the UK, there are currently few examples of area closures for fishery objectives (except in the Isle of Man where several bays have permanent or seasonal closures). As a result, there is no seasonality in scallop landings on a national level (see Figure 22).

**Figure 22: Landings volume of scallops in the UK by month between 2019 and 2022 (tonnes)**




Source: EUMOFA elaboration of National statistics (UK Government)

**Resource management of the British scallop fishery**

After Brexit, the UK has implemented a new approach to change fisheries management. The creation of Fisheries Management Plans (FMP) for key stocks of commercial interest is a new approach to fisheries management in the UK. In this context, a specific FMP for the great Atlantic scallop has been developed for English and Welsh waters. It contains management proposals that will apply to all commercially harvested scallops (dredged and hand-dived). It will also apply to all vessels, of all sizes, and from all nations which operate in English and Welsh waters (UK and non-UK). This FMP is being led by the Scallop Industry Consultation Group (SICG), which is an industry-led-co-management group which brings together scallop catchers, processors, and UK administrations. Presently, the FMP has been submitted for public review[33].

### 5.1.2. Trade

**Imports**

Scallop imports to the UK are dominated by imports of great Atlantic scallop. In 2022, imports of great Atlantic scallop (fresh and frozen) were estimated around 225 tonnes[34], i.e., 18% of the British imports of scallops, exclusively from the EU. However, there are also some imports of lower value scallops (mostly frozen), from other countries such as Peru and Canada.

**Table 31: Imports of scallops to the UK, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops*** | 135 | 116 | 113 | 72 | 132 | 86 | **-36%** |
| **Frozen great Atlantic scallop** | 78 | 26 | 2 | 2 | - | 160 | **105%** |
| **Frozen, other than great Atlantic scallop** | 442 | 585 | 663 | 687 | 843 | 942 | **113%** |
| **Smoked, dried, salted scallops** | 514 | 400 | 343 | 217 | 242 | 8 | **-99%** |
| **Prepared-preserved scallops** | 21 | 26 | 23 | 8 | 9 | 48 | **132%** |
| **Total** | **1.191** | **1.153** | **1.144** | **986** | **1.226** | **1.244** | **4%** |

**) Fresh scallops consist mainly of the genus Pecten, Chlamys or Placopecten (76% of imports of fresh scallops in 2022)*

Source: EUMOFA elaboration of UK trade statistics[35]

**Exports**

Scallop exports are mainly composed of exports of great Atlantic scallop fresh and frozen. In 2022, exports of great Atlantic scallop reached 5.848 tonnes, exported almost exclusively to the European market.

[33] https://thefishingdaily.com/latest-news/seafish-call-stakeholders-to-help-develop-king-scallop-fmp/

[34] Estimation is based on the assumption that fresh scallops of the genus Pecten, Chlamys or Placopecten are mainly composed of great Atlantic scallop (as it is by far the main species produced by the main suppliers of the UK).

[35] https://www.uktradeinfo.com/trade-data/ots-custom-table/

**Table 32: Scallops exports from the UK between 2017 and 2022, product weight (tonnes)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **Live, fresh scallops*** | 4.252 | 4.093 | 3.710 | 3.076 | 3.400 | 3.232 | **-24%** |
| **Frozen great Atlantic scallop** | 1.840 | 1.561 | 1.732 | 1.359 | 2.400 | 2.770 | **51%** |
| **Frozen, other than great Atlantic scallop** | 1.233 | 1.012 | 1.135 | 825 | 747 | 738 | **-40%** |
| **Smoked, dried, salted scallops** | 733 | 717 | 242 | 459 | 20 | 26 | **-96%** |
| **Prepared-preserved scallops** | 51 | 42 | 6 | 11 | 35 | 59 | **15%** |
| **Total** | **8.109** | **7.426** | **6.824** | **5.730** | **6.603** | **6.825** | **-16%** |

**) Fresh scallops consist mainly of the genera Pecten, Chlamys or Placopecten (95% of exports of fresh scallops in 2022)*

Source: EUMOFA elaboration of UK trade statistics

## Trade with the EU-27

British imports from the EU-27 are quite limited (less than 500 tonnes of scallops in 2022), marking a significant decrease since Brexit. There is mainly a decrease in imports of fresh scallops, which decreased by 92% between 2017 and 2022.

