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# Second National Stakeholder Workshop Ocean Economy and Trade Strategy

## Market Access in the Tuna Value Chain

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1. Conceptual insights
2. Trade stylized facts
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# 1. Conceptual insights



## Exports Components

- Domestic supply/production capacity
  - Stocks availability
  - Catch capacity
- Transport costs
- Trade policy
  - Domestic: export measures
  - Foreign: tariffs and NTMs
- Foreign Demand
  - Tastes
  - Expenditure (defined by relative prices)



## Imports Components

- Net Domestic Demand
  - Domestic supply/production capacity
  - Tastes
  - Expenditure (defined by relative prices)
- Transport costs
- Trade policy
  - Domestic: tariffs and NTMs
  - Foreign: export measures

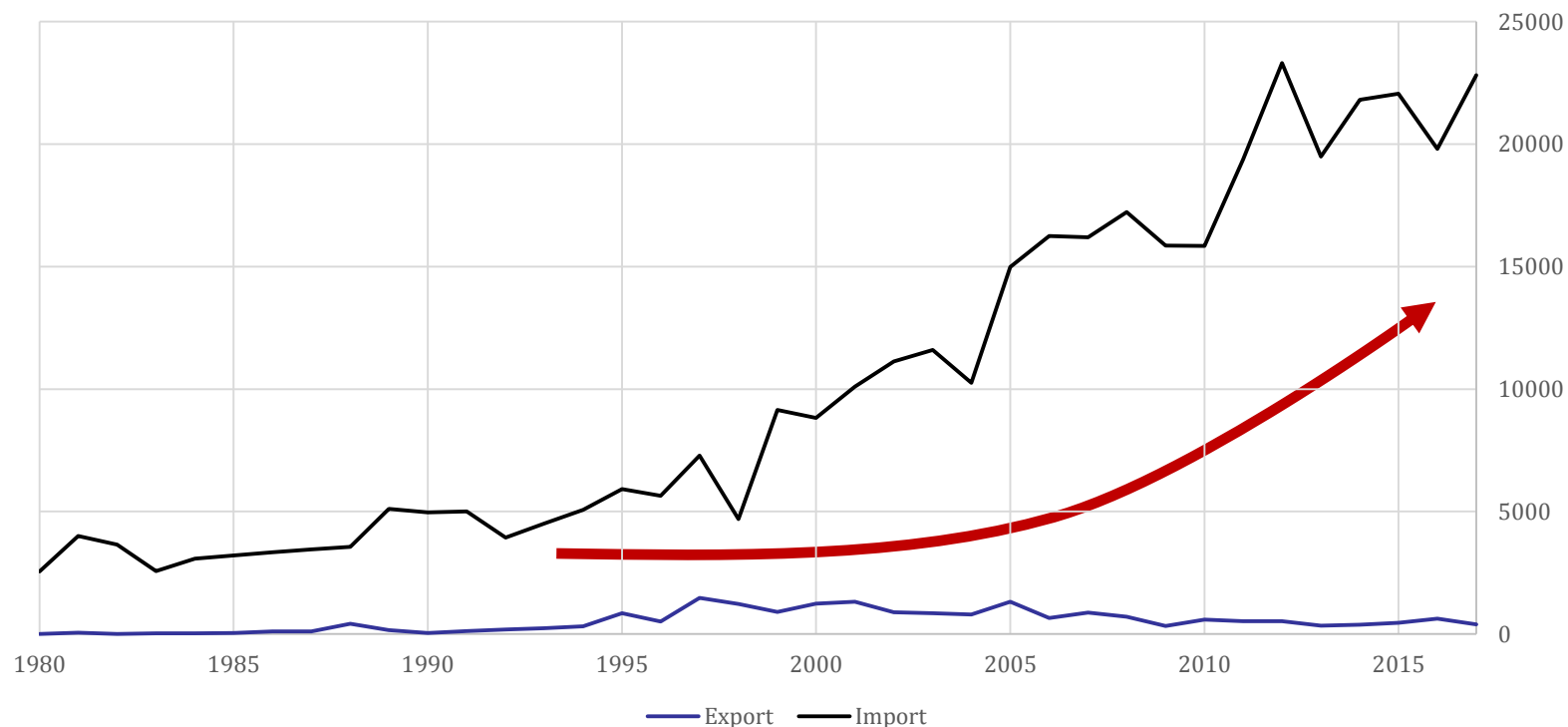


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## 2. Trade stylized facts



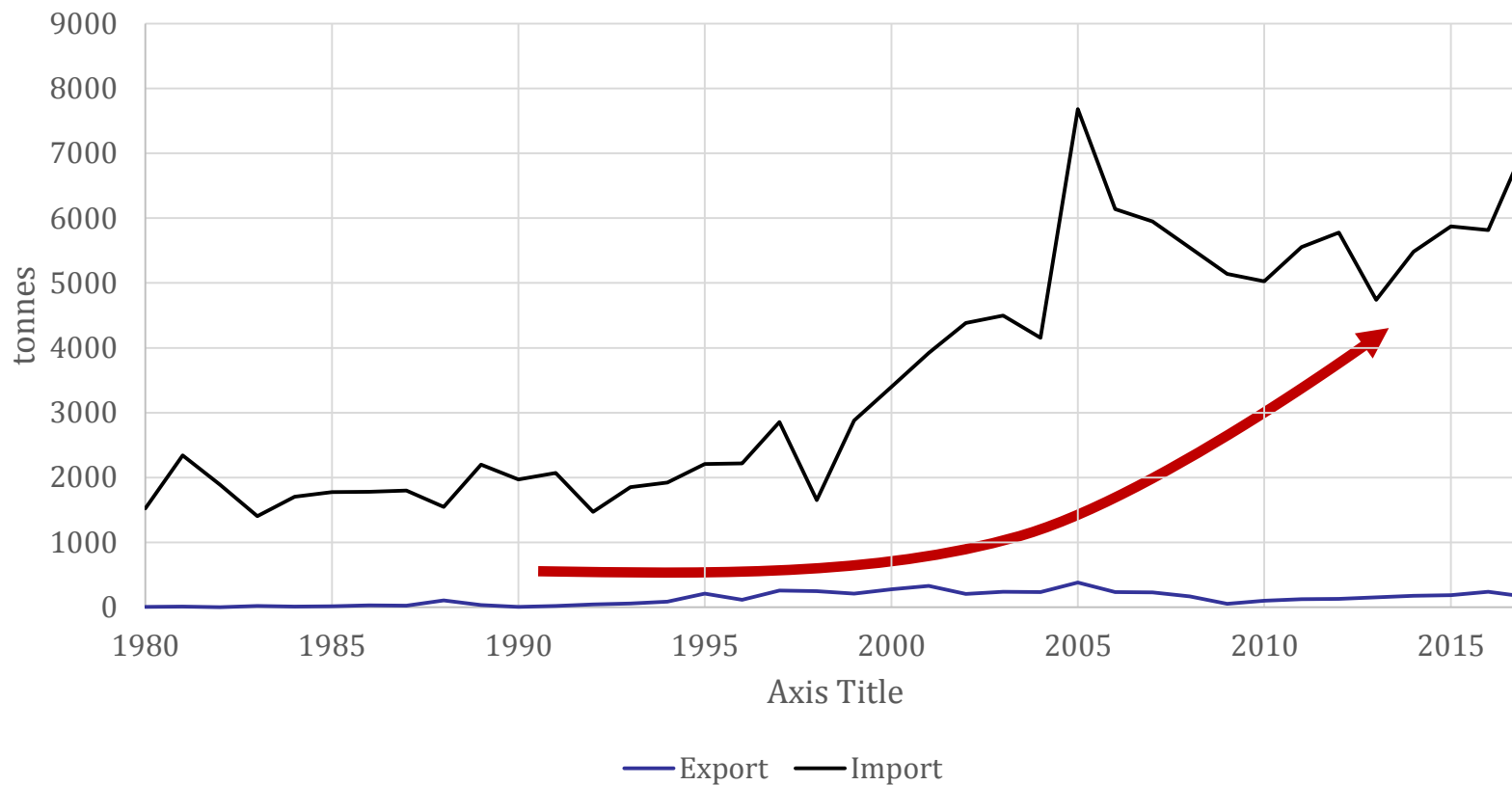
# Total Exports and Imports of fish and fishery products (000USD)



Source: FAO FishStat (28 Feb. 2020)



