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## Portugal

## Fishery Products

## Annual

## 2005

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**Report Highlights:**

Import demand in the Portuguese seafood market remains relatively strong, even though the Portuguese are consuming less seafood each year. A stable six percent of imports are of U.S. origin. (LR5SH3)

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Unscheduled Report  
Madrid [SP1]  
[PO]

TABLE OF CONTENTS

<b>Executive Summary</b> .....	<b>3</b>
<b>Groundfish, Whole, Eviscerated</b> .....	<b>4</b>
Production, Supply and Distribution Table .....	4
Production.....	4
General.....	4
Quality .....	5
Consumption .....	5
Trade .....	6
General.....	6
Trade Matrixes .....	6
Policy.....	7
General.....	7
Tariffs.....	8
Marketing .....	9
<b>Cod, Salted Wet</b> .....	<b>10</b>
Production.....	10
Consumption .....	11
Trade .....	11
General.....	11
Factors Affecting U.S. Trade.....	12
Trade Matrix .....	13
Policy.....	14
Tariffs.....	14
Marketing .....	15
<b>Whole Edible Fishery Products</b> .....	<b>16</b>
Production, Supply & Distribution Table.....	16
Production.....	16
Consumption .....	18
Trade .....	19
General .....	19
Factors Affecting the U.S.....	20
Trade Matrices.....	20
Policy.....	21
Production Policy .....	21
Tariff Regime .....	22
Marketing .....	22

## Executive Summary

- We expect Portuguese seafood imports in calendar year (CY) 2006 to surpass the 374,000 metric tons (MT) imported (estimate) in CY 2005, but under the record 384,000 MT set in CY 2003. According to the U.S. census, during January/July 2005, the U.S. shipped \$ 25.0 Million worth of seafood products into Portugal (\$ 23.3 Million during January/July 2004). U.S. seafood exports into Portugal consist traditionally of frozen, and salted wet cod for processing. Salmon and fish eggs are small developing niches.

U.S. exports of several fish-for-further processing categories, including cod, continue to benefit from tariff rate quotas and a tariff suspension regime implemented by the European Union (EU).

- The local catch continues to be negatively affected by declining fish stocks, and high energy costs. Local authorities are optimistic that the EU can address these problems with a new fish-recovery plan, and with new financial support to be conveyed through the 2007-13 European Fisheries Fund (EFF), currently under debate in Brussels.

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**Groundfish, Whole, Eviscerated****Production, Supply and Distribution Table**

PSD Table						
Country	Portugal					
Commodity	Groundfish, Whole/Eviscerated					(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	5000	5000	0	4217	0	3717
Total Production	12000	9465	0	9500	0	9500
Intra-EC Imports	40000	37123	0	37000	0	37000
Other Imports	46000	42476	0	43000	0	44000
TOTAL Imports	86000	79599	0	80000	0	81000
TOTAL SUPPLY	103000	94064	0	93717	0	94217
Intra-EC Exports	4200	6072	0	6000	0	6000
Other Exports	560	775	0	1000	0	1000
TOTAL Exports	4760	6847	0	7000	0	7000
Domestic Consumption	93240	83000	0	83000	0	83000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	93240	83000	0	83000	0	83000
Ending Stocks	5000	4217	0	3717	0	4217
TOTAL DISTRIBUTION	103000	94064	0	93717	0	94217

**Production****General****PORTUGAL: HARVESTED GROUND FISH FROM 1999 TO 2006**

	2000	2001	2002	2003	2004	2005 (E)	2006 (F)
Cod	3,779	4,385	4,118	3,628	4,892	4,800	4,800
Hake	3,058	3,396	3,145	2,417	2,265	2,200	2,100
All Other	4,990	5,364	4,911	4,921	2,308	2,500	2,500
TOTAL	11,827	13,145	12,174	10,966	9,465	9,500	9,400

Source: National Statistics Office (INE) Portuguese Fisheries General Directorate (DGPA). "Groundfish" includes cod, hake, Pollack, haddock and halibut. (E) Estimate. (F) Forecast.

- Portuguese groundfish production is mostly stable, as fish catch is subject to the Total Allowed Catch (TAC) regime (see more under Policy section).
- We expect a mild recovery in CY-2005 groundfish catch owing to an improved halibut TAC (see Total Edible Fishery Products).

- Hake production is severely affected by stocks problems, and is object of a special EU control program (see Total Edible Fishery Products).
- For reporting purposes we include here the following species, fresh and frozen: cod, hake, whiting, halibut, pollock and haddock. All data is reported on headed and gutted basis.

### Quality

- Local consumers are very quality-sensitive, due to a strong local fish-eating tradition.
- This is especially important in the case of fish for selling at retail;
- Industrial users are more sympathetic to the price-quality relationship. These are the users importing increased quantities from the United States.
- However, even here, the quality factor remains important, as it reflects in end-product characteristics. In general terms, the thicker the salted and dried cod (the primary cod end-product here), the better it is received in the Portuguese consumer market.