**Table 33: Scallop imports of from the EU-27 to the UK between 2017 and 2022 (tonnes, product weight)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| Fresh scallops* | 934 | 1.046 | 1.031 | 181 | 146 | 74 | **-92%** |
| Frozen great Atlantic scallop | 9 | 5 | 39 | 121 | 51 | 24 | **172%** |
| Other scallop species | 509 | 686 | 660 | 717 | 462 | 318 | **-38%** |
| **Total** | **1.451** | **1.737** | **1.730** | **1.019** | **658** | **416** | **-71%** |

**) Fresh scallops consist mainly of the genera Pecten, Chlamys or Placopecten (72% of imports of fresh scallops in 2022)*

Source: EUMOFA elaboration of Eurostat-Comext data

The EU-27 is the main market for UK scallops. In 2022, circa 5.800 tonnes of great Atlantic scallop have been exported to the EU, 59% fresh and 41% frozen. Fresh great Atlantic scallops from the UK are almost exclusively destinated to France (97% of the UK exports of fresh scallops to the European market in volume). According to interviews, the French market for scallops is very competitive, with scallops imported from all over the world. However, the UK are well positioned to supply high quality, fresh, roe-on great Atlantic scallop (meat).

Frozen exports of great Atlantic scallops have increased over the period between 2017 and 2022. Main markets within the EU are France (78% of the British exports of frozen scallops to the EU market in volume), followed by Italy and Spain with 13% and 8% respectively. According to interviews, exports to France concern frozen meat great Atlantic scallop, while exports to Italy and Spain concern involve half shell scallops. Furthermore, the European market is for roe-on scallops, while the USA and many other markets require roe-off product.

The EU market is a decreasing market for British exports of other scallop species, particularly after Brexit.

**Table 34: Scallop exports from the UK to the EU-27 between 2017 and 2022 (tonnes,**

**product weight)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| Fresh scallops* | 3.341 | 3.401 | 4.054 | 3.907 | 3.718 | 3.383 | **1%** |
| Frozen great Atlantic scallop | 2.120 | 1.812 | 1.819 | 1.656 | 2.187 | 2.390 | **13%** |
| Other scallop species | 2.558 | 1.774 | 2 236 | 1.579 | 738 | 763 | **-70%** |
| **Total** | **8.019** | **6.986** | **8.110** | **7.142** | **6.643** | **6.537** | **-18%** |

*) *Fresh scallops consist exclusively of the Pecten, Chlamys or Placopecten (according to statistics) and almost exclusively the great Atlantic scallop (according to operators)*

Source: EUMOFA elaboration of Eurostat-Comext data

Data on exports of frozen scallops by partner countries show that exports to the French market have significantly increased while exports to Italian and Spanish markets have decreased since Brexit. This could be explained by the fact that France has become a hub for exports from the UK to other EU countries since Brexit (as already mentioned in the section 3.1.2)

**Table 35: Exports of frozen great Atlantic scallops (*Pecten maximus*) from the UK to the EU-27 by country between 2017 and 2022 (tonnes, product weight)**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| **EU - 27** | **2.120** | **1.812** | **1.819** | **1.656** | **2.187** | **2.390** | **13%** |
| **France** | 245 | 259 | 256 | 160 | 1.721 | 1.864 | **661%** |
| **Italy** | 991 | 813 | 832 | 1.057 | 213 | 300 | **-70%** |
| **Spain** | 554 | 625 | 583 | 365 | 174 | 194 | **-65%** |
| **Others** | 330 | 115 | 148 | 74 | 78 | 32 | **-90%** |

Source: EUMOFA elaboration of Eurostat-Comext data

### 5.1.3. Apparent consumption

As mentioned earlier in the report, there are no specific CN-8 codes for the different forms of scallop presentations. However, in the UK there is a variety of products that are traded based on their destinations (whole scallops, half shell scallops and scallop meat), which suggests the use of different conversion ratios (from product weight to live weight equivalent) depending on the destination. For instance, one operator reported during the interview that 90% of his exports concern scallop meat, and 10% is made of half-shell scallops (mainly to the Spanish and Italian markets). He also reported that other British operators can have different marketing strategies depending on their customers' requirements.

