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Japan

Fishery Products

Annual Report

2005

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Report Highlights:
Japanese imports of six key fishery product lines -- salmon and trout, sockeye salmon, Surimi, cod & pollock roes, Ikura (prepared salmon eggs) and Sujiko (hard salmon roes) -- totalled $2.6 billion or 657,861 tons in 2004, up 13.5% and 11.9% respectively from the previous year. The U.S.share of total Japanese imports of these six products was 35%, up from 33.5% in the previous year making the U.S. Japan's dominant supplier.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Tokyo [JA1]
[JA]

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Executive Summary

As Japan's own domestic fishery production shows signs of consistent weakness, the share of imports in the country's total distribution continues to increase. In 2004, Japan's domestic fishery production totaled 5.73 million metric tons, down 5.8% from the previous year. Imports of six key product lines (i.e. Salmon and Trout, Sockeye Salmon, Surimi (fish paste), Cod & Pollock Roes, Ikura (Prepared Salmon Eggs) and Sujiko (Hard Salmon Roes)) totaled $2.6 billion, up 13.5% from the previous year, indicating continuing stability and strength of the ever-lively Japanese seafood import market. As Japan's dominant supplier, the U.S. enjoyed a 35% slice of the import market for these six products.

During the first half of 2005 (January-June), Japanese imports grew 10.3% from the same term last year to total $1.4 billion, with the U.S. share growing 17.4%. Other leading seafood exporters to Japan during the same period were Chile (20% share), Russia (14% share), China (8% share), Norway (7% share) and Thailand (6% share). All indications are that as China's industrial infrastructure improves her share of Japanese fishery product imports, notably in the area of processed and remanufactured seafood products, will also improve in the years to come.

(*Note: The source of Japanese industry statistics used in this report is the Ministry of Agriculture, Forestry and Fisheries (MAFF), and trade statistics are sourced from Japanese customs data, as extracted from the World Trade Atlas data base.*)

Production

Japanese seafood production is reportedly on the decline overall. The latest report from the Ministry of Agriculture, Forestry and Fisheries indicates that seafood production in 2004 was down to 5.14 million tons from 5.49 million tons in 2003 due to weather related factors.
The National Research Institute of Fisheries Engineering has published a report that claims some of Japan's fish catches may decline by as much as 30-70% in certain areas due to the effects of global warming. The report also forecasts that certain areas will see a boost in production of some species, such as oysters in Hokkaido. (For the Japanese text, please refer to: http://www.nria.affrc.go.jp/hakko-e.html)

According to the data, Japanese ocean fishery and mariculture production volume at sea in 2004 totaled 5.73 million metric tons (mmt), down 5.8% from the previous year. 98% or 5.63 mmt of the total production consisted of the seawater fishery, with the remainder of production volume (2% or 106,000 tons) came from fresh water fishing and fresh water aquaculture. Fresh water fishery and aquaculture production decreased 3.3% in volume from the previous year, as shown in the following table.

Japan's Fishery Production Summary (Unit: 000MT)

			Change (04/03)	
Sector	2003	2004	By Volume	By %
Total Volume	**6,083**	**5,733**	**-350**	**-5.8%**
Ocean & Hatchery Fishing	5,973	5,627	-346	-5.8%
-Ocean Fishery	4,722	4,411	-311	-6.6%
(Distant Water Fishing)	(602)	(528)	(-74)	(-12.3%)
(Offshore Fishing)	(2,543)	(2,369)	(-174)	(-6.8%)
(Coastal Fishing)	(1,577)	(1,513)	(-64)	(-4.1%)
-Mariculture	1,251	1,216	-35	-2.8%
Inland Water & Aquaculture Fishery	110	106	-4	-3.3%
-Inland Water Fishing	60	61	+1	+1.2%
-Inland Water Aquaculture Fishing	50	46	-4	-8.8%

(Source: Ministry of Agriculture, Forestry & Fisheries; MAFF)

Of the total volume of ocean fishery production in 2004 (5,627,000 tons), seawater fishing operations (4,411,000 tons) alone accounted for 78% of the total, with mariculture (1,216,000 tons) accounting for 22%. 76% or 3,336,000 tons of the seawater fishery production in 2004 consisted of more than 55 specific fish species, of which the salmon and trout share accounted for 7.7% and various tuna species for 7.5%, as shown in the tables below.

Seawater Fishery Production Summary (Unit:000MT)

Species	2003	2004	Change (04/03) By Volume	Change (04/03) By %
Total Volume	**4,722**	**4,411**	**-311**	**-6.6%**
Fish (-at least 55 species)	3,506	3,336	-170	-4.8%
Prawns & Lobsters	26	24	-2	-7.7%
Crabs	34	33	-1	-2.9%
Shellfish / Clams	441	410	-31	-7%
Cuttlefish / Squids	386	333	-53	-13.7%
Octopus	61	54	-7	-11.5%
Sea Urchin	13	13	0	100%
Trepang	9	9	0	100%
Seaweed / Marine Plants	111	114	+3	+2.7%
Others	135	85	-	-

Salmon & Trout Production (000MT)

Species	2003	2004	Change (04/03) By Volume	Change (04/03) By %
Total Volume:	**287**	**258**	**-29**	**-10.1%**
Salmon	264	245	-19	-7.2%
Trout	23	13	-10	-43.5%
Tuna Production (000MT)				
Over 6 tuna species	251	250	-1	-0.4%

In the Japanese traditional secondary fishery products sector, 2,129,597 tons of processed seafood were produced in 2004. In addition, 1,628,978 tons of fresh or frozen seafood was produced.