### Consumption

**Portugal: Groundfish Consumption**

	2000	2001	2002	2003	2004	2005	2006
Cod	23,779	37,253	43,000	45,400	50,000	52,000	53,000
Hake	30,739	30,808	32,000	32,800	29,000	28,000	28,000
All Other	4,482	6,939	6,200	4,800	4,000	3,000	2,000
<b>TOTAL</b>	<b>59,000</b>	<b>75,000</b>	<b>81,200</b>	<b>83,000</b>	<b>83,000</b>	<b>83,000</b>	<b>83,000</b>

Source: FAS Office.

- Portuguese total groundfish consumption remained basically stable CY-2004. There was a slowdown in demand for hake and other high-priced fishes, which was off-set by higher processing cod use;
- Total groundfish use will tend to remain mostly stable in CY-2005, supported by a strong cod processing activity;
- This trend should remain unchanged in CY-2006. The local cod industry continues to produce significant quantities of the popular salted dry cod from imported frozen cod, which is de-frosted, salted and dried as done traditionally with the fresh product. This procedure has many advantages over direct importing of salted wet cod for local finishing. It generates accrued margins to the cod industry, in addition to flexibility in product finishing and delivery to the retailers (see also under Salted Cod).
- Fresh cod is primarily used for mincing, for direct sale, or further processing by the ready-to-eat industry.

## Trade

## General

## PORTUGAL: TOTAL GROUND FISH IMPORTS

	1999	2000	2001	2002	2003	2004	2005	2006
<b>IMPORTS: METRIC TONS, HG WEIGHT</b>								
Cod	43,388	25,086	37,303	41,659	45,560	49,157	51,000	52,000
Hake	30,420	29,663	29,249	29,729	31,309	28,250	27,000	27,000
All Other	3,797	3,172	5,074	3,247	2,154	2,192	2,000	2,000
<b>TOTAL</b>	<b>77,605</b>	<b>57,921</b>	<b>71,626</b>	<b>74,635</b>	<b>79,023</b>	<b>79,599</b>	<b>80,000</b>	<b>81,000</b>

SOURCE: National Statistics Office (INE) until CY-2002; Global Trade Atlas for CY-2003 and CY-2004. FAS Office estimates for CY-2005 and CY-2006. All data presented on headed and gutted basis.

- We expect total Portuguese groundfish imports to be up in CY-2005 due to an expansion in frozen cod imports for processing;
- Imports of other groundfishes will tend to decline in association with the slowdown in domestic demand for more expensive seafood categories;
- We expect U.S. groundfish exports into Portugal to continue to increase in CY-2005, favored by the weak dollar rate against the Euro.

## Trade Matrixes

## Import Trade Matrix

Country

Portugal

Commodity

Groundfish, Whole/Eviscerated

Time Period

Jan/Dec

Units:

Metric Tons

Imports for:

2004

2005

U.S.

8,051

U.S.

8,200

Others

Others

Spain	29,167	Spain	29,000
Denmark	2,753	Denmark	2,800
U.K.	2,497	U.K.	2,400
Netherlands	1,933	Netherlands	2,000
Other EU	773	Other EU	800
Russia	25,017	Russia	25,000
S. Africa	4,604	S. Africa	4,500
Norway	2,967	Norway	3,000
Togo	1,007	Togo	1,000

Total for Others	70,718		70,500
Others not Listed	830		1,300
Grand Total	79,599		80,000

## Export Trade Matrix

Country

Portugal

Commodity

Groundfish, Whole/Eviscerated

Time Period

Jan/Dec

Units:

Metric Tons

Exports for:

2004

2005

U.S.

U.S.

Others

Others

Spain	4,502	Spain	4,500
Denmark	684	France	600
France	577	Denmark	700
Other EU	309	Other EU	200
China	416	China	400
Japan	100	Japan	100
Total for Others	6,588		6,500
Others not Listed	243		484
Grand Total	6,847		7,000

### Policy

#### General

- As EU-member, Portugal's resource management policies in national and international waters are EU-coordinated;
- Most species are affected by preservation problems, and therefore subject to the Total Allowed Catch (TAC) regime;
- The EU Council 27/2005, published in the EU Official Journal L-12, dated January 01, 2005, determines the levels of individual member-country TACs on national and international waters;
- EU fishing TACs in international waters are set through a process of negotiation with other countries that have fishing rights. For lack of agreement between the EU and Iceland, Norway and Greenland, the EU Blue Whiting fishing TAC for 2004 and 2005 was unilaterally set by the EU. The EU is still carrying out negotiations with the northeast Atlantic fishing council (NEAFC) member countries to determine the EU Blue Whiting TAC;
- As a consequence of the EU Fisheries policy reform (EU Regulation 2369/02), species with special conservation problems are to be managed with EU-set Recovery Plans, to apply accumulatively with the Total Allowed Catch (TAC) Regime (please see more in Total Edible Fishery Products).

