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Fish and Seafood Market Brief – Bulgaria

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Product Brief

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Report Highlights:

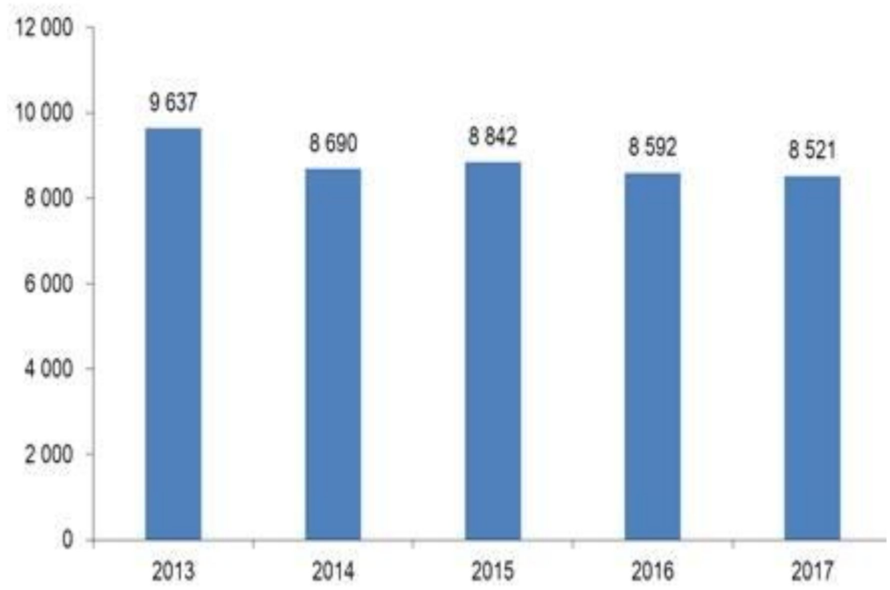
Bulgarian fish importers seek to expand local availability, especially mid- and high-value fish products. According to U.S. Census Bureau (BICO) data, 2018 U.S. fish exports to Bulgaria reached $390,000, down by 32-percent from 2017. However, according to Global Trade Atlas (GTA) data, which captures imports based on country of origin, and therefore U.S. imports through other European Union (EU) ports of entry, Bulgaria imported $704,200 of U.S. fish and seafood in 2018, a 16-percent increase over 2017. This trade consisted mainly of frozen squid, lobster, frozen hake, and scallops. The notable difference in data reflects that most U.S. seafood enters Bulgaria via distributors in other EU member states. 2018 U.S. fish exports to Bulgaria increased by 115 percent from 2016. Bulgaria's emerging restaurant sector is an important driver for fish and seafood demand growth. Per capita consumption of fish and seafood is still below the EU average.

General Information:
Although fish and seafood consumption in Bulgarian households remains relatively small (about five kilograms), there are growing opportunities for U.S. suppliers in the hotel, restaurant, and institutional (HRI) sectors. Bulgaria's ever-expanding restaurant industry is a major driver of seafood demand growth and international suppliers are increasingly seeking commercial links with HRI stakeholders. Bulgarian importers are actively seeking to expand their fish and seafood product lines, especially for mid- and high-value products.

Bulgarian consumers currently tend to prefer species like European sprat, carp, rainbow trout, Prussian carp, silver carp, and zander, although there is also increasing demand for mid- and high-end products like squid, lobster, hake, mackerel, salmon, shrimp and prawn, trout, tuna, and catfish. According to GTA data, 2018 Bulgarian fish and seafood imports increased by 16 percent over 2017, driven mainly by shipments of frozen squid, lobster, hake, and to a lesser extent, scallops. U.S. frozen squid exports increased rapidly by 138 percent last year, while hake exports decreased. Opportunities also exist to supply the Bulgarian fish and seafood-processing sector, which adds value and sells products goods throughout the EU.

According to official statistics, the total 2017 domestic catch decreased slightly by 0.8 percent to 8,521 metric tons (MT) from 2016. 8,467 MT was harvested from the Black Sea and 53.5 MT from the Danube River. Importers are seeking new suppliers and products to bridge the demand gap between growing consumer demand and lower local supplies. Bulgaria's 2012 Law on Fisheries and Aquaculture banned commercial fishing within in-land water basins.