# Total Exports and Imports of fish and fishery products (tonnes)



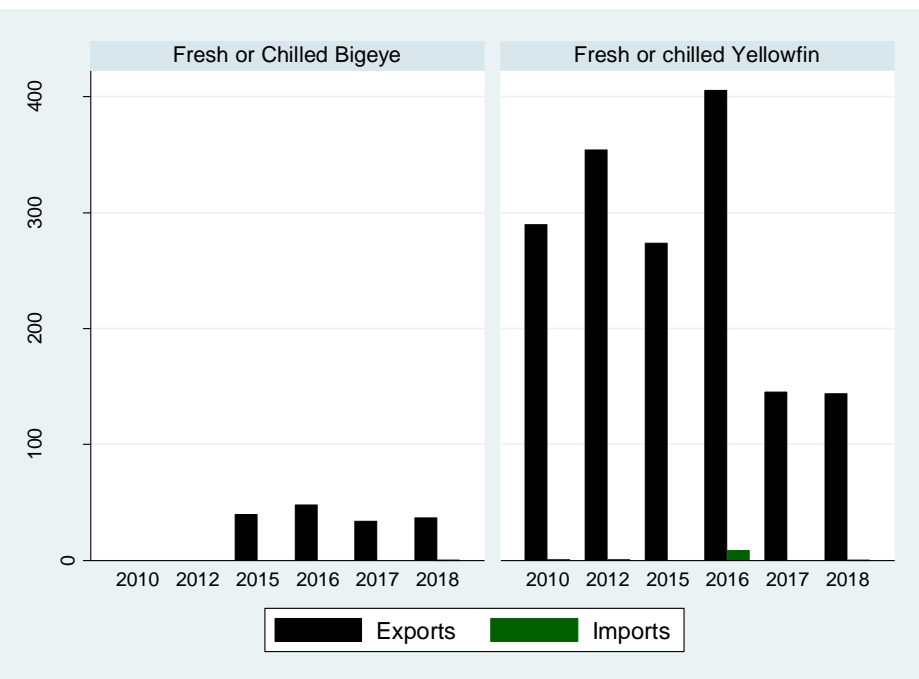
Source: FAO FishStat (28 Feb. 2020)