By assuming that fresh scallop imports correspond to whole scallops, while exports of frozen scallops correspond to scallop meat, except for Italy and Spain (half-shell), the apparent consumption calculated was negative. This confirms that there is a variety of products that are exported from UK. This has not been analysed in detail in the context of the current study as export prices alone could not provide an accurate indication of export composition by destination.

## 5.2. Characteristics of the market

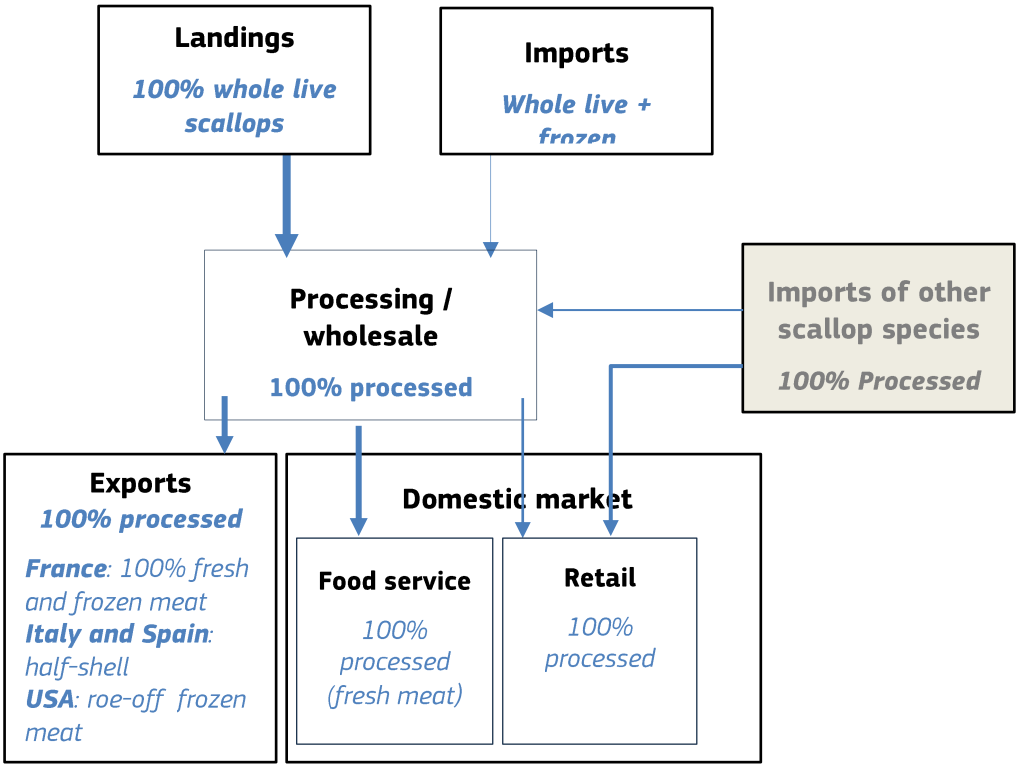
Great Atlantic scallops are landed whole live, and all the British production is processed. As already mentioned, imports of great Atlantic scallop are very low, while there are significant imports of less valuable scallops.

There are two types of processors in the UK: i) large processors who own fishing vessels or shares in fishing vessels; and ii) other small processors. Small processors supply the domestic market while large processors are more focused on the export market.

The domestic market is very small, and the export market is dominated by the European market, which is characterised by a variety of products depending on the destination: fresh and frozen meat for the French market and half-shell for the Italian and Spanish markets. The European market is for roe-on meat, while the USA market is for roe-off meats. In the UK, roe-on products are shucked manually to preserve the roe.

The retail represents only a very limited share of the production. Supermarkets in the UK mainly sell other scallop species imported mainly from Peru and Canada. According to interviews, consumption has steadily increased in the UK over the years. However, the British consumers are not aware of the difference between scallop species and consume mainly imported scallops that are sold at lower prices than scallops caught and landed in the UK.