- The EU is developing a Plan for hake populations in Portuguese waters. Plans under discussion between local authorities and the EU include measures to control fishing, and closing of fishing areas. There are provisional measures in place, while the Plan is being prepared.

### Tariffs

- Groundfish trade is subject to the EU import tariff regime. The EU tariff schedule in effect in CY-2005 is contained in EU Commission Regulation (EC) No 1810/2004 of September 7, 2004, published in the Official Journal L-327 of October 30, 2004.
- Most significant processing groundfishes are subject to the EU duty suspension regime.
- Below we provide a summary table with currently applicable import tariffs for most relevant groundfish species. Check similar sections under Salted Cod, and Total Edible Fishery Products for complementary tariff information.

#### EU Import Quota to Benefit Processors (\*)

Tariff Code	Description	Yearly Quota (M.T.)	Quota Duty (%)	Quota Period
0302.50.10.20 0302.50.90.10	Fresh Processing Cod - Gadus morhua - Other species	50,000	0	Jan/December
0303.60.11.10 0303.60.19.10 0303.60.90.10	Frozen Cod - Gadus morhua - Gadus ogac. - Gadus macrocephalus			

(\*) "Autonomous Community tariff quotas," set for the 2004-06 period by Council Regulation 379/2004 dated February 24, 2004. Imports under the "autonomous quota" are subject to "reference" EU entry prices.



**Summary Table for EU Frozen Cod and Pollack Import Tariffs**

HTSCN	Product Description	Tariff in Effect
0302.50	Fresh/Chilled Cod	
0302.50.10	Gadus morhua	
0302.50.10.20	For Processing	12 %, suspended: 3% (*)
0302.50.10.80	Other	12 %
0302.50.90	Other Cod Species	
	Gadus Ogac.	
0302.50.90.10	For Processing	12 %, suspended: 3% (*)
0302.50.90.90	Other	12 %
0302.63.00	Black Pollack (Pollachius virens)	7.5%
0302.69.51	Alaska Pollack (Theragra chalcogramma) and European Pollack (Pollachius pollachius)	7.5 %
0303.60	Frozen Cod	
0303.60.11	Gadus morhua	
0303.60.11.10	For processing	12 %, suspended: 3% (*)
0303.60.11.90	Other	12 %
0303.60.19	Gadus Ogac.	
0303.60.19.10	For processing	12 %, suspended: 3% (*)
0303.60.19.90	Other	12 %
0303.60.90	Gadus macrocephalus	
0303.60.90.10	For processing	12 %, suspended: 3% (*)
0303.60.90.90	Other	12 %
0303.73.00	Coalfish (Pollachius virens)	7.5 %
0303.79.55	Alaska Pollack and European Pollack	
0303.79.55.30	Frozen Alaska Pollack	15%
0303.79.55.90	Other	15%

(\*) Annex VI of EU Reg. 104/2000. Importation of products indicated above is without limit. However, it must respect the conditions in Reg. 104/2000, and is subject to EU-set reference prices.

### Marketing

- U.S. processing groundfishes are presently favored by the weak dollar rate against the Euro and by the EU tariff suspension regime.
- Processing cod remains the primary target market, due to the strong local demand for salted dry cod (see more under Cod).
- For additional assistance, U.S. exporters wishing to export groundfish into Portugal should contact the FAS Office:

Office of Agricultural Affairs  
Lisbon - Portugal  
Telf.: + 351 - 21 770 2354/58  
Fax: + 351 - 21 726 9721  
Email: Agiberia@usda.gov

## Cod, Salted Wet

PSD Table						
Country	Portugal					
Commodity	Cod, Salted					(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	150	150	0	150	0	500
Total Production	38,000	45,000	0	46,000	0	47,000
Intra-EC Imports	37,000	38,259	0	39,000	0	40,000
Other Imports	50,000	37,120	0	37,000	0	36,000
TOTAL Imports	87,000	75,379	0	76,000	0	76,000
TOTAL SUPPLY	125,150	120,529	0	122,150	0	123,500
Intra-EC Exports	3,800	2,268	0	1,900	0	1,900
Other Exports	10	132	0	100	0	100
TOTAL Exports	3,810	2,400	0	2,000	0	2,000
Domestic Consumption	121,190	117,979	0	119,650	0	120,700
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	121,190	117,979	0	119,650	0	120,700
Ending Stocks	150	150	0	500	0	650
TOTAL DISTRIBUTION	125,150	120,529	0	122,150	0	123,350

## Production

## Portugal: Salted Wet Cod Production Series

Units: Metric Tons, Headed &amp; Gutted weight

	2000	2001	2002	2003	2004	2005	2006
<b>Production</b>	22,500	34,800	37,300	43,000	45,000	46,000	47,000

Source: FAS Office

- Salted wet cod production will tend to be up in CY-2005 in association with the higher activity levels of the local cod salting and drying industry;
- The bulk of local salted wet cod production is presently derived from frozen imported cod. Only some 5 percent of total output results from the processing of cod harvested by Portuguese fishermen.
- According to the Portuguese cod industry, some 50 percent of the national catch is processed into salted dry cod. The other half is frozen and minced.