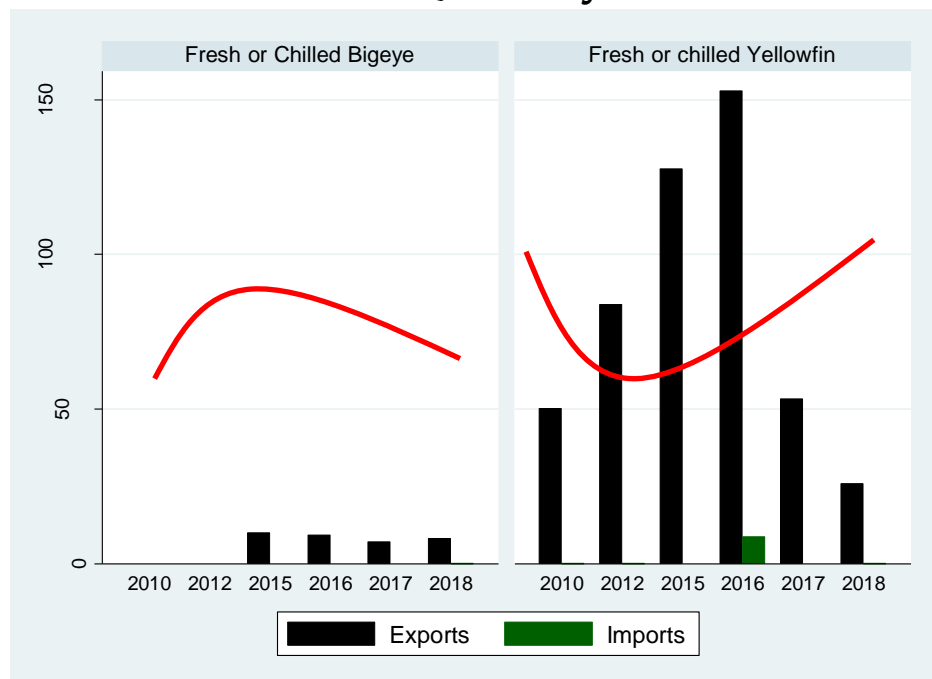


# Tunas: Fresh and Chilled

## Value



## Quantity



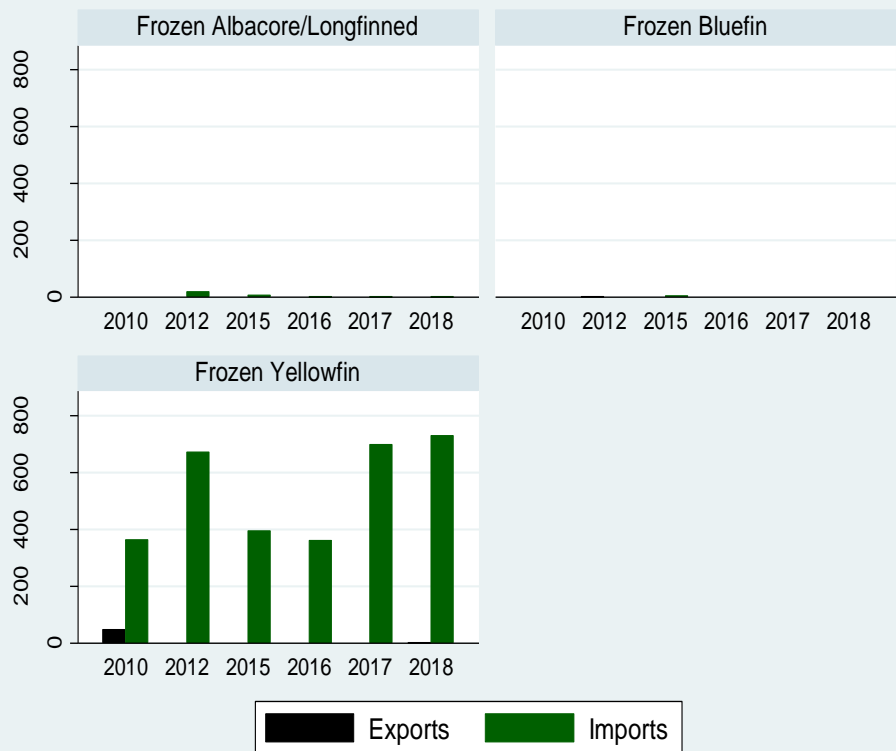
Source: COMTRADE in Wits (27 February 2020)