**Figure 23: Great Atlantic scallop supply chain in the UK**




Source: EUMOFA elaboration based on interviews. The arrows' thickness illustrates the importance of volumes traded between two stages in the supply chain

## 5.3. Price transmission in the supply chain

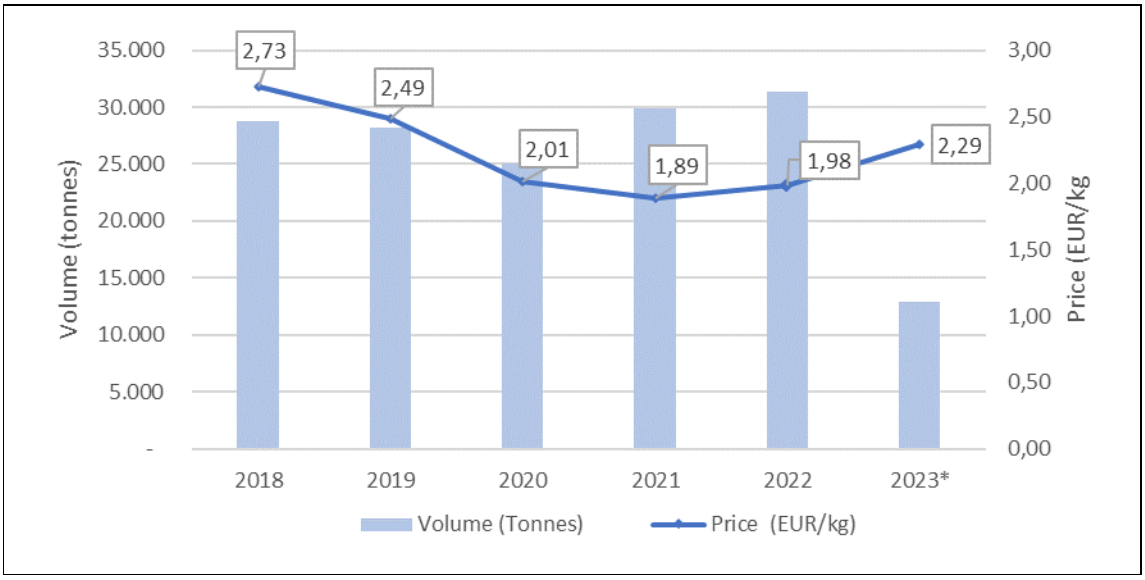
### 5.3.1. First-sale prices

Figure 24 shows that average first sale prices have decreased between 2018 and 2022, with a drop of 27% (by 33% in real terms), while the landing volume has increased by 9%. Data for 2023 is available for the period between January and May. According to this data, the average price recorded in 2023 shows a slight increase compared to the same period in 2022 (2,29 EUR/kg in January-May 2023 and 2,00 EUR/kg in January-May 2022).

In practice, producers are paid for the scallop meat, rather than the whole live scallop. Based on interviews, the average first sale price is around 11,50 EUR/kg for scallop meat.

In addition, one operator highlighted that production costs (mostly for fuel and gear) has increased disproportionately compared to the sale price of scallops over the past years.