## Consumption

- Domestic salted wet cod use will tend to be up in CY-2005, spurred by the strong demand for salted dry cod;
- The local industry has developed the cod market through promotional activities, and considerable product innovation. Recent products in expansion include low-priced minced cod products and pre-wet frozen cod.

## Trade

### General

Portugal: Salted Wet Cod Trade (Units: Metric Tons)

CY:	2000	2001	2002	2003	2004	2005	2006
Imports	93,880	88,008	73,295	60,022	75,379	76,000	76,000
Exports	3,139	5,247	4,348	2,909	2,400	2,000	2,000

Source: Global Trade Atlas (GTIA). All data reported in fresh weight, headed and gutted basis.

- Salted wet cod imports are likely to increase slightly during CY-2005. Developing EU marketing channels for cod products have been contributing to easier and more competitive supply of salted wet cod from other EU countries, some transshipped from non-EU origins.
- Total imports will tend to remain mostly stable in CY-2006. Salted wet cod competes with locally processed cod from frozen imported fish.
- Trade data above was converted from commercial net weight into headed and gutted basis.
- Portugal also imports significant quantities of salted dry cod. For local salted dry cod imports during CY-2002, CY-2003 and CY-2004, please check table below.

Portugal Import Statistics							
Commodity: 030551, Cod (Gadus Morhua, Gadus Ogac, Gadus Macrocephalus), Dried, Whether Or Not Salted But Not Smoked							
Year To Date: January - December							
Partner Country	Unit	2002		2003		2004	
		USD	MT	USD	MT	USD	MT
World	T	111,758,447	55,594	125,540,184	57,765	163,991,895	65,222
Sweden	T	16,090,768	6,667	29,313,189	11,205	66,335,842	23,345
Denmark	T	35,011,727	17,385	26,198,200	12,887	32,538,272	13,963
Spain	T	9,116,229	4,561	13,579,553	6,123	13,498,555	5,720
Germany	T	5,329,602	2,858	7,784,169	4,092	5,356,696	2,252
Netherlands	T	1,756,204	941	910,598	569	2,424,560	1,090
France	T	4,275,561	1,622	2,509,147	747	1,721,716	529
United Kingdom	T	55,000	29	223,319	72	278,793	86
Belgium	T	0	0	149,045	66	0	0
Norway	T	39,556,142	21,270	30,426,594	14,240	27,278,892	11,359
Russia	T	126,280	72	11,268,675	6,009	12,597,724	5,731
China	T	0	0	2,967,334	1,631	1,863,465	1,096
Canada	T	103,130	69	210,361	126	97,380	52
Brazil	T	47,767	14	0	0	0	0
Iceland	T	289,997	106	0	0	0	0
Senegal	T	40	0	0	0	0	0

Source: Global Trade Atlas (GTA). Imports in tonnage were converted to fresh weight, headed and gutted basis.

### Factors Affecting U.S. Trade

- U.S. salted wet cod is affected by the EU import tariff regime. This is more favorable to countries signatory of the European Economic Space (EES) agreement (see Tariffs, below);
- Where it is considered a commodity, the landed price is extremely important and drives most of the purchasing here in Portugal.
- The price-quality factors outlined under "Groundfish" are also relevant here. In comparative terms, the local industry reports that the quality of salted dry cod produced from U.S. salted wet cod is higher than when produced from U.S. frozen cod.

## Trade Matrix

**Import Trade Matrix****Country**

Portugal

**Commodity**

Cod, Salted

Time Period

Jan/Dec

Units:

Metric Tons

Imports for:

2004

**2005**

U.S.

7,798

U.S.

8,000

Others

Others

Spain	11,035	Spain	11,100
Denmark	10,549	Denmark	10,600
Netherlands	9,111	Netherlands	9,200
Sweden	5,558	Sweden	5,600
France	1,922	France	2,000
Other EU	84	Other EU	500
Iceland	15,043	Iceland	15,000
Norway	7,361	Norway	7,000
Russia	6,136	Russia	6,500
Canada	507	Canada	400
Total for Others	67,306		67,900
Others not Listed	275		100
Grand Total	75,379		76,000

**Export Trade Matrix****Country**

Portugal

**Commodity**

Cod, Salted

Time Period

Jan/Dec

Units:

Metric Tons

Exports for:

2004

**2005**

U.S.

0

U.S.