Secondary Conversions of Fishery Products (Unit: MT)

Secondary Product	2003	2004	Change (04/03) By Volume	Change (04/03) By %
Total Volume:	**2,129,166**	**2,129,597**	**+431**	**0%**
Fish paste / cakes	658,293	660,322	+2,029	0%
Frozen foods	319,582	303,236	-16,346	-5%
Dried seafood	346,680	332,872	-13,808	-4%
Salted seafood	208,947	218,396	+9,449	+5%
Smoked seafood	12,848	13,037	+189	+1%
Other dried/sliced fish	110,770	109,839	-931	-1%
Other processing	472,046	491,895	+19,849	+4%

Trade

Japan remains a major importer of seafood in order to meet its domestic needs. In 2004, Japan's combined imports of six key fishery product lines (i.e. Salmon & Trout, Cod & Pollock Roes, Surimi, Sockeye Salmon, Ikura (Prepared Salmon Eggs) and Sujiko (Hard Salmon Roes)) totaled $2.6 billion, up 13.5% from the previous year. The total tonnage imported in 2004 was 657,861 tons, up 11.9% from the previous year. Among those six key products, imports show a consistent increase, year on year. Of particular note are imports of salmon and Surimi, which were up roughly 11 and 15 percent, respectively, between 2003 and 2004. U.S. sales of sockeye salmon, likewise, were up significantly.

With respect to total imports of the above-mentioned six products, 2004 U.S. seafood imports accounted for 35% of the market in value terms, up a strong 18.5% from the previous year. In terms of tonnage, U.S. imports totaled 232,185 tons accounting for 35.5% of total Japanese import volume, growing 24% from the previous year. In the aggregate, Chile, Russia, Norway, China and Thailand stand out as major competitors to the U.S. supremacy, as shown in the tables below. However, the competitive positions of Japan's major suppliers varies by product line, as shown in each of the subsequent tables below by product line for the full-year (2004/2003) and half-year (Jan.-June: 2005/2004) updated comparison.

THE U.S. MARKET SHARE VS. COMPETITION IN JAPAN'S SEAFOOD IMPORTS						
Period: Calendar Year	Quantity (MT)		% Change	$ Value (US$000)		% Change
Product Line	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
1) Salmon & Trout	215,521	239,545	+11.1%	875,267	959,721	+9.6%
2) Cod & Pollock (Tarako)	46,911	48,603	+3.6%	575,724	690,803	+20.0%
3) Surimi (Ground Fish Meat)	269,174	309,392	+14.9%	514,215	590,951	+14.9%
4) Sockeye Salmon	47,546	51,525	+ 8.4%	205,548	234,959	+ 14.3%
5) Ikura (Prepared Eggs)	4,224	4,474	+5.9%	63,983	74,291	+16.1%
6) Sujiko (Hard Roes)	4,632	4,322	-6.7%	56,205	50,420	-10.3%
Total Volume:	**588,008**	**657,861**	**+11.9%**	**2,290,942**	**2,601,145**	**+13.5%**
Market Share:	***100%***	***100%***		***100%***	***100%***	
1) U.S. Share:	CY 2003	CY 2004	% Change	CY 2003	CY 2004	% Change
1) Cod & Pollock Roe (Tarako)	23,815	23,684	-0.5%	283,028	323,148	+14.2%
2) Surimi (Fish Paste)	103,266	138,407	+34.0%	184,296	238,811	+29.6%
3) Salmon & Trout	28,374	32,672	+ 15.2%	114,323	138,689	+ 21.3%
4) Sockeye Salmon	24,885	30,980	+ 24.5%	100,470	127,742	+27.1%
5) Ikura (Prepared Salmon Eggs)	3,386	3,155	-6.8%	50,612	53,076	+4.9%
6) Sujiko (Hard Salmon Roes)	3,456	3,287	-4.9%	35,055	28,209	-19.5%
Total Volume:	**187,182**	**232,185**	**+24.0%**	**767,784**	**909,675**	**+18.5%**
Market Share:	***31.8%***	***35.5%***		***33.5%***	***35.0%***	
Major Competitors' Shares:	CY 2003	CY 2004	% Change	CY 2003	CY 2004	% Change
2) Chile: Volume(MT)	102,905	132,677	+28.9%	362,946	436,034	+20.1%
Market Share	***17.5%***	***20.2%***	-	***15.8%***	***16.7%***	-
3) Russia: Volume(MT)	61,828	58,213	-5.8%	344,627	403,125	+16.9%
Market Share	***10.5%***	***8.8%***	-	***15.0%***	***15.5%***	-