Relatively High Unit-Price Variability

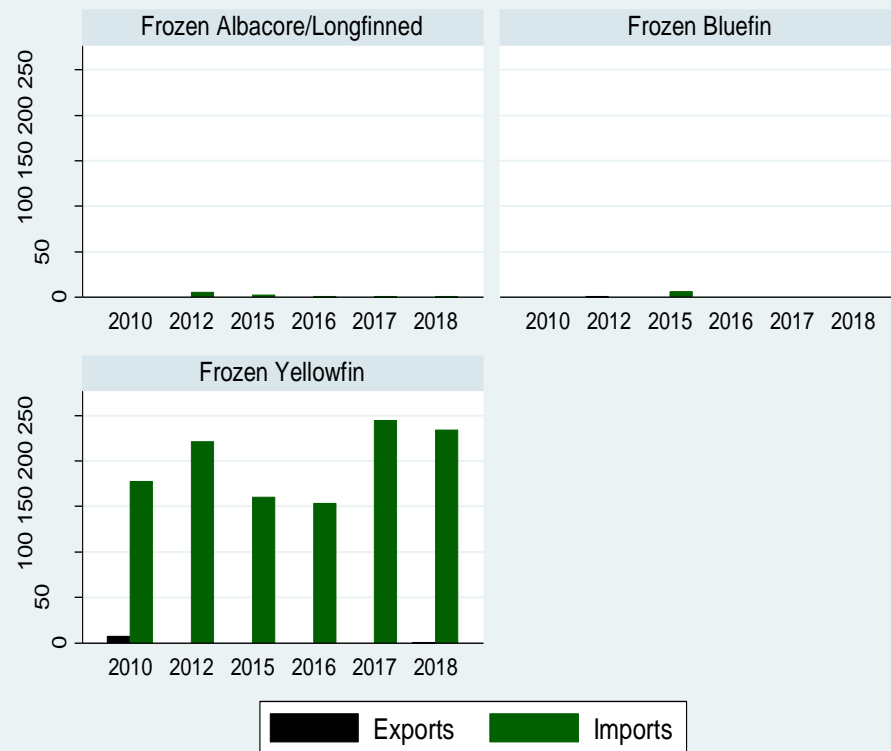


# Tunas: Frozen

## Value



## Quantity

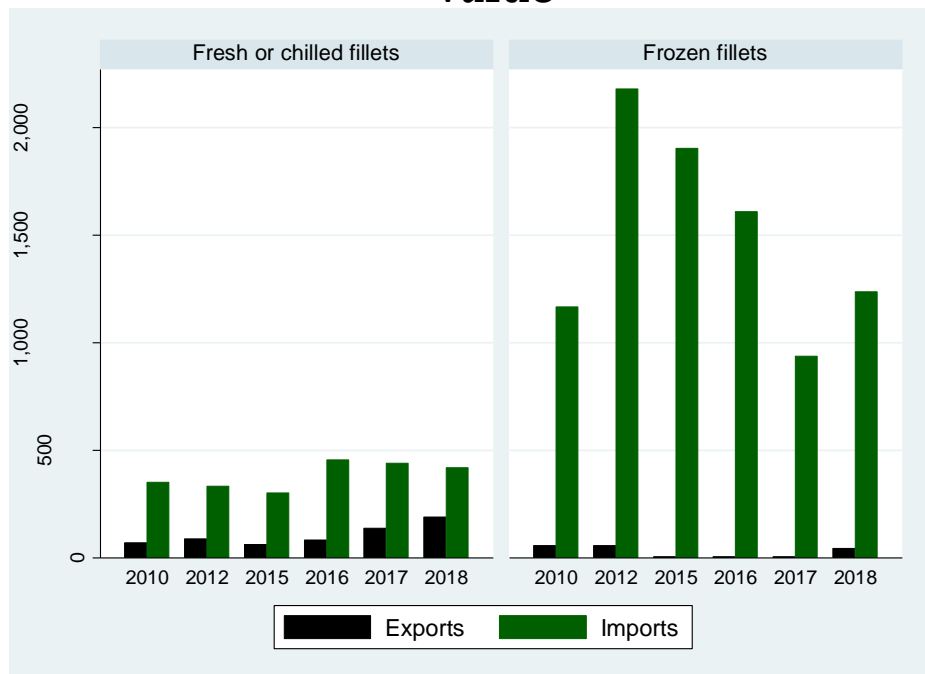


Source: COMTRADE in Wits (27 February 2020)

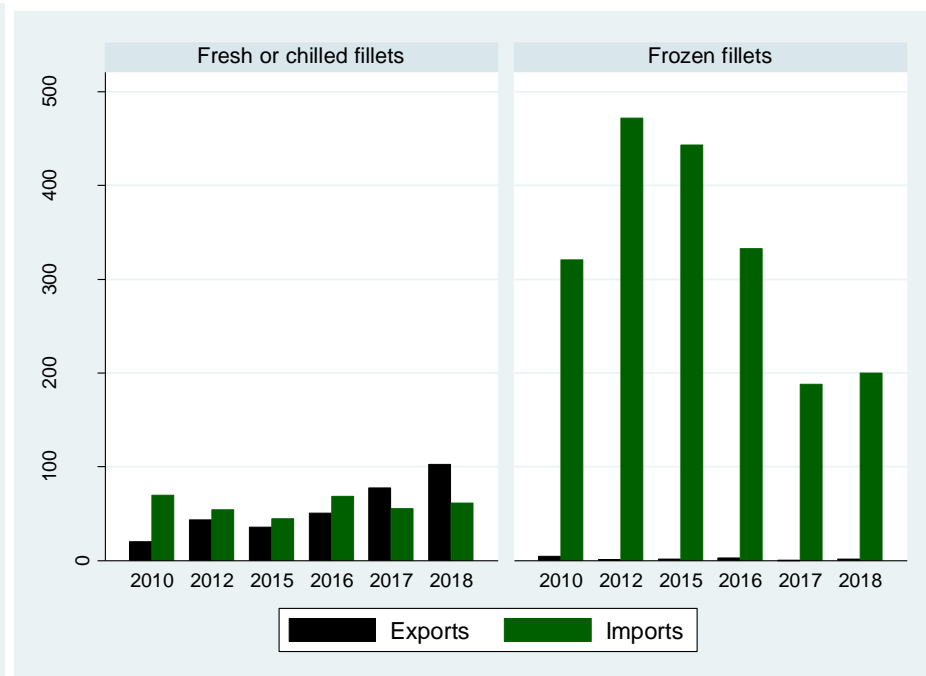


# Fillets: Fresh/Chilled and Frozen

## Value



## Quantity



Source: COMTRADE in Wits (27 February 2020)