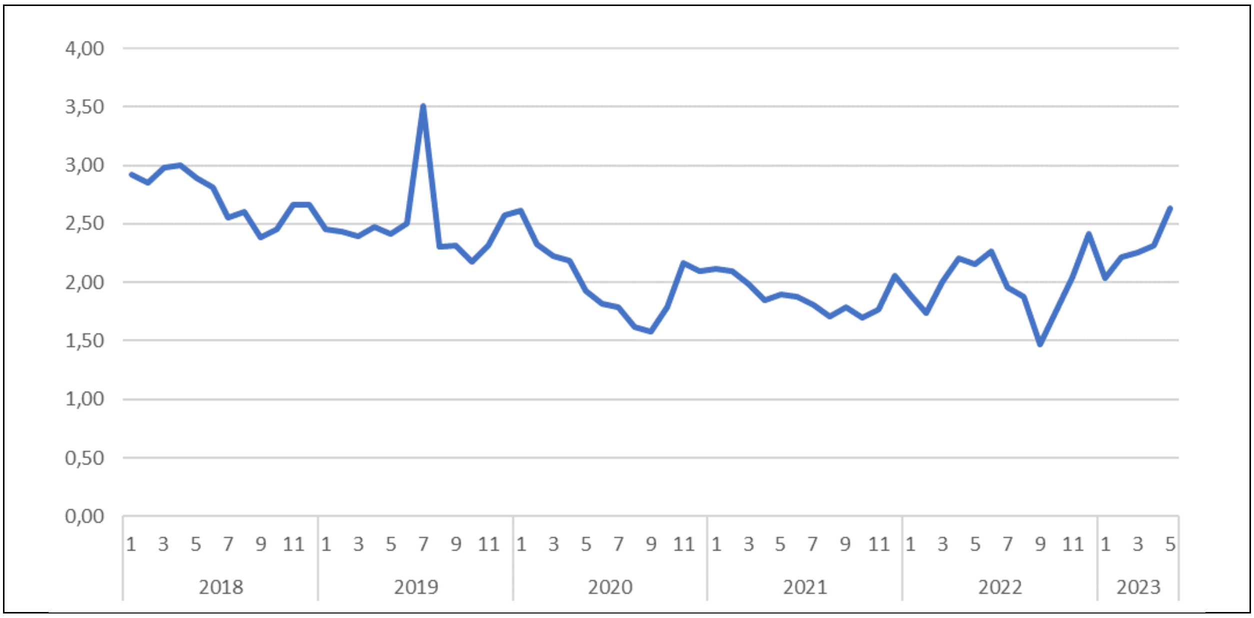
**Figure 24: Evolution of landings volume (tonnes) and prices (EUR/kg) of great Atlantic scallop between January 2018 and May 2023**




Source: EUMOFA elaboration of National statistics of UK Government

Monthly first sale data for scallops (see Figure 25) show a significant fluctuation of prices through the year and a peak in prices during Christmas period. Since 2021, the highest prices have been recorded in December of each year.

**Figure 25: Monthly prices for scallops between January 2018 and May 2023, EUR/kg**




Source: National statistics of UK Government

First sale prices by vessel length show that the average price from landings by vessels of 10 m and under are higher than prices recorded for larger vessels. This is obviously due to the large volumes landed by the large fleet segment (>10m) in comparison to the small fleet segment (<=10m). In addition, according to interviews these fleet segments do not have the same marketing channels. In fact, small vessels mainly supply the small processors who supply the domestic market, while the larger vessels mainly supply the major processors or are owned by them.

**Table 36: Landings volume and prices by vessels length between 2016 and 2020**

| | Vessels of 10 m and under | | Vessels of more than 10 m | |
|---|---|---|---|---|
| | Volume (Tonnes) | Price (EUR/kg) | Volume | Price (EUR/kg) |
| **2016** | 2.757 | 2,78 | 35.658 | 2,33 |
| **2017** | 2.611 | 2,94 | 29.380 | 2,87 |
| **2018** | 2.591 | 2,44 | 26.362 | 2,74 |
| **2019** | 2.289 | 2,27 | 25.658 | 2,10 |
| **2020** | 2.024 | 2,34 | 22.977 | 1,96 |
| **Evol. 2020/16** | -27% | -16% | -36% | -16% |

Source: National statistics of UK Government

### 5.3.2. Import and export prices

The difference in export prices according to the destination market as shown in Table 37 confirms the variety of products that are exported from the UK. Fresh products from the UK are almost exclusively destined to the French market and are the most valuable in terms of prices. From 2019, prices have been relatively stable, except for a decrease in 2021. Prices for frozen scallop show a high variability over the years, suggesting a modification in the exports' composition for each destination or as a result of the change in traded volumes. For instance, there is a sharp decrease in export prices to France of frozen great Atlantic scallop, particularly since 2020. This can be explained by the significant increase in exports of frozen scallops from the UK to France or by the fact that after Brexit, some of the exports to France correspond to half-shell scallops that are destined to be exported to Spain and Italy.

Export prices for frozen scallops to the Spanish and Italian markets have increased, particularly since 2020. This can be explained by the significant decrease in export volume, with a drop of 70% and 65% respectively.