4) Norway:	Volume(MT)	48,604	43,823	-9.8%	224,831	224,334	0%
	Market Share	***8.3%***	***6.7%***		***9.8%***	***8.6%***	
5) China:	Volume(MT)	23,381	28,916	+23.7%	157,668	197,830	+25.5%
	Market Share	***4.0%***	***4.4%***		***6.9%***	***7.6%***	-
6) Thailand:	Volume(MT)	95,696	81,144	-15.2%	169,184	142,846	-15.6%
	Market Share	***16.3%***	***12.3%***	-	***7.4%***	***5.5%***	-

1) Salmon & Trout

Salmon & Trout Imports into Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**215,521**	**239,545**	**+11.1%**	**875,267**	**959,721**	**+9.6%**
1) Chile	93,355	122,617	+ 31.3%	340,199	412,522	+ 21.3%
2) Norway	47,987	43,003	- 10.4%	221,394	219,493	- 0.9%
3) U.S.A.	**28,374**	**32,672**	**+ 15.2%**	**114,323**	**138,689**	**+ 21.3%**
4) Russia	27,279	25,128	- 7.9%	113,816	108,893	- 4.3%
5) Canada	4,458	6,645	+ 49.1%	23,922	33,007	+ 37.9%
6) Denmark	5,868	3,436	- 41.5%	20,134	13,580	- 32.5%
7) New Zealand	3,610	3,168	- 12.2%	16,573	16,362	- 1.3%
8) U. K.	2,653	1,587	- 40.2%	14,887	9,657	- 35.1%
9) Australia	420	848	+ 101.9%	2,586	5,726	+ 121.4%
10)China	467	336	- 28.0%	2,055	1,361	- 33.8%
Combined Total:	**214,471**	**239,440**	**+ 11.6%**	**869,889**	**959,290**	**+ 10.3%**
Combined %Share	**99.5%**	**100.0%**		**99.4%**	**100.0%**	

Salmon & Trout Imports into Japan : 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**122,100**	**103,240**	**- 15.4%**	**447,253**	**430,535**	**- 3.7%**
1) Chile	91,819	73,529	- 19.9%	296,542	272,313	- 8.2%
2) Norway	20,585	17,827	- 13.4%	103,964	98,933	- 4.8%
3) U.S.A.	**1,431**	**3,737**	**+ 161.1%**	**6,787**	**17,019**	**+ 150.7%**
4) Canada	1,837	2,602	+41.7%	9,208	13,412	- 45.7%
5) Russia	1,538	1,766	+14.9%	6,873	8,898	+ 29.5%
6) Denmark	1,802	1,517	- 15.8%	6,780	6,776	- 0.1%
7) New Zealand	1,631	955	- 41.5%	8,423	5,262	- 37.5%
8) U.K.	927	588	- 36.6%	5,672	3,698	- 34.8%
9) Australia	286	508	+ 77.7%	1,995	3,383	+ 69.6%
10) China	204	197	- 3.5%	0.8	0.7	- 10.9%
Combined Total:	**122,060**	**103,226**	**- 15.4%**	**446,244**	**429,694**	**- 3.7%**
Combined %Share	**99.9%**	**99.9%**		**99.7%**	**99.8%**	

Salmon & Trout Exports from Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
To:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**63,899**	**61,361**	**- 3.9%**	**66,786**	**84,710**	**+ 26.8%**
1) China	52,685	50,523	- 4.1%	54,762	70,162	+ 28.1%

2) Thailand	4,602	5,675	+ 23.3%	5,372	7,146	+ 33.0%
3) Korea, South	1,763	2,168	+ 22.9%	1,589	3,137	+ 97.5%
4) Taiwan	3,563	2,050	- 42.5%	3,639	2,853	- 21.6%
5) Russia	410	492	+ 19.8%	0.454	0.515	+ 13.5%
6) Vietnam	79	153	+ 94.0%	0.200	0.308	+ 54.4%
7) Lithuania	575	125	- 78.3%	0.482	0.070	- 85.4%
8) Canada	0	87	0%	0.000	0.336	0%
9) Philippines	0	49	0%	0.000	0.050	0%
10)Hong Kong	99	36	- 64.2%	0.111	0.104	- 6.8%
11)Singapore	1	1	+ 5.8%	0.010	0.013	+ 36.4%
12)U.S.A.	**24**	**1**	**- 96.9%**	**0.033**	**0.011**	**- 66.4%**
13)Indonesia	24	1	- 95.8%	0.045	0.006	- 87.5%
Combined Total:	**63,825**	**61,361**	**- 3.8%**	**65,363**	**83,299**	**+27.4%**
Combined %Share	**99.8%**	**100%**		**97.8%**	**98.3%**	