0

Others

Others

Spain	1,019	Spain	900
France	793	France	600
Italy	258	Italy	260
Greece	132	Greece	100
Other EU	66	Other EU	40
Norway	98	Norway	100
Total for Others	2,366		2,000
Others not Listed	34		0
Grand Total	2,400		2,000

## Policy

### Tariffs

- Salted wet cod, imports are subject to EU-set import tariffs. The EU tariff schedule in effect in CY-2005 is contained in EU Commission Regulation (EC) No 1810/2004 of September 7, 2004, published in the Official Journal L-327 of October 30, 2004.
- EU Member States and Members of the European Economic Space (EES) have favorable access conditions for all cod types. We provide relevant import quotas in effect in summary tables below.

**WTO Quotas for Dry and Wet Cod and *Boreogadus saida* (\*)**

		Quota (M.T.)	Quota Period	Quota Duty (%)	Regular Duty (%)	
0305.51	<b>Dried cod, even salted, but not smoked</b>	25,000	Jan- December	0		
0305.51.10	- Dried, not smoked					
0305.51.10.10	- <i>Gadus morhua</i>					
0305.51.10.20	- <i>Gadus ogac.</i> species.					13%
0305.51.90	- Dried, salted cod					13%
0305.51.90.10	- <i>Gadus morhua</i>					13%
0305.51.90.20	- <i>Gadus Ogac.</i>					13%
0305.62.00	Wet Salted Cod					13%
	- For processing					13%
0305.62.00.20	- <i>Gadus morhua</i>					13%
0305.62.00.25	- <i>Gadus ogac.</i>					13%
	- Other:					13%
0305.62.00.50	- <i>Gadus morhua</i>					13%
0305.62.00.60	- <i>Gadus ogac.</i>					
0305.59.11	Fish of <i>Boreogadus saida</i> sp.				13%	
0305.59.19	- Dried, un-salted					
0305.69.10	- Dried, salted					
	- Wet salted					

(\*) Published in EU Council Regulation 32/2000 dated December 17, 1999, published in the Official Journal L-5 dated January 8, 2000. Note: Pacific cod has no access to the WTO Quotas.

**EU Additional Import Quotas to Benefit Processors (\*)**

Tariff Code	Description	Yearly Quota (M.T.)	Quota Duty (%)	Quota Period
0305.62.00.20, 25 29 0305.69.10.10	Cod and <i>Boreogadus saida</i> , salted or in brine, but not dried or smoked, for processing.	10,000	0	Jan/Dec

(\*) "Autonomous Import Quotas," set by EU Council Reg. 379/2004 dated February 24, 2004. Imports under the quota are subject to "reference" minimum EU entry prices.

**EU Salted Dry Cod Import Quota for Norway**

Product Description	Total Quota	Import Duty (%)	Period in Effect
Salted Dry Cod	13,250 Mt	0 pct	April 1 to Dec. 31

**Marketing**

- U.S. exporters need to cater to the Portuguese market by developing stable trade relations with local buyers and provide supplies with adequate product quality/price ratios;
- To approach this market we especially recommend participation in the CONXEMAR seafood show, which takes place in the Spanish city of Vigo, just north of Portugal (more details under Total Edible Fishery Products).
- For further assistance, U.S. exporters wishing to export wet salted cod into Portugal should contact the FAS Office:

Office of Agricultural Affairs  
Lisbon - Portugal  
Telf.: + 351-21 770 2354/58  
Fax: + 351-21 726 9721  
Email: [Aglberia@usda.gov](mailto:Aglberia@usda.gov)

## Whole Edible Fishery Products

## Production, Supply &amp; Distribution Table

PSD Table						
Country	Portugal					
Commodity	Total Edible Fishery Products					(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	
	215,000	210,526	0	220,000	0	218,000
Fresh/Frz Production	137,300	132,920	0	139,000	0	138,000
Canned Production	34,000	33,000	0	34,000	0	34,000
Cured Production	700	2,000	0	2,000	0	2,000
Total Production	172,000	167,920	0	175,000	0	174,000
Fresh/Frozen Imports	256,000	232,575	0	225,000	0	225,000
Canned Imports	4,000	5,520	0	5,000	0	5,000
Cured Imports	180,000	143,218	0	144,000	0	145,000
TOTAL Imports	440,000	381,313	0	374,000	0	375,000
Fresh/Frozen Exports	52,000	75,365	0	76,000	0	76,000
Canned Exports	7,000	7,656	0	8,000	0	8,000
Cured Exports	26,000	20,051	0	21,000	0	22,000
TOTAL Exports	85,000	103,072	0	105,000	0	106,000
Domestic Consumption	527,000	446,161	0	444,000	0	443,000