**Table 37: Export scallop prices by destination between 2017 and 2022**

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Evol. 2022/17 |
|---|---|---|---|---|---|---|---|
| France_Fresh scallops | 21,22 | 20,71 | 19,62 | 19,66 | 17,34 | 19,63 | -8% |
| France_Frozen scallops | 23,05 | 20,81 | 19,43 | 18,61 | 10,50 | 13,85 | -40% |
| Italy_Frozen scallops | 9,05 | 8,01 | 6,09 | 4,96 | 10,52 | 13,45 | 49% |
| Spain_Frozen scallops | 9,64 | 9,69 | 9,06 | 9,93 | 6,09 | 14,86 | 54% |

Source: EUMOFA elaboration of Eurostat-Comext data

### 5.3.3. Price transmission

Below is the value chain of fresh great Atlantic scallop (*Pecten maximus*), caught by British vessels, landed in the UK, processed and packed in the UK (fresh meat packed in 2 kg packaging) and then exported to France to be sold in supermarkets.

In the case of this supply chain, the producer sells his production (live scallops) to the processor. He gets paid for the scallop meat (13,09 EUR/kg). The processor processes and packs the products (fresh meat in 2 kg packaging) and then transports them to a supermarket in France. The processor gets paid 19,63 EUR/kg. Supermarkets in France sell the product at a final price to consumers of 35,00 EUR/kg.

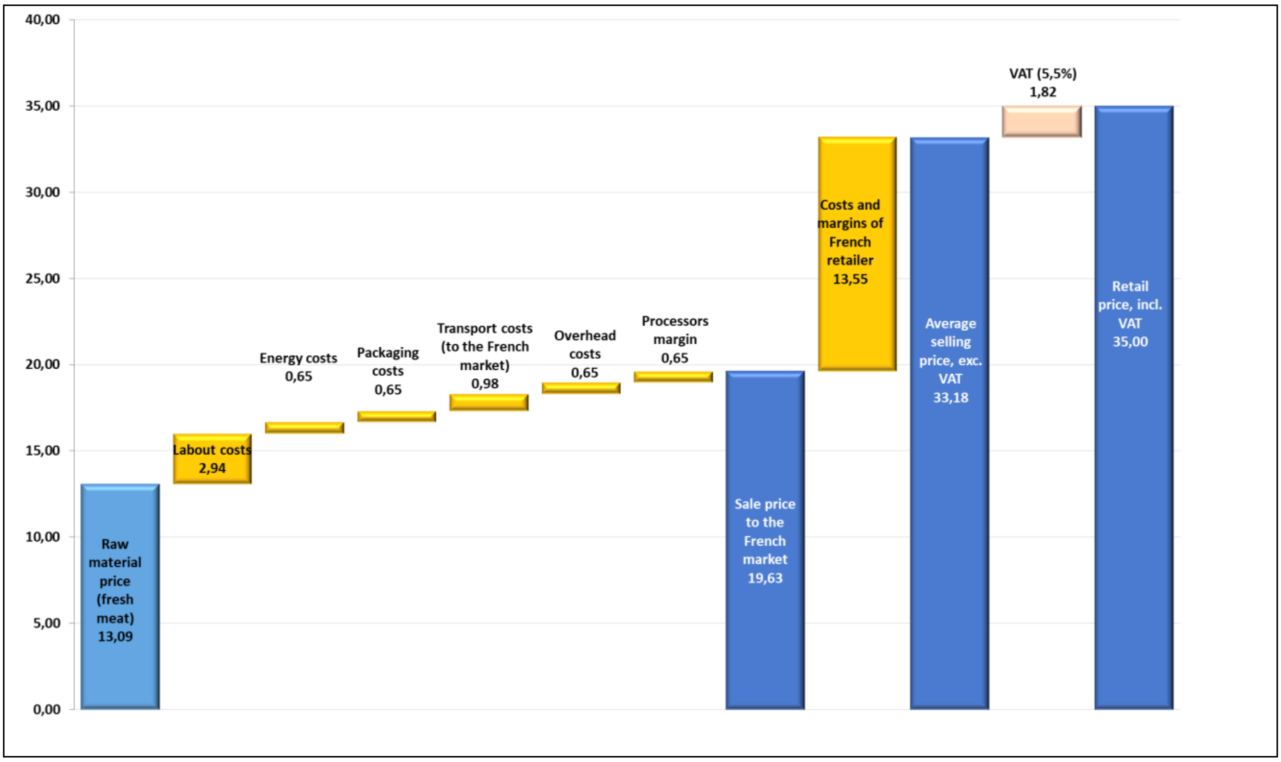
Prices below are estimated based on statistics (for raw material and sale prices to the French market which correspond to export price) and interview with a processor (only the breakdown between margin and costs have been used).