Salmon & Trout Exports from Japan: 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
To:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**9,880**	**15,447**	**+ 56.3%**	**9,715**	**21,121**	**+ 117.4%**
1) China	7,153	12,944	+ 80.9%	6,369	17,292	+ 171.5%
2) Thailand	1,766	1,314	- 25.6%	2,122	1,891	- 10.9%
3) Taiwan	163	482	+ 195.5%	0.173	0.536	+ 209.1%
4) Korea, South	208	418	+ 100.8%	0.267	1.010	+ 278.45
5) Vietnam	45	222	+ 399.3%	0.112	0.283	+ 152.55
6) Russia	328	63	- 80.9%	0.339	0.080	- 76.4%
7) Hong Kong	4	3	- 38.9%	0.029	0.021	- 29.1%
8) U.S.A.	**0.342**	**0.446**	**; 30.4%**	**0.005**	**0.007**	**+ 33.7%**
9) Singapore	0.207	0.160	- 22.7%	0.004	0.002	- 44.9%
10)Philippines	48	0	- 100%	0.048	0	- 100%
11)Indonesia	0.400	0	- 100%	0.003	0	- 100%
Combined Total:	**9,716**	**15,447**	**58.9%**	**8,492**	**19,185**	**125.9%**
Combined %Share	**98.3%**	**100%**		**87.4%**	**90.8%**	

2) Sockeye Salmon

Japan's Imports of Sockeye Salmon *

(Period: Calendar Yr.)	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**47,546**	**51,525**	**+ 8.4%**	**205,548**	**234,959**	**+ 14.3%**
1) U.S.A.	**24,885**	**30,980**	**+ 24.5%**	**100,470**	**127,742**	**+27.1%**
2) Russia	20,892	18,827	- 9.9%	95,070	95424	+ 0.4%
3) Canada	1,644	1,691	+ 2.8%	9,461	11,694	+ 23.6%
4) Chile	0	21	0	0	0.073	0
5) Thailand	70	6	- 91.6%	0.400	0.027	- 93.4%
Combined Total:	**47,491**	**51,525**	**+ 8.5%**	**205,001**	**234,860**	**+ 14.6%**
Combined %Share	**99.9%**	**100%**		**99.7%**	**99.9%**	

* Excludes livers, roes and frozen imports.

Japan's Imports of Sockeye Salmon *

(Period: Jan.-Jun.)	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**2,712**	**4,376**	**+ 61.4%**	**11,952**	**20,831**	**+ 74.3%**
1) U.S.A.	**1,206**	**3,023**	**+ 150.6%**	**5,121**	**13,359**	**+ 160.8%**
2) Russia	1,322	1,207	- 9.4%	6,105	6,793	+ 11.27%
3) Canada	168	105	- 37.1%	0.7	0.4	- 35.9%
4) China	0	41	0	0	0	0%
5) Thailand	6	0	- 100%	0	0	- 100%
Combined Total:	**2,702**	**4,376**	**+ 61.9%**	**11,227**	**20,153**	**+ 79.5%**
Combined %Share	**99.6%**	**100%**		**93.9%**	**96.7%**	

* Excludes livers, roes and frozen imports.

3) Sujiko (Hard Salmon Roes)

Sujiko (Hard Salmon Roe) Imports into Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**4,632**	**4,322**	**-6.7%**	**56,205**	**50,420**	**-10.3%**
1) U.S.A.	**3,456**	**3,287**	**-4.9%**	**35,055**	**28,209**	**-19.5%**
2) Denmark	729	777	+6.6%	14,826	18,075	+21.9%
3) Finland	177	80	-55.0%	3,235	1,882	-41.8%
4) Canada	135	77	-42.9%	978	645	-34.0%
5) Norway	43	35	-17.8%	787	712	-9.6%
6) Russia	68	30	-56.4%	1,099	481	-56.2%
7) Chile	18	21	+14.6%	153	170	+11.0%
8) China	0	10	0%	0	157	0%
9) Australia	6	5	-11.9%	71	84	+17.9%
Combined Total:	**4,632**	**4,322**	**-6.7%**	**56,204**	**50,415**	**-10.3%**
Combined %Share	**100%**	**100%**		**99.9%**	**99.9%**	

Sujiko (Hard Salmon Roe) Imports into Japan: 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**926**	**1,096**	**+18.41%**	**18,190**	**23,709**	**+30.3%**
1) Denmark	612	803	+31.3%	13,763	18,941	+37.6%
2) U.S.A.	**190**	**158**	**+17.0%**	**2,163**	**2,184**	**+0.9%**
3) Finland	68	74	+8.9%	1,559	1,649	+5.8%
4) Norway	20	43	+122.1%	362	724	+100%
5) Chile	21	11	-47.6%	170	118	-30.6%
6) China	0	4	0%	0	71	0%
7) Canada	10	2	-75.6%	89	22	-74.8%
8) Australia	5	0	-100%	84	0	-100%
Combined Total:	**926**	**1095**	**18.3%**	**18,190**	**23,709**	**30.9%**
Combined %Share	**100%**	**99.9%**		**100%**	**100%**	

4) Ikura(Prepared Salmon Eggs)

Ikura (Prepared Salmon Egg) Imports into Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**4,224**	**4,474**	**+5.9%**	**63,983**	**74,291**	**+16.1%**
1) U.S.A.	**3,386**	**3,155**	**-6.8%**	**50,612**	**53,076**	**+4.9%**
2) Canada	417	684	+64.1%	6,043	10,316	+70.7%
3) China	370	610	+64.6%	6,630	10,407	+56.9%
4) Russia	39	12	-68.4%	430	197	-54.2%
5) Chile	3	5	+69.2%	29	40	+38.8%
6) Finland	5	5	0%	97	107	+9.3%
7) France	3	2	-17.6%	142	135	-5.5%
Combined Total:	**4,223**	**4,473**	**+5.9%**	**63,983**	**74,278**	**+16.1%**
Combined %Share	**99.9%**	**99.9%**		**100.0%**	**99.9%**	