## Production

## PORTUGUESE TOTAL FISH HARVEST BY SPECIES FROM 1999 TO 2005

	2000	2001	2002	2003	2004	2005 (E)	2006 (F)
Sardines	66,318	71,947	68,762	64,280	51,711	50,000	49,000
Horse Mackerel	16,033	15,691	21,042	16,041	15,571	15,500	15,000
Mackerel	11,593	4,938	5,805	8,121	13,127	13,000	13,000
Red Fish	10,599	8,956	10,188	11,878	10,704	10,500	10,000
Silver Scabbardfish	7,135	6,888	6,647	6,433	6,116	6,000	6,000
Octopus	9,844	8,154	8,371	9,814	7,653	7,500	7,400
Tuna	3,027	3,489	4,241	7,170	9,533	9,600	9,700
Cod	3,779	4,385	4,118	3,628	4,892	4,800	4,700
Ray	2,325	2,645	3,053	3,503	3,083	3,000	3,000
Hake	3,058	3,396	3,145	2,417	2,265	2,200	2,200
Cuttlefish, squid & loliigo	2,448	3,789	4,924	2,274	2,941	2,900	2,900
All Other	59,362	64,335	66,024	81,518	82,930	95,000	95,100
<b>Total</b>	<b>195,521</b>	<b>198,613</b>	<b>206,320</b>	<b>217,077</b>	<b>210,526</b>	<b>220,000</b>	<b>218,000</b>

Units: Metric Tons, Live Weight. Source: National Statistics Office (INE), and General Fisheries Directorate (DGPA), up till 2003; FAS Office for CY-2005 and CY-2006. (E) Estimate. (F) Forecast.



**PORTUGUESE TOTAL OCEAN AND AQUACULTURE HARVEST FROM 2000 TO 2006**

	2000	2001	2002	2003	2004	2005 (E)	2006 (F)
Sea Catch	187,985	190,402	198,033	209,043	202,526	212,000	210,000
Aquaculture	7,536	8,211	8,287	8,034	8,000	8,000	8,000
<b>Total</b>	<b>195,521</b>	<b>198,613</b>	<b>206,320</b>	<b>217,077</b>	<b>210,526</b>	<b>220,000</b>	<b>218,000</b>

Units: Metric Tons, live weight. Source: National Statistics Office (INE) , and General Fisheries Directorate (DGPA), up till 2003, and FAS Office for 2004 and 2005. (E) Estimate. (F) Forecast.

- We expect Portuguese CY-2005 fish harvest to be up relative to CY-2004 levels, due to improved Red Fish and Greenland halibut CY-2005 fishing quotas.
- The Portuguese fisheries directorate (DGPA) reports that through July 2005, total fish landings were 5.3 percent over January -to-July 2004 fish landing totals;
- We expect fish landings to remain mostly stable in 2006, due to the effects of the TAC regime (see Policy).
- Portuguese seafood production is affected by several restrictive factors. In addition to the resource issue, the continuing reduction in fleet size and the high fuel costs are especially significant. For key fishing fleet indicators, please check table below.
- Local authorities are hoping to address structural problems through the 2007-13 European Fisheries Fund (see Policy).
- Virtually all of the local fish catch is sold fresh. Only some 30,000 tons are reportedly frozen, either aboard the vessels or on land by the local fish processing industry. Sardines, tuna fish and mackerel remain the primary raw materials of the canning industry. Cured fish production from Portuguese harvested fish is mostly stable (see Salted Cod). Quality of both fresh and frozen fish sold in the market is considered good and in compliance with EU health directives and regulations.

**Portugal: Fishing Fleet Indicators**

Year:	1999	2000	2001	2002	2003	2004	2005 (E)
Number of Vessels	10,933	10,750	10,532	10,548	10,262	10,089	10,000
Tonnage – GT (*)	n.a.	118,372	118,306	119,158	114,308	112,978	113,500
Power (Kw)	397,938	402,116	405,874	412,927	399,046	391,006	390,000
Share of Vessels under 5 GT in Total (%)							
Number	85	84	84	84	86	87	87
GT (*)	n.a.	7	7	7	8	8	8
Power	22	23	23	24	27	27	27

Source: National Statistics Office (INE) for data up till 2003. (\*) Tonnage in GT is defined in EU Reg. 2930/86. (E) Estimate.

## Consumption

## Portugal: Seafood Consumption of Key Species

Calendar Year:	2002	2003	2004	2005	2006
Total Consumption	446,447	459,119	446,161	444,000	443,000
Cod (*)	155,480	152,000	169,000	170,000	171,000
Sardines	52,527	29,773	37,000	30,000	30,000
Horse Mackerel	29,193	25,000	23,000	23,000	23,000
Shrimp	10,993	12,400	14,000	15,000	16,000
Red Fish	8,092	10,000	6,500	6,000	6,000
Mackerel	6,544	11,000	10,700	10,500	10,000
Cuttlefish, squid & Loligo	7,381	11,000	9,300	9,650	9,700
Tuna	11,042	16,500	11,500	11,000	11,000
Octopus	6,723	7,645	5,500	5,000	5,000

Units: Metric Tons. Source FAS OFFICE estimates. All data reported in Headed and Gutted weight. (\*) Total cod consumption.