**NB: No information about species available due to product classification used for reporting: WCO HS-2002 (versus HS-2017)**



## Major exporters to BRB / Major importers from BRB

- Major exporters of frozen Yellowfin: Suriname, Trinidad Tobago, Panama
- Major exporters of frozen fillets: Guyana, China, Chile, Suriname
- Major exporters of tunas preparations: Thailand (about 50% of all fish preparations), USA (7%), Costa rica (2%), Canada(1%)
- The United States: major destination market of Barbados exports absorbing the quasi totality of Yellowfin tuna exports (+ single importer)
- Canada: second largest destination market until 2014 (max share of about 10% in 2013 but collapsed afterwards)



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# 3. Access to international markets



## USA *versus* EU

- Preferential treatment (Caribbean Basin Initiative and CARIFORUM-EPA) in both markets (preferential tariff rates below 5%)
  - Focus has been put so far on US market (recent USFDA inspection of packing room at BFC with positive outcome): burden of compliance with US regulations partly falls on the importer side (consignment export model could be a direct consequence)
  - The EU market could be an alternative that may help reducing variability in prices: most of the burden of compliance with the EU regulations falls on the exporting country side
  - **Major constraint in the EU:** fishery products must come from an authorised country (authorisation granted by the EU Directorate-General for Health and Consumer Protection)
  - **AIR connectivity?**



## Access to the EU market

- Approval granted on the basis of domestic public health and control systems (combat IUU fishing)
- If a country is approved then a competent authority in place further approves establishments and factory vessels

Approved countries from the Region:

- **Antigua and Barbuda**, **Belize**, Colombia, Costa Rica, Cuba, Curaçao, **Grenada**, Guatemala, **Guyana**, Honduras, **Jamaica**, Mexico, Nicaragua, Panama, Sint Marteen (Dutch part), **Suriname**, Venezuela
  - **CARICOM Single Market and Economy Member**
  - OETS project country



- Belize: Agricultural Health Authority (BAHA)