Ikura (Prepared Salmon Egg) Imports into Japan: 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**839**	**350**	**-58.3%**	**13,349**	**6,319**	**-52.7%**
1) China	361	213	-40.8%	6,303	3,849	-38.9%
2) U.S.A.	**349**	**119**	**-65.9%**	**5,276**	**2,150**	**-59.3%**
3) Canada	111	9	-91.5%	1,510	149	-90.2%
4) Finland	3	5	+86.1%	50	96	+93.5%
5) Thailand	0	4	0%	0	66	0%
Combined Total:	**824**	**350**	**-57.5%**	**13,139**	**6,310**	**-51.9%**
Combined %Share	**98.2%**	**100%**		**98.4%**	**99.8%**	

5) Surimi (Fish Paste)

Surimi Paste Imports into Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**269,174**	**309,392**	**+14.9%**	**514,215**	**590,951**	**+14.9%**
1) U.S.A.	**103,266**	**138,407**	**+34.0%**	**184,296**	**238,811**	**+29.6%**
2) Thailand	95,622	81,117	-15.2%	163,784	142,832	-12.8%
3) China	15,945	20,612	+29.3%	51,331	70,338	+37.0%
4) Argentina	10,593	19,834	+87.2%	21,529	34,504	+60.3%
5) India	17,500	17,842	+1.9%	27,423	27,691	+0.98%
6) Chile	9,312	9,851	+5.8%	21,888	22,737	+3.8%
7) Vietnam	3,974	4,811	+21.1%	8,484	9,818	+15.7%
8) Denmark	1,278	4,351	+240.3%	2,827	7,415	+162.3%
9) Malaysia	1,156	2,266	+95.9%	1,267	2,566	+102.5%
10) Peru	1,388	2,125	+53.1%	3,631	5,855	+61.3%
11) Indonesia	2,512	1,686	-32.9%	5,952	3,741	-37.1%
12) Korea, South	1,595	1,353	-15.2%	10,400	9,510	-8.6%
13) Myanmar	694	1,330	+91.8%	1,112	2,185	+96.48%
14) Russia	1,705	949	-44.3%	3,374	2,656	-21.3%

15) Norway	573	785	+37.2%	2,636	4,129	+56.6%
Combined Total:	**267,113**	**307,319**	**+15.1%**	**509,934**	**584,788**	**+14.7%**
Combined %Share	**99.2%**	**99.3%**		**99.2%**	**98.9%**	

Surimi Paste Imports into Japan: 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**140,646**	**147,424**	**+4.8%**	**254,789**	**332,372**	**+30.4%**
1) U.S.A.	**59,414**	**51,388**	**-13.5%**	**94,107**	**114,601**	**+21.8%**
2) Thailand	42,296	40,979	-3.1%	70,137	81,730	+16.5%
3) India	10,102	20,467	+102.6%	14,728	39,475	+168.0%
4) China	8,632	12,234	+41.7%	29,931	39,236	+31.0%
5) Argentina	7,785	6,461	-17.0%	13,425	13,893	+3.5%
6) Chile	3,118	3,595	+15.3%	8,257	11,114	+34.6%
7) Vietnam	1,718	2,987	+73.9%	3,986	6,500	+63.1%
8) Malaysia	730	2,534	+247.1%	742	3,763	+407.0%
9) Denmark	1,212	1,749	+44.4%	2,352	3,695	+57.1%
10) Myanmar	757	1,280	+69.0%	1,101	2,234	+102.9%
11) Peru	1,276	1,177	-7.8%	3,239	3,571	+10.3%
12) Indonesia	895	1,060	+18.5%	1,958	2,378	+21.4%
13) Norway	336	413	+22.9%	1,748	3,212	+83.8%
14) Korea. South	711	401	-43.6%	4,676	3,150	-32.6%
15) Mexico	200	177	-11.4%	880	771	-12.3%
Combined Total:	**139,182**	**146,902**	**+5.5%**	**251,267**	**329,323**	**+31.1%**
Combined %Share	**98.9%**	**99.6%**		**98.6%**	**99.1%**	

Surimi Exports from Japan (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
To:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**3,436**	**1,840**	**-46.5%**	**15,114**	**9,427**	**-37.6%**
1) New Zealand	2,560	1,419	-44.6%	5,974	3,735	-37.5%
2) Korea, South	254	201	-20.7%	3,741	2,574	-31.2%
3) U.S.A.	164	87	-46.7%	3,489	1,897	-45.6%
4) Thailand	70	50	-29.2%	107	113	+5.6%
5) Hong Kong	39	27	-31.1%	566	498	-12.0%
6) China	84	26	-69.0%	217	147	-32.4%
7) Taiwan	110	15	-86.2%	348	155	-55.5%
8) Finland	0	5	0%	0	114	0%
9) Vietnam	15	3	-81.40%	228	109	-52.1%
10) Singapore	1	3	+115.0%	14	26	+85.7%
11) Indonesia	27	1	-97.6%	188	5	-97.1%
Combined Total:	**3,324**	**1,837**	**-44.7%**	**14,872**	**9,373**	**-36.9%**
Combined %Share	**96.7%**	**99.8%**		**98.4%**	**99.4%**	