- Domestic consumption of total edible fishery products is mostly stable. However, it should decline slightly in CY-2005 due to higher fish prices (see Consumer Price Index Table below).
- We expect another mild decline to take place in CY-2006. As fish prices are kept high by scarce resources, consumers are drawn by an increasingly diversified, low-priced meat product supply.
- This is particularly affecting frozen fish sold at retail. Salted dry cod use will tend to remain strong (see Groundfish and Cod sections).
- Seafood consumption is subject to seasonal patterns. Fresh fish consumption peaks during the summer, as it is the most abundant production period of the year for the coastal fleet. It is also the harvesting period for the popular sardines. Frozen fish use tends to peak during the winter period.
- Demand for fresh fish and crustaceans should remain strong due to traditional eating habits, and the expansion of upper-end restaurant business.

## Portugal: Consumer Price Index (January to December)

Base (100): Average 2002 prices

	2003	2004	2005 (Jan/Aug)
<b>Total (Except Housing)</b>	<b>103.3</b>	<b>105.7</b>	<b>108.5</b>
Food	102.6	103.8	103.5
Fish, crustaceans and Mollusk	99.5	97.9	98.5
Fresh/Frozen Fish	103.1	101.0	-
Dry Fish	92.1	90.1	-
Crustaceans and Mollusk	102.3	102.8	-
Canned Fish	106.2	106.3	-

Source: National Statistics Office (INE)

## Trade

## General

## Portugal: Imports of Total Edible Fishery Products

(Units: Metric Tons)

Calendar Year:	2002	2003	2004	2005 (E)	2006 (F)
Total Seafood Imports	375,511	384,077	381,313	374,000	375,000
Salted wet Cod	73,295	60,022	75,379	76,000	76,000
Dried Cod	55,597	57,765	65,225	70,000	75,000
Fresh/Frozen Cod	39,413	45,560	49,157	51,000	52,000
Frozen Fish Fillets	32,640	37,482	36,224	36,000	36,000
Fresh/Frozen Hake	28,529	31,309	28,250	27,000	27,000
Frozen whiting	27,852	29,353	26,519	26,000	26,000
Fish meat (0304.90)	20,426	17,912	13,094	13,000	12,000
Shrimp	13,122	14,030	15,218	16,000	17,000
Horse Mackerel	16,398	15,049	12,659	12,000	11,000
Frozen Tuna	9,766	12,105	5,685	6,000	6,000
Sardines	10,970	12,163	9,087	9,000	8,000
Frozen Squid/ loligo/ cuttlefish	9,338	9,559	7,047	7,000	7,000
All Other	38,165	41,768	37,769	25,000	22,000

Source: Global Trade Atlas (GTIA) until CY-2004; FAS Office for CY-2005 and CY-2006. (E) Estimate. (F) Forecast. All data reported in headed and gutted basis.

## PORTUGAL: Total Edible Fishery Product Imports in 1,000 USD

Calendar Year:	2002	2003	2004
Salted Wet Cod	169,566	157,154	212,038
Dry Cod	111,758	125,540	163,992
Frozen Cod	96,263	111,174	135,297
Miscellaneous Fresh Fish (*)	86,722	104,045	118,308
Shrimp	93,423	104,337	114,600
Frozen Whiting	64,399	84,547	78,278
Miscellaneous Frozen Fish (**)	54,266	70,252	70,483
Prepared Fish (***)	48,907	65,628	66,775
Cuttlefish/squid	38,110	47,640	43,474
Frozen Fish Fillets	29,366	38,608	37,631
Frozen Octopus	30,590	43,153	29,693
Miscellaneous Crustaceans	24,494	28,474	24,966
Miscellaneous Mollusk	7,278	18,203	21,259
Fresh Cod	9,301	6,228	15,644
Frozen Tuna	15,114	17,951	11,813
Fresh Pacific Salmon	9,237	8,467	8,466
Frozen Mackerel	3,902	8,677	8,397
Frozen Sardines	5,400	5,321	4,718
All Other	67,532	79,831	78,406
TOTAL	965,628	1,125,230	1,244,238

Source: Global Trade Atlas (GTIA). (\*) HTSCN 0302.69. (\*\*) HTSCN 0303.79. (\*\*\*) HTSCN 1604 and 1605.

- We expect Portuguese total edible fishery product imports to be down moderately during CY-2005, as some fresh/ frozen fish imports will be displaced by local production;
- Total seafood product imports will tend to be up in CY-2006, driven by the strong local cod processing and exporting activity.
- For import and export data, in volume and value, please check above tables. All quantitative data is reported on headed & gutted basis.

### Factors Affecting the U.S.

- According to the local trade, the price-quality ratio drives almost all fish purchases in the Portuguese market.
- For specific factors affecting processing cod, please check Groundfish and Salted Cod sections in report.

### Trade Matrices

## Import Trade Matrix

Country

Portugal

Commodity

Total Edible Fishery Products

Time Period

Jan-Dec

Units:

Metric Tons

Imports for:

2004

2005

U.S.

21,913 U.S.