**COUNTRY**  
**SECTION**

**Belize**  
**Fishery products**

FV  
PP  
ZV

Factory Vessel  
Processing Plant  
Freezing Vessel

Validity date from  
21/01/2020  
Date of publication  
21/01/2020

00059

**List in force**

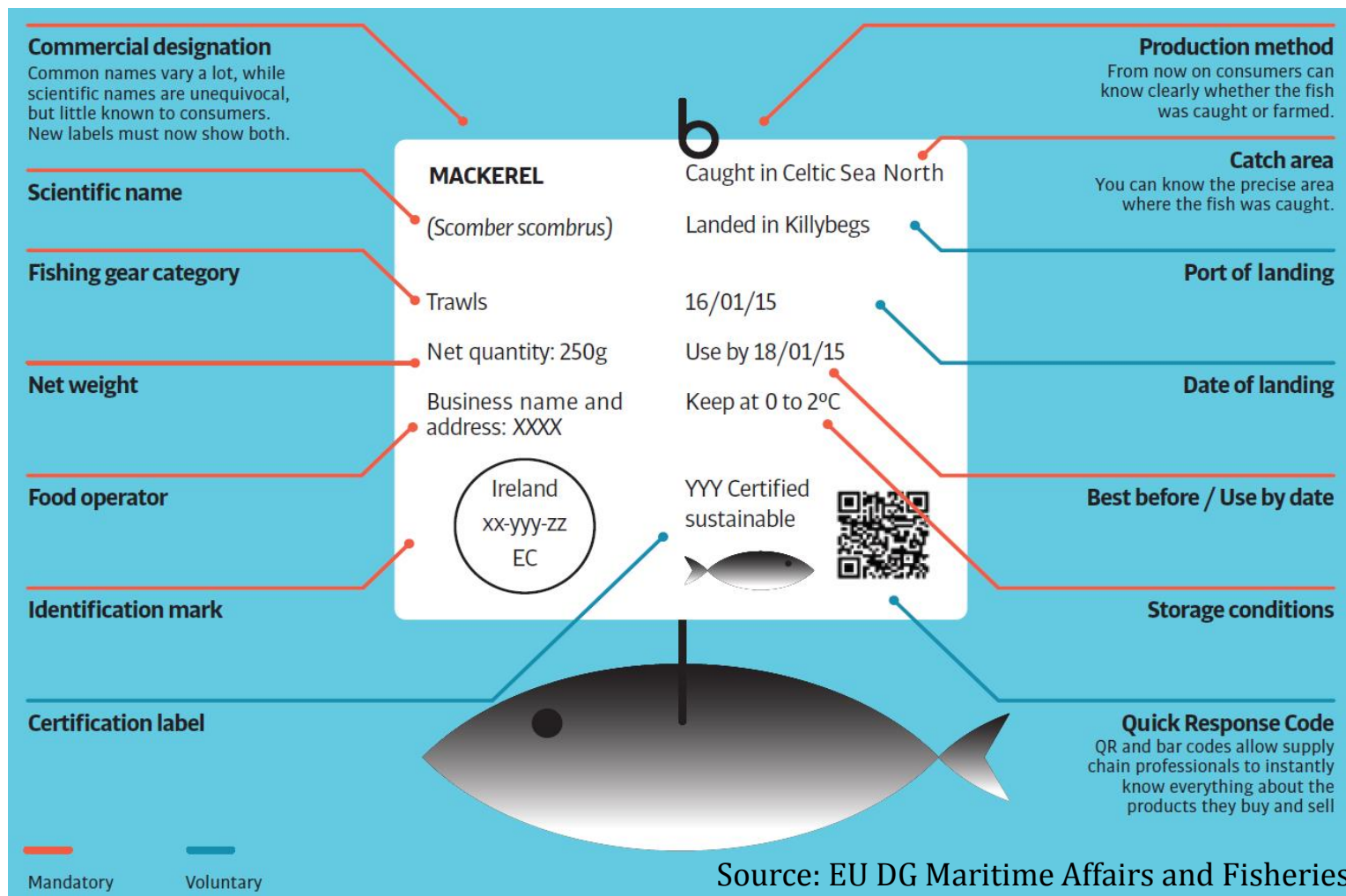
Approval number	Name	City	Regions	Activities	Remark	Date of request
BZE-FP-AQM-041	AQUA MAR BELIZE LIMITED	Belize	Belize	PP	Aq	05/11/2019
BZE-FP-ATG-036	ATLANTIC GLORY (MORGAN & MORGAN TRUST CORP BELIZE LTD.)	Belize City	Belize	ZV		05/11/2019
BZE-FP-ATP-033	ATLANTIC PRINCE (MORGAN & MORGAN TRUST CORP BELIZE LTD.)	Belize City	Belize	ZV		05/11/2019
BZE-FP-AVR-027	Avra (Lassia S.A.)	Belize	Belize	ZV		03/02/2015
BZE-FP-GOS-034	GEO SEARCHER (MORGAN & MORGAN TRUST CORP BELIZE LTD.)	Belize City	Belize	FV		05/11/2019
BZE-FP-HR1-030	HARMONIA 1	Belize	Belize	ZV		22/07/2015
BZE-FP-JAP-038	JOANA PRINCESA (MFV LOOTUS OSAUHING)	Belize City	Belize	FV		05/11/2019
BZE-FP-PAS-029	Pescamaro Seis	Belize	Belize	ZV		12/06/2015
BZE-FP-PDA-031	PLAYA DE AZKORRI (SEA BREEZE VENTURES)	Belize City	Belize	ZV		05/11/2019
BZE-FP-PRL-037	PEARL (FANCY OCEAN COMPANY LIMITED)	Belize City	Belize	ZV		05/11/2019
BZE-FP-PSC-040	PRAIA DE SANTA CRUZ	Belize	Belize	FV		22/03/2018
BZE-FP-PTO-032	PITUFO (MORGAN & MORGAN TRUST CORP BELIZE LTD.)	Belize City	Belize	ZV		05/11/2019
BZE-FP-RSL-035	RAINFOREST SEAFOODS BELIZE LIMITED	Belize	Belize	PP	Aq	05/11/2019
BZE-FP-STI-039	SANTA ISABEL (A C FISHING)	Belize City	Belize	FV		05/11/2019



- A **catch certificate** must accompany fish imported in the EU
- **Health certificates** must also be produced (Code of Practices from the Codex Alimentarius Commission)
  - Hazard Analysis and Critical Control Points (HACCP) principles
  - Absence of Contaminants (testing in recognised labs needed before shipment)
  - Absence of Microbiological Contamination (e.g. high histamine level due to poor temperature management)