**Table 38: Price transmission of fresh great Atlantic scallop caught and processed in the UK and then exported to the French market (EUR/kg, 2023)**

| | Price (EUR/kg) | % of the final price | Source |
|---|---|---|---|
| **Raw material price (fresh meat)** | **13,09** | **37%** | National statistics |
| Labour costs | 2,94 | 8% | Estimated based on an interview with a processor |
| Energy costs | 0,65 | 2% | |
| Packaging costs | 0,65 | 2% | |
| Transport costs (to the French market) | 0,98 | 3% | |
| Overhead costs | 0,65 | 2% | |
| Processors margin | 0,65 | 2% | |
| Total processor costs and margins (exc. Raw material) | 6,54 | 19% | |
| **Sale price to the French retail (export price)** | 19,63 | **56%** | EUROSTAT-Comext |
| Retail costs and margins (on the French market) | 13,55 | 39% | Estimated |
| Retail price, exc. VAT | 33,18 | 95% | |
| VAT (5,5%) | 1,82 | 5% | |
| **Retail price, inc. VAT (on the French market)** | **35,00** | **100%** | Web check |

Source: EUMOFA

**Figure 26: Price transmission of fresh great Atlantic scallop caught and processed in the UK and then exported to the French market (EUR/kg, 2023)**




Source: EUMOFA based on interviews

# 6. COMPARISON OF THE PRICE TRANSMISSION IN FRANCE, IRELAND AND THE UK

Table 39 provides a comparison of the price structure analysis for: i) frozen scallop meat sold in France and origination from the French production, ii) fresh scallop meat imported from Ireland and sold in France, and iii) fresh scallop meat imported from the UK and sold on the French market.

The final price ranges from 35,00 EUR/kg for fresh scallop meat from the UK to 40,00 EUR/kg from Ireland and up to 55,00 EUR/kg for frozen scallop meat from France. Different factors could explain this high price gap based on the provenance:

- the different economic models between countries: in France and particularly in the Bay of Saint Brieuc, scallops are sold through auctions, while in the UK, the market is vertically integrated (processors own the fishing vessels).
- The difference in product type: roe-less product in the Bay of Saint Brieuc, while scallops caught in Ireland and the UK are roe-on scallops. In the Bay of Saint Brieuc, 10 kg of scallops are needed to produce 1 kg of scallop meat (higher volumes of raw material are then required to produce 1 kg of scallop meat than in Ireland and the UK).

**Table 39: Comparison of the price structure analysis in France, Ireland and the United Kingdom (EUR/kg)**

| | FR<br>Frozen scallop meat | IE<br>Fresh scallop meat in the French market | UK<br>Fresh scallop meat in the French market |
|---|---|---|---|
| **Raw material price** | 21,00 | 19,00 | 13,09 |
| **Sale price to the French retail** | 32,40 | 24,00 | 19,63 |
| **Final price (inc. VAT)** | 55,00 | 40,00 | 35,00 |
| **% raw material / final price** | 38% | 48% | 37% |

Source: EUMOFA

# 7. STAKEHOLDERS INTERVIEWED

- **France**
  - Two producer organisations
  - Two fishermen
  - A processor

- **Ireland**
  - A producer organisation
  - A fishmonger
  - A wholesaler/exporter

- **United Kingdom**
  - A producer organisation
  - A processor

KL-04-23-867-EN-N

EUMOFA

European Market Observatory for
Fisheries and Aquaculture Products

www.eumofa.eu

Publications Office
of the European Union

ISBN 978-92-68-07565-4

doi:10.2771/37312