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Greece

Fishery Products

Seafood Market

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Report Highlights:
Greece is currently a $263 million market for annual seafood imports, with expectations for additional potential in the future, especially in the frozen seafood sector.

Includes PSD changes: No
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Unscheduled Report
Athens [GR1], GR

Frozen fish on the horizon

Greece is currently a $263 million market for annual seafood imports, with expectations for additional potential in the future, especially in the frozen seafood sector. The frozen seafood market is a $47.5 million market but changing trends in lifestyle and demographics are creating exciting opportunities for new products. In addition, preparation for the upcoming 2004 Olympics, when tourism is expected to double to 25 million, is creating a dramatic impact on food imports. The dynamics and logistics surrounding the Olympics are creating an increased demand for frozen and ready-made food as Greeks gain the opportunity to experience a wider range of international foods.

Greek Seafood Demand: Large Appetite - Shifting Patterns

Greece currently ranks fifth in the EU in annual fish consumption with per capita consumption of 24 kilograms and a total market size of 230,000 metric tons. Fish has always been a traditional staple in Greece, but consumption has been increasing since 1995, as people have become more aware of its health benefits and its substitutability for meat. Sources indicate that Greek consumption patterns for frozen seafood will continue to expand. Most frozen seafood is already covered by imports with the percentage of imported frozen seafood relative to total consumption estimated to be 90% in 1997 (up from 70% in 1990). Many U.S. exporters have benefitted from this increase in recent years, particularly with Alaskan Pollack, Pacific Salmon, Shark and other Dogfish. Frozen seafood can be expected to continue to take a larger share of the Greek seafood market as more people recognize its quality and economical price, and as small servings or semi-prepared products become more available. All are demand factors that U.S. products are in a good position to meet.

Production Trends: Shifting Sources

Greece has a large domestic infrastructure to meet its demand for seafood with total gross seafood production in 1996, including open sea fishing and aquaculture, reaching 181 billion drachmas ($526 million). However, data show that total open sea fishing in Greece is declining. In 1996 (most recent figure) open sea fishing amounted 120,490 metric tons, compared to 133,823 metric tons in 1994. On the other hand, aquaculture is trending upward, with fish-farming production in 1996 reaching 53,220 metric tons, compared to 36,094 metric tons in 1994.

Consumption Trends: Frozen Seafood Trending Upward

The use of frozen seafood has increased in recent years moving from 20% of total seafood consumption in 1994 to 26% in 1996. This trend should accelerate as the Olympics will give exposure to non-traditional dishes and as resorts, hotels, and cruise lines expand to meet a growing tourist trade. To meet this demand (Tourism already increased 10% this year to 14 million tourists), many resorts are expanding their facilities and Greek cruise ship fleets are developing new routes into the Eastern Mediterranean.

Changing lifestyles and the dynamics of an increasingly urban population are also benefitting frozen seafood consumption, especially for processed and semi-prepared products. Most Greek women are now working outside of the home and prefer food that requires little preparatory time but nevertheless contains high nutritional value. The constraints of urban life simply don't allow for daily shopping from fresh markets as in the past. As a result, the shopper is turning to frozen seafood, especially cod and various species of sea bream, salmon, dogfish, squid, and shrimp. It is also worth noting that over 30% of Greek families own both a microwave and a freezer. While this is relatively small compared to the U.S., it is a trend that is increasing quickly, and will further aid growth in frozen seafood consumption.

The following table shows seafood production, consumption and trade (in million tons):

	1990	1991	1992	1993	1994	1995	1996
Production	161	151	157	152	173	170	177
Imports	71	67	67	45	46	59	77
Exports	18	19	26	18	21	31	37
Estimated Consumption	214	199	196	179	199	198	218

Marketing: Branding is on the rise.

Promotion of frozen brand-name products has become more commonplace in the last five years, in line with a growth of brand-name products in general. Promotional campaigns normal include television and press advertisements and have been increasingly important for establishing market position for frozen processed products.

Competition:

The main competitors to U.S. products are the EU, African countries, and local Greek aquaculture (Greece accounts for 45% of total seabass and seabream production) in the Greek market. Trade data show that CY-1998 fish imports amounted $235 million, of which $109 million were of EU origin. Traditionally, the United States has exported around $5 to $6 million annually, depending on availability and price (sales dropped to $2.4 million in 1998 due to El Nino related production problems). The United States is the leading supplier for crustaceans and molluscs, of all types, prepared, preserved, and frozen. These products usually account for about half of total U.S. seafood products, but data show that the U.S. sold almost $3 million worth of Crustaceans and Molluscs in the first two months of this year alone.

Processing and Distribution:

The Greek domestic frozen seafood processing sector is growing rapidly, which creates another market for U.S. fish. Some of the key facts about this sector include:

- **T** Increased imports by the processing sector beginning in 1995.
- **T** Decrease in sources of domestic production of frozen seafood due to the limited fishing activity in compliance with EU regulations.
- **T** Red mullets, red pandora, red sea bream, and dentexes are the most commonly used fish by the frozen seafood industries.
- **T** Continuous improvement in the processing techniques employed by the Greek companies including salting, smoking, canning, fileting and cooking, and chilling.
- **T** Huge investments in facilities and machinery of seafood industrial units in the past few years.

Distribution Channels Are Established.

The processing industry absorbs the main volume of frozen seafood. This industry consists of about 15 companies, most of them small to medium sized firms but about one-third are industrial-sized, fully-equipped firms. These firms are eager to work with U.S. companies provided they can compete with EU suppliers on supply and price. The key to success in the Greek marketplace is to connect with an experienced agent or joint-venture partner, with a suitable background, business acumen and an extensive sales network that extends down the value chain to the end-user.

Import Regulations

As a member of the European Union (EU), Greece complies with EU regulations regarding food imports. New-to-market food products will require prior approval by the Supreme Chemical Laboratory, but products complying with the terms, regulations and provisions of the current Food Code do not require special permits or action in order to be imported and marketed in Greece. Prepared fish products must be accompanied by veterinarian certificates, and must also originate from production facilities which are included on the list of EU approved plants. The code of the approved plant should be included in the label.

Packaging Restrictions

There are no packaging restrictions on frozen seafood products.

Exchange Rates:

1998:	$1.00	= 294.30 Drachmas
1999:	$1.00	= 305.85 Drachmas
2000 (Jan-June):	$1.00	= 347.99 Drachmas

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