Figure 1. Total Catch, Bulgarian Fish and Seafood, 2013 – 2017 (MT)



Source: Bulgarian Executive Agency for Fisheries and Aquaculture (Agrarian Report 2018)

Table 1. Bulgarian Seafood Production 2017 (MT)

Description	**Quantity**
Fish fillets and other fish meat (whether or not minced), fresh or chilled	749,5
Fish, frozen	2,903
Fish fillets, frozen	108,9
Fish, dried, whether or not salted, or in brine	416,6
Fish, including fillets, smoked	160
Fish, otherwise prepared or preserved, except prepared fish dishes	7,404
Molluscs, frozen, dried, salted or in brine	439,9
Other aquatic invertebrates and seaweed, frozen, dried, salted or in brine	1,004
Crustaceans, molluscs and other aquatic invertebrates and seaweed, otherwise prepared or preserved	3,260
Total:	**14,731**

Source: Bulgarian National Statistical Institute

Black Sea Fisheries

Bulgaria's fishing industry is fragmented along its 240 miles of coastline. In 2017, the main Black Sea catch decreased by 10.4 percent. It consisted of conch, European sprat, red mullet, Black Sea horse mackerel, and farmed mussels. Conch accounts for the largest Black Sea catch at about 43 percent. In 2017, the conch catch reached 3,617 MT, a 5.7 percent increase over 2016. The soft-shell clam catch reached 819 MT, a 40 percent increase. The blue mussel catch decreased by 73 percent, reaching 11 MT. Traditionally, the European sprat accounts for big percent of Bulgaria's total Black Sea catch. In 2017 it reached 3,185 MT, a 39 percent increase over 2016. Bulgaria's 2017 red mullet catch decreased by 135 percent to 374 MT. Other Black Sea species caught by Bulgarian anglers included bluefish (71 MT), Black Sea horse mackerel (153 MT), spiny dogfish (50 MT), goby (40 MT), turbot (42 MT), and other species. The Bulgarian fishing fleet is small, with about 2,000 vessels.

Table 2. Black Sea Catch by Species 2017 (metric MT)

Specie	**Quantity**
Shellfish (Conch, Mussel, Shrimp)	4,450
European Sprat	3,185
Red Mullet	374
Bluefish	71
Spiny Dogfish	50,3
Black Sea Horse Mackerel	153
Goby	39,6
Turbot	42
Thornback Ray	48,9
Atherina	9,7

Other species	43,5

Source: Bulgarian Executive Agency for Fisheries and Aquaculture (Agrarian Report 2018)

Freshwater Fisheries

Bulgaria has over 200,000 HA of lakes, reservoirs, and rivers, which account for 1.8 percent of its total territory. The longest rivers are the Danube (470 km), followed by the Iskar (368 km), Maritsa (321 km.), and the Kamchia (245 km.). Over 400 lakes cover more than 10,000 HA in total area.

The commercial catch from the Danube River in 2017 reached 53.5 MT, a 2.5-percent increase from 2016. The main Danube species included common barbel (7.92 MT), carp (6.9 MT), silver carp (6.3 MT), common bream (5 MT), and Prussian carp (3.8 MT). The biggest drops in the Danube catch were for silver carp (32.4 percent), Wels catfish (23 percent), and common carp (20.6 percent).