Surimi Exports from Japan (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
To:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004

The World:	**187**	**1,206**	**543.2%**	**2,309**	**3,520**	**+52.5%**
1) Chile	0	819	0%	-	1,666	0%
2) Korea, South	89	218	+143.7%	707	223	-68.4%
3) Thailand	1	82	+8,531.0%	10	122	+1,102.3%
4) U.S.A.	41	40	-1.9%	906	804	-11.3%
5) Hong Kong	14	23	+61.8%	235	408	+73.4%
6) Taiwan	5	11	+76.5%	74	115	+55.2%
7) Vietnam	2	6	+235.4%	68	40	-41.7%
8) Russia	0	3	0%	-	70	0%
9) China	26	1	-97.1%	147	6	-96.1%
10) Singapore	1	0	-51.5%	8	37	+362.3
Combined Total:	179	1,203	+582.1%	2,155	3,491	+161.9%
Combined %Share	95.7%	99.7%		93.3%	99.2%	

6) Cod & Pollock Roes

Cod & Pollock Roe Imports into Japan

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2003	CY 2004	2004/2003	CY 2003	CY 2004	2004/2003
The World:	**46,911**	**48,603**	**+3.6%**	**575,724**	**690,803**	**+20.0%**
1) U.S.A.	**23,815**	**23,684**	**-0.5%**	**283,028**	**323,148**	**+14.2%**
2) Russia	11,845	13,267	+12.0%	130,838	195,474	+49.4%
3) China	6,599	7,348	+11.4%	97,652	115,567	+18.4%
4) Korea, South	3,854	3,407	-11.6%	60,468	52,467	-13.2%
5) Iceland	334	269	-19.4%	1,738	1,311	-24.6%
6) Chile	217	162	-25.5%	677	565	-16.6%
7) South Africa	47	152	+226.0%	123	449	+164.0%
8) Vietnam	83	133	+60.4%	762	1,229	+61.3%
9) Namibia	0	79	0%	0	274	0%
10) New Zealand	83	48	-41.6%	276	202	-26.7%
11) Thailand	4	21	+419.0%	5	14	+184.7%
12) Denmark	3	20	+702.8%	14	42	+210.6%
13) Korea, North	27	6	-75.9%	128	32	-74.5%
14) Netherlands	0	1	0%	0	12	0%
15) Norway	1	0	-100%	14	0	-100%
Combined Total:	**46,829**	**48,385**	**+3.3%**	**574,961**	**689,557**	**+19.9%**
Combined %Share	**99.8%**	**99.5%**		**99.8%**	**99.8%**	

Cod & Pollock Roe Imports into Japan: 6-month Update (Jan.-Jun.)

	Quantity (MT)		% Change	$ Value (US$000)		% Change
From:	CY 2004	CY 2005	2005/2004	CY 2004	CY 2005	2005/2004
The World:	**35,436**	**40,679**	**+14.8%**	**509,305**	**569,879**	**+11.9%**
1) U.S.A.	**18,990**	**21,213**	**+11.7%**	**265,948**	**296,282**	**+11.4%**
2) Russia	11,257	13,832	+22.9%	166,806	182,195	+9.2%
3) China	3,262	3,935	+20.6%	49,788	67,773	+36.1%
4) Korea, South	1,698	1,214	-28.5%	25,492	21,223	_16.7%
5) Iceland	120	288	+140.9%	624	1,220	+95.7%
6) South Africa	15	87	+489.4%	39	346	+792.1%
7) Vietnam	45	61	+34.5%	414	655	+58.2%
8) Chile	44	23	-47.5%	168	81	-51.6%

9) Namibia	0	15	0%	0	63	0%
10)New Zealand	0	10	0%	0	34	0%
11) Denmark	0	1	0%	0	7	0%
12) Netherlands	1	0	-100%	12	0	-100%
13) Korea, North	3	0	-100%	11	0	-100%
14) Argentina	1	0	-100%	3	0	-100%
Combined Total:	**35,436**	**40,679**	**+14.8%**	**509,305**	**569,879**	**+11.9%**
Combined %Share	**100%**	**100%**		**100%**	**100%**	

PSD Tables & Trade Matrices

1)Salmon, Whole/ Eviscerated

PSD Table (Unit of Measurement: MT)

	2004	REVISED	2005	ESTIMATE	2006	FORECAST
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2004		01/2005		01/2006
Beginning Stocks	126000	109000	116000	92184	116000	70184
Total Production	255000	245000	0	240000	0	235000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	220000	239545	0	240000	0	243000
TOTAL Imports	220000	239545	0	240000	0	243000
TOTAL SUPPLY	601000	593545	116000	572184	116000	548184
Intra-EC Exports	0	0	0	0	0	0
Other Exports	40000	61361	0	62000	0	63000
TOTAL Exports	40000	61361	0	62000	0	63000
Domestic Consumption	445000	440000	0	440000	0	443000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	445000	440000	0	440000	0	443000
Ending Stocks	116000	92184	116000	70184	0	42184
TOTAL DISTRIBUTION	601000	593545	116000	572184	0	548184