- Strict labelling requirements to guarantee traceability



Source: EU DG Maritime Affairs and Fisheries

- Additional requirements (non-mandatory in principle but often required in practice)
  - Food safety certification: extra guarantee to consumers (e.g. British Retail Consortium Global Standard for Food Security; International Featured Standard (IFS) Food)
    - Based on HACCP principles
    - Food retail channel + food service channel in Northern and Western Europe
  - Eco-labelling that certifies sustainability (e.g. Marine Stewardship Council, Friend of the Sea)
    - Quasi mandatory to export to Northern and Western Europe markets but of limited importance in Southern and Eastern Europe markets
    - Act as a market guarantee at all times but implementation costs are high



## Adding Value?

- Joining in BRB would certainly contribute positively to value addition (e.g cash flow analysis)
- Lower price variability thanks to pre-shipment quality grading ?
- Lower price variability simply because of higher processing (e.g. semi-processed commodities)?
- Positive impact on employment?
- This may also help reaching European markets where demand for semi-processed and processed products remains high
- Could that help increase sales on the domestic market especially to the tourism sector?



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# 3. Access to the domestic market and food security



## Tariffs and Non-Tariff Measures

- Binding coverage in fish and fish products: 1.6% (bound rate=100%) versus 100% in agricultural goods («policy space» is available)
- RTAs: **CARICOM** (Antigua and Barbuda; Bahamas; Barbados; Belize; Dominica; Grenada; Guyana; Haiti; Jamaica; Montserrat; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Suriname; Trinidad and Tobago) + **EU - CARIFORUM States EPA**
- Effectively applied tariff is on average about 22%
- Duty free imports essentially from CARICOM countries (but relatively small share in total imports)
- Lower tariffs (around 15%) on processed products (tariff «des-escalation»)



## Simple and Trade weighted average tariffs imposed by Barbados: Effectively applied and Applied MFN



**Source:** UNCTAD-TRAINS

**Note 1:** Exceptions granted to specific types of importers (e.g. hotels) are not considered in the calculations

**Note 2:** CARICOM CET of 40% on tunas (fresh/chilled, frozen and fillets) / GSTP compatible?

## NTMs types and implementation year in Barbados (2015)

NTM Code	1961	1970	1982	1985	1993	1994	1998	2006 March	2006 June
A620					X				
B110		X							
B140								X	
B150								X	
B310									X
B410							X		
B700							X		X
B810	X								
B830								X	
B840			X	X					
B850								X	
P130								X	
P140								X	
P400								X	
P610			X						
P620			X						
P690						X		X	X

Source: UNCTAD-TRAINS



NTMCode	Description	Number of Occurrences	Share in Total
A620	Animal raising or catching processes requirements	106	10.24
B110	Prohibition for TBT reasons	119	11.5
B140	Authorization requirement for TBT reasons	33	3.19
B150	Registration requirement for importers for TBT reasons	33	3.19
B310	Labelling requirements	122	11.79
B410	TBT regulations on production processes	2	0.19
B700	Product-quality or -performance requirement	15	1.45
B810	Product registration requirement	1	0.1
B830	Certification requirement	33	3.19
B840	Inspection requirement	128	12.37
B850	Traceability information requirements	33	3.19
P130	Licensing- or permit requirements to export	33	3.19
P140	Export registration requirements	33	3.19
P400	Measures on re-export	33	3.19
P610	Inspection requirement	14	1.35
P620	Certification required by the exporting country	14	1.35
P690	Export technical measures, n.e.s.	283	27.34

**Source:** UNCTAD-TRAINS

**Note 1:** The reference HS classification is the 2012 version with 223 products included in the analysis

**Note 2:** The number of occurrences refers to the number of times an NTM measure applies to some product. Several NTMs of the same type can apply to the same product but they are all governed by a distinct regulatory text.

## Food security

- Most SPS measures and TBTs apply to both domestic and foreign products (national treatment)
- Imports to BRB cover both demand from tourism industry (equivalent of about 8 percent of the permanent population) and demand from domestic consumers
- Regulatory reforms (e.g. technical standards, SPS measures, Fisheries act) may help reinforcing quality assessment of imports
- New regulations should apply to all imports (no exemption like for tariffs)
- May help exporting to new markets with strict regulations