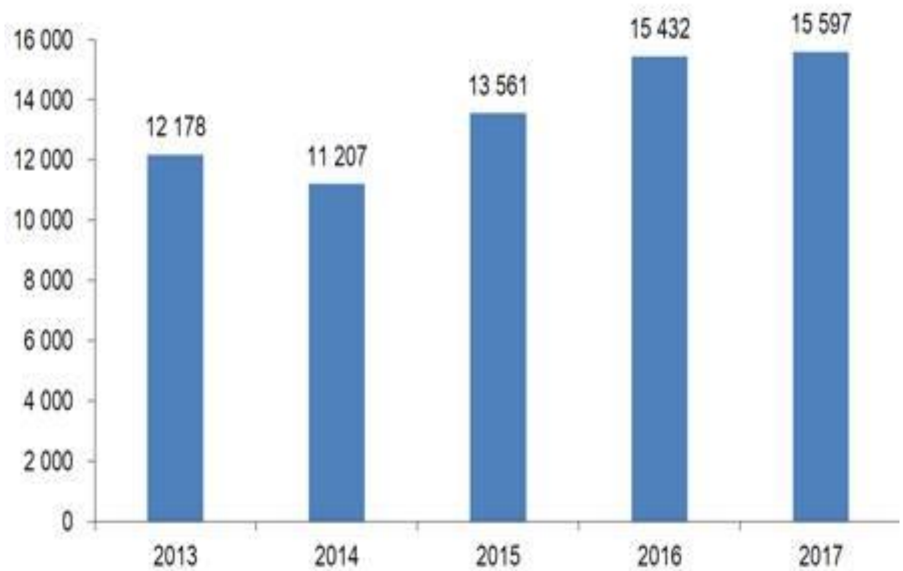
In January 2012 the Ministry of Agriculture and Food banned fishing, transporting, and selling of the sturgeon and product derived from sturgeon. The ban was imposed for four years and aims to conserve the Danube sturgeon. In 2016 the ban was extended for another five years.

Aquaculture

Total 2017 aquaculture production (breeding material, fish and seafood) increased by 1.1 percent over the previous year at 15,597 MT. Total 2017 production of breeding material decreased by 30 percent, at 2,128 MT. This decrease was mainly due to lower production of the three main species, chiefly rainbow trout (1,002 MT), silver carp (23 MT), and bighead carp (155 MT). Sturgeon hybrid and blue mussel aquaculture production also decreased.

In 2017, the total capture of fish 13,469 MT were mostly carp (common and silver carp), African sharptooth catfish, and trout (mainly rainbow). There was notable increase in silver carp (70 percent), African sharptooth catfish (68 percent), and common carp (43 percent) production, while rainbow trout production decreased by 52 percent from 2016.

Figure 2. Total Capture Fisheries Production, 2013 – 2017 (MT)



Source: Bulgarian Executive Agency for Fisheries and Aquaculture (Agrarian Report 2018)

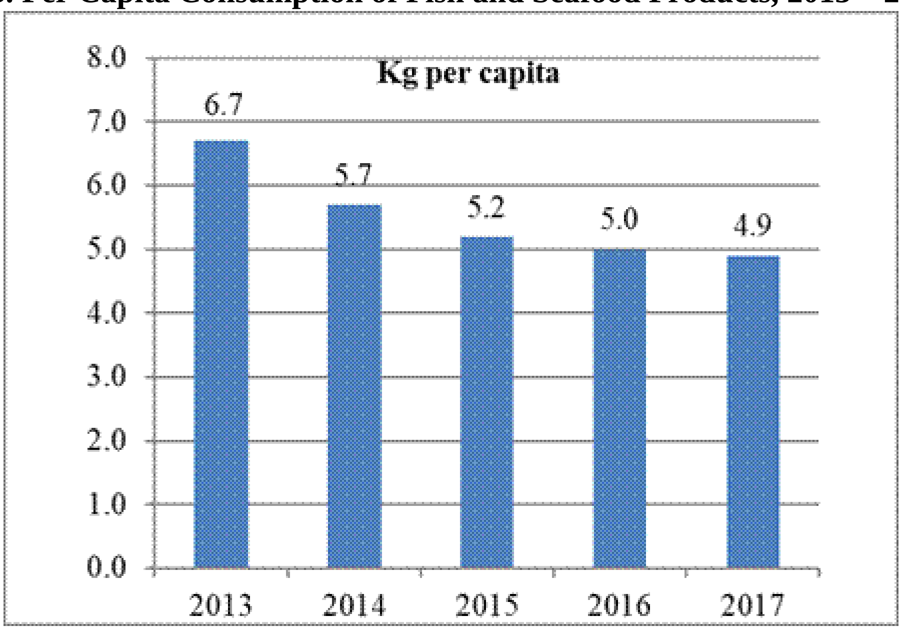
Production of other local species is insignificant and is mainly Prussian carp, grass carp, and Wels catfish. Commercial sturgeon farms has also developed, although it remains small. The main marine aquaculture species is black mussel. 2017 black mussel production decreased by 7.7 percent as compared to the previous year to 3,134 MT.