Import Trade Matrix (Unit of Measurement: MT)

TIME PERIOD	JAN.-DEC.	UNITS:	MT
Imports for:	2003		2004
U.S.	**28,374**	**U.S.**	**32,672**
Others		Others	
Chile	93,355	Chile	122,617
Norway	47,987	Norway	43,003

Russia	27,279	Russia	25,128
Canada	4,458	Canada	6,645
Denmark	5,868	Denmark	3,436
New Zealand	3,610	New Zealand	3,168
U.K.	2,653	U.K.	1,587
Australia	420	Australia	848
China	467	China	436
Total for Others	186,097	Total for Others	206,868
Total for Others	1,050	Total for Others	5
Grand Total	**215,521**		**239,545**

Export Trade Matrix (Unit of Measurement: MT)

TIME PERIOD	JAN.-DEC.	UNITS:	MT
Exports for:	2003		2004
U.S.	**24**	**U.S.**	**1**
Others		Others	
China	52,685	China	50,523
Thailand	4,602	Thailand	5,675
Korea, South	1,763	Korea, South	2,168
Taiwan	3,563	Taiwan	2,050
Russia	410	Russia	492
Vietnam	79	Vietnam	153
Lithuania	575	Lithuania	125
Canada	0	Canada	87
Philippines	0	Philippines	49
Hong Kong	99	Hong Kong	36
Total for Others	63,776	Total for Other	61,358
Others not Listed	99	Others not Listed	2
Grand Total	**63,899**		**61,361**

2) Surimi (Fish Paste)

PSD Table (Unit of Measurement: MT)

	2004	REVISED	2005	ESTIMATE	2006	FORECAST
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2004		01/2005		01/2006
Beginning Stocks	81000	79000	83000	89594	83000	90694
Total Production	110000	98042	0	103000	0	108000
Intra-EC	0	0	0	0	0	0

Imports						
Other Imports	295000	309,392	0	300000	0	310000
TOTAL Imports	295000	309392	0	300000	0	310000
TOTAL SUPPLY	486000	486434	83000	492594	83000	508694
Intra-EC Exports	0	0	0	0	0	0
Other Exports	3000	1840	0	1900	0	2000
TOTAL Exports	3000	1840	0	1900	0	2000
Domestic Consumption	400000	395000	0	400000	0	410000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	400000	395000	0	400000	0	410000
Ending Stocks	83000	89594	83000	90694	0	96694
TOTAL DISTRIBUTION	486000	486434	83000	492594	0	508694

Import Trade Matrix (Unit of Measurement: MT)

TIME PERIOD	JAN,-DEC.	UNITS:	MT
Imports for:	2003		2004
U.S.	**103,266**	**U.S.**	**138,407**
Others		Others	
Thailand	95,622	Thailand	81,117
China	15,945	China	20,612
Argentina	10,593	Argentina	19,834
India	17,500	India	17,842
Chile	9,312	Chile	9,851
Vietnam	3,974	Vietnam	4,811
Denmark	1,278	Denmark	4,351
Malaysia	1,156	Malaysia	2,266
Peru	1,388	Peru	2,125
Indonesia	2,512	Indonesia	1,686
Total for Others	159280		164495
Others not Listed	6,628		6,490
Grand Total	**269174**		**309392**

Export Trade Matrix (Unit of Measurement: MT)

TIME PERIOD	JAN.-DEC.	UNITS:	MT
Exports for:	2003		2004
U.S.	**164**	**U.S.**	**87**
Others		Others	
New Zealand	2,560	New Zealand	1,419
Korea, South	254	Korea, South	201
Thailand	70	Thailand	50
Hong Kong	39	Hong Kong	27
China	84	China	26
Taiwan	110	Taiwan	15
Finland	0	Finland	5
Vietnam	15	Vietnam	3
Singapore	1	Singapore	3
Indonesia	27	Indonesia	1
Total for Others	3160		1750
Others not Listed	112		3
Grand Total	3436		1840

Marketing

Seafood consumption in Japan, like food consumption in general, is showing signs of weakness. According to recent Ministry of Agriculture, Forestry and Fisheries (MAFF) reports, overall per capita seafood consumption in Japan decreased from 35.7 kg per person in 2003 to 34.5 kg/person in 2004. One of the reasons for this change is the lack of population growth but another is the increasing diversification of the Japanese diet. Indeed, in a market survey conducted by the Japanese fishery industry of 1,000 mothers with children in grade school and secondary school, only 5% of the families responded that they served “fish and seafood” primarily for dinners in their families, as opposed to 60% of the families reporting a preference for a dinner menu focused on beef and/or pork. (Source: “Minato” Journal, March 1, 2005)

While consumption of fishery products by a typical Japanese household with more than two family members remains stable overall we find that it does vary by age. Young adults tend to consume seafood less frequently but as they get older (beyond 40 years of age) seafood consumption increases. It is important to note that Japan’s population mix is scheduled to level off in 2007, after which the share of the population over age 65 is expected to dramatically increase. The widespread perception among Japanese consumers that seafood contains far less fat than beef and pork therefore offering a better and healthier option than other meats may account for this trend along with the likelihood that older generations tend to eat more traditional foods.

