MPEDA participates in 21st China Fisheries and Seafood Expo 2016, Qingdao

China Fisheries and Seafood Expo, 2016 is one of Asia’s largest seafood trade event. The 21st annual China Fisheries & Seafood Expo was hosted at the Convention and Exhibition Centre, Qingdao during 2-4 November 2016. The event featured around 1,400 exhibiting companies from 44 countries. More than 29,000 people from 100 countries attended the world’s second largest seafood exposition. The soaring appetite of China’s elite middle class for more imported seafood has resulted in an 18% increase in the number of overseas exhibitors at the expo. This show provided great opportunity for overseas exporters who want to deal directly with Chinese buyers. Russia had put up two gigantic pavilions indicating their extraordinary interest in the Chinese market. Many major players of the trade such as USA, Japan, South Korea, Indonesia, Chile and Canada also had put up attractive country pavilions.

India Pavilion by MPEDA

The India pavilion was organized by MPEDA at E2-1401 that covered an area of 72 sq. m. with 6 exporters as co-exhibitors. The pavilion was open from all sides and the MPEDA stall of 20 sq. m. was open from three sides. The back drop with the theme “Incredible seafood from Incredible India” attracted many. The frozen, chilled, dried and ready to eat samples were displayed in MPEDA stall in freezer, chiller and open containers. The samples especially chilled Ribbon fish got great attention from various overseas customers. Apart from China, there were buyers from Japan, Australia, Singapore, Malaysia, Vietnam, Thailand, Indonesia, Ukraine, USA, Russia, UAE and many more countries. The major items in demand were Frozen Ribbon fish, Squid, Silver Pomfret, Croaker, Shrimp, Whelk (Baigai)

Co-exhibitors of MPEDA in China Fisheries and Seafood Expo 2016

1. Goan Fresh Marine Exports Pvt Ltd, Karnataka
2. Karavali Freezers & Exporters, Karnataka
3. Rameshwar Cold Storage, Veraval
4. Jagadeesh Marine Exports, Bhimavaram
5. Keshodwala Foods, Veraval
6. Gadre Marine Exports Pvt Ltd, Mumbai
and dried small shrimps (Jawala). The participation of MPEDA and coordination of Indian Pavilion were done by Mr. Sunil Kumar U and Mr. A Sakthivel, Assistant Directors, MPEDA.

About 183 trade enquiries received at the show are separately enlisted in the concerned section of this newsletter. The majority of enquiries were for Ribbon fish which is meant for local consumption. There was huge demand for raw shrimps for value addition too. The cultured Vannamei shrimp from east coast of India was in great demand. Around 3000 visitors visited the MPEDA stall alone. 90% of Chinese buyers speak only Chinese and therefore MPEDA had availed the services of two interpreters. Most of the Chinese buyers are using ‘We Chat’ mobile application for their business negotiations.

Profile of Chinese seafood market

Rising income has changed the way Chinese people live. The middle class’ newfound disposable income, coupled with easy access to the global marketplace, has had far-reaching consequences. Celebratory banquets are an important part of Chinese culture. Weddings, business gatherings and government meetings are often marked by lavish spreads of rare delicacies from across the plant and animal kingdoms.

Chinese consumers, including those in Hong Kong are also purchasing a progressively more diverse basket of seafood products. For example, Chinese demand for luxury seafood – such as Live Lobster, Live Mud Crab, Live Grouper, Dried Fish
Maws and Dried Jellyfish – has also expanded alongside rising incomes. China is the largest exporter of seafood in the world with 15% of global share. China became the third-largest fish-importing country by value in 2011 after Japan and the United States. Part of the fish imports is raw material to be re-exported after processing.

China's per capita fish consumption grew to 33.1 kg per year in 2010, at an annual rate of 6% between 1990 and 2010. With the rapid growth in production, China’s share in the global fish production grew from 7% in 1961 to 35% in 2011. Notwithstanding that China consumes 34% of global food fish supply; it is still a net exporter of food fish. China is both an importer as well as exporter of fish. During 2015, China imported seafood of worth 12.18 billion US$ and exported fish and fishery products worth 20.53 billion US$ (Source: UN COMTRADE).

Major seafood imports to China included flours and meals of fish, frozen Alaska Pollock, frozen fish, frozen Cuttlefish and Squid. The top suppliers of fish and fishery products to China are Russia, USA, Canada, New Zealand and Norway. Shrimp imports registered a positive growth of 125% in the first quarter of 2016 compared to the same period of previous year. The leading suppliers of shrimps were Argentina, Canada, Ecuador, Thailand and India. This increase in shrimp demand was attributed to the decrease in domestic production and high demand during the Chinese New Year period.

Major item of seafood exports from China are frozen Cuttlefish, Squid, frozen Shrimps, frozen Chinese Cod fillet, frozen Chinese Alaska Pollock fillet and prepared/preserved fish. During 2015, the top export destinations were Japan, USA, Hong Kong, Republic of Korea and Thailand.

**Seafood exports from India to China**

During 2015-16, India exported 50,042 MT of seafood worth 220.69 Million US$ as against the export of US$ 221.44 in 2014-15 (Source: MPEDA). The market share of China for Indian seafood was approximately 2%. The major exported items were frozen Ribbon fish, Silver & Yellow Croaker, Leather Jacket, Reef cod, Silver Pomfret, Squid, Vannamei Shrimp, Surimi, Live Mud Crab and Lobster. High import tariffs and arduous regulations in mainland China have resulted in some seafood importers seeking alternative trade routes.

**Chinese supermarket and live fish market**

The delegation had been to the Supermarket in Hisense Plaza and Maidao live fish market in Qingdao to have a firsthand experience on the sale of raw fish and value added products in Chinese markets. The Supermarket had a separate section for seafood. There were value added products in Frozen, Dried and ready to eat forms. There is very good demand for products like breaded & battered shrimps, Squid products, frozen vacuum packed fish fillet etc.

The live fish has a distinct demand for households as well as restaurants. Live items of Mud Crab, Lobster, and Grouper are also highly demanded for restaurants as well as households.

**Freshness and food safety are the most important attributes Chinese consumers consider while purchasing seafood and they generally have more confidence in imported seafood. They are becoming more and more quality conscious and interested in diversified species available in**
other parts of the world. There are several examples of successful regionally-branded seafood products, including Japanese sea cucumber, South African abalone and Canadian geoduck.

The seafood restaurants prepare dishes from the live varieties as per the choice of customer. White Shrimp, Mud crab, Grouper, Seer Fish, Octopus, Jelly Fish etc. are easily available in restaurants.

**Potential for growth**

The participation of MPEDA in the fair made a distinct impact for future seafood trade by our exporters with China. China is a major market for Indian Seafood. It is poised to expand to 20 US$ Billion market with the increased purchasing power of the working middle class. The Chinese buyers are getting more and more brand conscious, as evident from the presence of entire global brands there. Indian seafood is welcome in China, and it is our turn to make most of the opportunity. As Chinese customers look forward for convenient value added products, India shall focus to ship more of such products to this market rather than Ribbon fish or raw Vannamei shrimp to keep Indian presence in Chinese seafood alive.