According to the Ministry of Agriculture and Food and the Bulgarian Executive Agency for Fisheries and Aquaculture (BEAFA), the aquaculture sector is likely to increase in the future, as new and modern production facilities are established under the EU's fishery program as well as existing businesses are expanding and modernizing.

Consumption

Per capita fish consumption in Bulgaria is below the average EU level. According to the Bulgarian National Statistical Institute (NSI) data, per capita household fish consumption in 2017 was 4.9 kg. However, this number does not include restaurant consumption. Cumulative consumption per capita, including consumption in restaurants, is estimated at close to nine kg. Although consumption has remained stable for the last three years, industry forecasts indicate that it will increase slightly, despite increasing wholesale and retail prices, due to rising consumer incomes.

Figure 3. Per Capita Consumption of Fish and Seafood Products, 2013 – 2017 (kg)



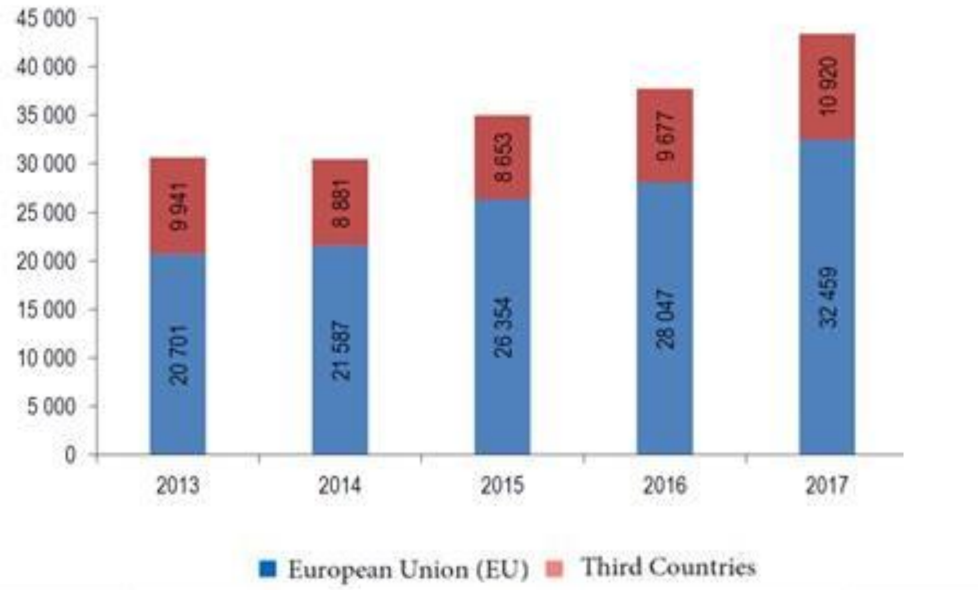
Source: Bulgarian National Statistical Institute
Remark: Consumption in restaurants not included

Import of Fish and Seafood Products

According to NSI data, total 2017 live, fresh, chilled, frozen, and dried fish and fishery product imports reached 43,379 MT, a 15-percent increase over 2016. Imports of processed fishery products (canned fish and roe) declined slightly.

Almost 75 percent (32,459 MT) of imported fish in 2017 came from other EU members, chiefly Romania (6,600 MT), Spain (4,800 MT), the Netherlands (3,700 MT), Greece (3,200 MT), Denmark (2,800 MT), Poland (2,000 MT), and Latvia (1,700 MT). Imports of EU products rose by 16-percent increase over 2016. 2017 Non-EU imports grew by 13 percent over 2016 to 10,920 MT. Main suppliers were Canada (1,900 MT), China (1,400 MT), Morocco (1,100 MT), Peru (1,100 MT), and Iceland (800 MT).