22,000

Others

Others

Spain	141,394	Spain	140,000
Sweden	30,227	Sweden	32,000
Denmark	28,228	Denmark	29,000
Netherlands	17,561	Netherlands	18,000
France	7,704	France	8,000
U.K.	6,536	U.K.	7,000
Germany	5,043	Germany	5,000
Other EU	5,574	Other EU	5,000
Russia	39,039	Russia	40,000
Norway	22,182	Norway	20,000
Total for Others	303,488		304,000
Others not Listed	55,912		48,000
Grand Total	381,313		374,000

## Export Trade Matrix

Country

Portugal

Commodity

Total Edible Fishery Products

Time Period	Jan-Dec	Units:	Metric Tons
Exports for:	2004		2005
U.S.	1,077	U.S.	2,000
Others		Others	
Spain	65,336	Spain	66,000
France	10,114	France	11,000
Italy	7,377	Italy	8,000
U.K.	3,032	U.K.	3,000
Other EU	4,042	Other EU	4,000
Brazil	5,506	Brazil	6,000
Angola	1,871	Angola	2,000
Canada	1,056	Canada	1,000
Switzerland	805		
Total for Others	99,139		101,000
Others not Listed	2,856		2,000
Grand Total	103,072		105,000

### Policy

#### Production Policy

- Portugal is subject to EU Common Fisheries policies, which was reformed at the end of 2002 by EU Regulation 104/2000.
- Fish producers consider the new Common Fishing Policy (CFP) to be generally restrictive, due to both new fish stocks management rules, and changes in the EU investment subsidy regime.
- The CFP contemplates among others, the implementation of specific plans to manage catch of species with sensitive stocks. There are presently provisional plans in effect to hake and crayfish populations in Portuguese waters, as local authorities continue to work with the EU on definitive recovery plans for hake and crayfish stocks. These plans apply in simultaneous with the TAC regime.
- The EU negotiations of Total Allowed Catch levels (TACs) in international waters are of great importance for Portugal, as over a quarter of Portuguese yearly fish catch comes from international areas;
- For 2005, Portugal managed to maintain its flatfish TAC in the NAFO region, in addition to other minor favorable achievements. For Portuguese TACs in effect in 2005, please check the EU Council Regulation 27/2005, published in the Official Journal L-12, dated January 14, 2005.

- Portugal benefits from EU-backed structuring programs to reform its fishing fleet. Right now, local authorities are involved in the discussions for the next structuring program to be in place between 2007 and 2012, the European Fisheries Fund (EFF). Portugal is especially interested in maintaining EU financing of the re-structure of the fleet as well as of mixed societies in foreign countries, of particular significance in African countries.

### Tariff Regime

- As EU-Member, Portugal is subject to the EU trade legislation. For an overview of currently applicable tariffs to seafood products please check the Common Customs Tariff Schedule in effect, defined by EU Commission Regulation 1810/2004, published in the Official Journal of October 30, 2004.
- Due to provisioning needs of the EU fish processing industry, imports of certain fish categories benefit from the EU tariff suspension regime, and/or access to EU tariff-rate quotas. A list of products benefit from a temporary tariff suspension regime (EU Council Regulation 1255/96, amended by Council EU Council Regulation 2285/2003, in effect as of January 1, 2004). The EU Common Fisheries Policy (EU Regulation 104/2000) also suspends totally or partially tariff duties for an indefinite period of time for a series of processing fishes.
- Certain fish categories benefit from tariff-rate quotas under the WTO Agreement (EU Council Regulation 82/2000, published in Official Journal L-5, dated January 8, 2000. There are also special quotas to benefit the EU processing industry (autonomous import quotas). Levels in effect during the 2004-06 period for this type of quotas are set under EU Council Regulation 379/2004, dated February 24, 2004.
- For an overview of TRQs affecting most relevant seafood products, please check under Groundfish, and Salted Cod. For more information on the EU TRQs, please check the FAS GAIN Report E35009, as well as mentioned EU legislation.

### Marketing

- U.S. seafood exporters are presently favored by the weak dollar against the Euro.
- However, the Portuguese seafood market is quite difficult, due to both a very demanding public, and limited disposable incomes.
- On January 1, 2006, the EU will implement new food and feed controls, as stipulated in EC/EP Regulation 882/2004. For additional details, please check FAS GAIN Report E35009, or mentioned legislation.
- In order to develop markets here, U.S. exporters are advised to work closely with the local trade, and to participate regularly in regional seafood shows.
- We recommend regular attendance of the "Conxemar" Seafood Show, which is held yearly during the first week of October in Vigo, Spain. Due to its proximity to northern Portugal, "Conxemar" is attended by a large number of Portuguese fish importers.

- U.S. exporters wishing to export seafood into Portugal should contact the FAS Office:

Office of Agricultural Affairs  
Lisbon - Portugal  
Telf.: + 351 - 21 770 2354/58  
Fax: + 351 - 21 726 9721  
Email: [AgIberia@usda.gov](mailto:AgIberia@usda.gov)