EFFECTS OF COVID-19
ON THE SEAFOOD MARKET IN ASIA

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Source: WTO Secretariat
GLOBAL SEAFOOD TRADE

• Global seafood industry is suffering

• Disruption of China seafood trade (Jan–Mar)
  • Closing down of restaurants and food service sector.
  • Cancellation of International flights to and from China
  • Exporters to China were concerned (crab, salmon, lobster, shrimp, and fish from Russia, Canada, Ecuador, Chile, Australia, New Zealand, India & Vietnam)

• China is recovering slowly however the US, EU, Middle East and much of Asia has just started.
  • Devastating loss in the seafood industry
  • Increase in unemployment
  • Production has been affected (social distancing & stay home)
  • Relaxation of trade regulation
SITUATIONS IN THE ASIA SEAFOOD SECTOR

INDIA

- Suspension of transportation a key factor affecting seafood trade
- Halt operations for live seafood trade to China (live red crab)
- Seafood exporters were devastated because of low demand in China and EU markets (cuttlefish and squid)
- Marine Products Export Development Authority (MPEDA) - seafood exports not impacted except for slowdown of cargo transport to China.
- Exporters of shrimp facing difficulty with exports
Contd.

- Fishing activities in some states (South-West) had to be suspended

- Impact on aquaculture farmers:
  - Procure low quality feed
  - Shortage of labour
  - Unavailability of transport
  - Less income, more spending on operational cost.

**BANGLADESH**

- Export order cancellation for frozen shrimps (US$59.8 million)
MALDIVES

• Drop in non-canned tuna exports (-30%) in Jan 2020

• Exports of seafood have been affected due to closure of restaurants and food courts in Europe.

• Sufficient tuna supply for the market (one-by-one fishing)

• Some tuna canned companies have lowered canned prices for the locals. (Maandhoo Mas tuna can - MVR 650 to MVR 635 per case)
PHILIPPINES

- Exports of tuna were disrupted due to cancellation of domestic and international flights.
  - Worst affected is the General Santos city in Mindanao which used to export 5 tonnes of tuna per day to Asia particularly to Japan.

- A few canneries are operating with skeletal workforce. Others operating with shortage of tuna supply.
VIETNAM

• High hopes of resuming seafood exports as China recovers. However orders began cancelling in EU, US, the rest of Asia and Middle East.

• Exports of *pangasius* plunged in value in the first 2 months of 2020 (-32%) year on year.
  - Decrease in exports to China (-52%), EU (-40%) and the US (-27%)

• Farm gate prices of *pangasius* dropped at US$0.70/kg as of March compared to US$1.30/kg same month last year

• Shrimp: Cancellation of orders, Cold storage overcrowding, drop in China imports (-37%), Increase in demand from Japan.
Contd.

MALAYSIA/THAILAND

• Sales of canned seafood products and frozen products are running out in supermarkets due to panic buying. (Enough fish supplies in stock)

• Some aqua farms and fishing boats are operating with less workers due to movement restrictions
Increase in door to door sale of fresh and frozen fish to reduce congestion in the markets.
HONG KONG/SOUTH KOREA/JAPAN

• Seafood imports are slow due to the prolonged shipping time from supplying countries.

• Sales of seafood in lunchboxes (ready-made) have increased however sales for luxurious seafood have dropped due to cancellation of public gatherings.
SUMMARY

• Seafood supply chain is disturbed
  - Transport restrictions affects supply chain
  - Shortage of labor could disrupt production
  - Increase in wholesalers/processors are selling directly to consumers (traditional customers are drying up)

• Rise in E-Commerce sales
  - Due to movement control measures, there has been an increase in usage of online platforms for seafood buying (fresh and frozen products)
  - Consumer spending has dropped due to closure of seafood restaurants and restrictions of public gathering
OUTLOOK

- Spike in prices especially for luxurious seafood
- Increase organic seafood sales
- Rise in seafood purchases in meat consumed countries e.g. Pakistan
- Upgrading of the domestic trade
- Growth in online seafood retail trade
- Increase in reliance on emerging markets rather than depending on one
THANK YOU