In addition, declining food consumption is not exclusive to the seafood sector but rather can be found throughout the food industry. According to the “ White Paper on the Fisheries Sector”, released in 2005 by the Fisheries Agency of Japanese Government, the average unit expenditure per 100 grams of fresh, fishery food products of a typical Japanese household

with more than two family members during the years 2002 and 2003 dropped 12.4% from the peak level of 10 years earlier but has been leveling off ever since as a result of the deflationary Japanese economy. It was also down 10.3% for fresh vegetables and 15.1% for fresh meat, such as beef and pork, during the same period. With respect to seafood, however, it is fairly safe to say that to most Japanese people seafood is a dietary staple and will continue to have an important place in their everyday life. In general, the Japanese tend to stay with their tried and true favorites and are hesitant to try unknown seafood products.

Another important reason for the softening of the seafood market is that consumers are concerned about food safety in general due to various food safety incidents and issues widely reported through the mass media. These have included such crises as O-157 E-Coli breakouts, BSE in Japanese and imported beef, and "bird flu" breakouts that have caused consumers to be extremely cautious about the reliability and safety of foods they buy, including seafood. Japanese consumers, always very quality conscious, are becoming more sensitive and careful than ever before about food safety in their shopping behavior.

To cope with these consumer concerns and uncertainty about food safety in general and in line with the Government of Japan's "traceability" program for farm and food products, it has been made mandatory, since July 2000 under the Japanese Agricultural Standards (JAS) Law, to attach "product information labels" to all fresh food and soft drink items, among others, including fishery products, disclosing product information in print on "the name of product" and "country or place of the product's origin". This requirement was expanded to cover all the processed or manufactured food products as of April 2001, with additional requirements for information disclosure covering "raw materials used in the product", "use by/best by date" and "how to properly store the product". In the fishery products sector, Salmon and Trout, Sockeye Salmon, Surimi (fish paste), Cod & Pollock Roes, Ikura (Prepared Salmon Eggs) and Sujiko (Hard Salmon Roes) were required as of February 2002 to comply with the labeling requirement. Subsequently, in September 2004, "information disclosure guidelines for the quality of processed foods" were announced by MAFF requiring information disclosure on the country or place of product origin for the major raw material contained in the processed product. This JAS product labeling program is intended solely to deal with growing consumer concerns about food safety so that, in the event of an unexpected public health issue or problem, the source of the issue can be traced through the distribution chain. While this program is not directly applicable to the bulk commodity exporters and shippers overseas, exporters and suppliers of the secondary fishery products, ready-for-export shipments to Japanese customers, would benefit substantially from a thorough preliminary research in advance into the details of the JAS labeling requirement and other import regulations in Japan that might be applicable to their products. Even still, a trade survey of supermarkets reveals that this labeling requirement falls short of the average consumer's expectations, as shown in the following summary of "unhappy consumer responses".

WHY CONSUMERS ARE NOT HAPPY WITH PRODUCT LABELING PROGRAM

% of the Responses **REASONS FOR BEING UNHAPPY**

- 67.3%: Because the accuracy of product label information cannot be confirmed.
- 54.8%: Because information on the country of origin or manufactured source of the product does not automatically assure food safety.
- 43.7%: Because impact of the food additives in the product cannot be ascertained.
- 33.4%: Because of a lack of uniformity among stores in how information is shown.
- 13.2%: Because there is no adequate information in print, showing if the seafood is sourced from "natural" fish or "farmed fish".
- 12.7%: Because there are not enough guidelines with suggestions for various cooking methods/way of using the seafood.

Note: The product labeling requirement under the Japanese Agricultural Standards Act does not apply to the U.S. fishery product exporters & suppliers and is confined only to the Japanese seafood importers, manufacturers and distributors in Japan.

Finally, we find that, like Americans, the Japanese are busier than ever and this is affecting purchasing habits. According to the aforementioned "White Paper", as household expenditure for out-of-home meals (e.g. dining out) and readily available and reasonably-priced pre-cooked or prepared foods show signs of continuing growth, expenditures for fresh seafood on the retail market are less robust. Changes in the Japanese social infrastructure, such as growth in the number of working women, single households and diversification of family lifestyles as well as rapid and successful improvements in the line-up of fast-food products at mass merchandising retail chains also accounted for this change. As a result, supermarkets, convenience stores, and department stores aim to offer a plethora of choices to consumers with varied needs. So, opportunities for processed products are growing.

As a result of the popularity among consumers of large-scale neighborhood supermarkets and retail store chains, such as "Family Marts" and numerous local "Convenience Stores", 70% of the fresh fishery product sales are channeled through this type of regional mass-merchandising store in Japan. These stores tend to be massive in terms of product demands such as volume and specifications, calling for consistency in quantity, quality, price and on-time delivery commitments of the products they purchase. They tend to sign purchase contracts with large-scale and reliable product suppliers for an extended period of time.

End of Report