Figure 4. Imports of Fish and Seafood from EU and Non-EU Countries,
2013-2017 (MT)



Source: Bulgarian NSI

Frozen fish, excluding fillets, accounted for 44 percent of total fish and seafood imports in 2017. As in previous years, imports by species were dominated by frozen mackerel at 10,980 MT, down 3.2 percent from 2016. Due to a lack of mackerel in Bulgaria, the frozen mackerel imports satisfy market demand for direct consumption and that of the processing industry.

2017 imports of the following species were relatively large: sardines (1,650 MT), herring (1,196 MT), European hake (854 MT), salmon (399 MT), shark (287 MT), scad (219 MT), and trout (200 MT). According to U.S. Customs data, 2017 Bulgarian imports of fish and seafood from the United States increased by 85 percent and mainly consisted of frozen squid, lobsters, frozen mackerel, frozen hake, scallops, and shrimps. There was a significant increase of the imports of shellfish (see Table 3 below).

The total import of canned shellfish in 2017 decreased by 43.7 percent compared to 2016. The import of ready-to-eat and canned fish food also decreased by 7.5 percent.

Table 3. Import of Fish and Fishery Products by Type, 2016 – 2017 (MT)

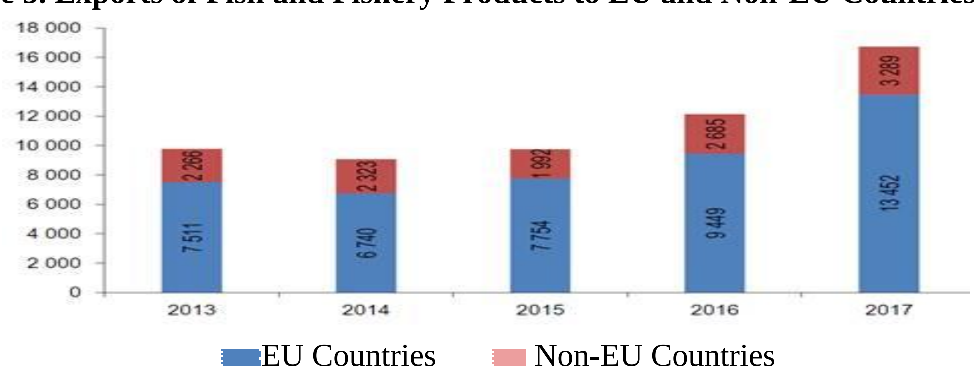
Product	2016	2017	Change 2017/2016
Fish, fillet, crustaceans, mollusks, incl:	**32,886**	**39,548**	**20.3%**
Live fish - fresh water and marine	22	105	377.3%
Fish - fresh and chilled, excluding fillet	3,496	4,298	22.9%
Fish - frozen, excluding fillet	18,596	19,104	2.7%
Fillet and other fish meat - fresh, chilled, or frozen	3,343	3,293	-1.5%
Fish - dried, salted, smoked	347	451	30%
Crustaceans	3,463	4,159	20.1%
Mollusks	1,070	2,745	156.5%
Water invertebrate, other than crustaceans and mollusks	2,548	5,393	111.7%
Processed fishery products, incl:	**4,838**	**3,831**	**-20.8%**
Ready food, caviar, fish cans	3,060	2,831	-7.5%
Canned crustaceans and mollusks	1,778	1,000	-43.7%
Total fish and other water organisms and fishery products	**37,724**	**43,379**	**15%**

Source: Bulgarian NSI Data, Through Ministry of Agriculture and Food's Agrarian Report 2018

Exports of Fish and Seafood Products

According to Bulgarian NSI data, total 2017 Bulgarian exports of fish and seafood products reached 16,741 MT, a 38-percent increase over 2016. This jump was due mainly to higher catch of export-oriented fish and higher aquaculture production, as well as re-exports of imported fish. 2017 exports within the EU increased by 42.4 percent to reach 13,452 MT, 80 percent of total exports. Primary markets were Romania (5,700 MT), Sweden (2,700 MT), Italy (1,500 MT), Greece (1,400 MT), Spain (900 MT), and Belgium (500 MT). 2017 exports to non-EU markets also increased by 22.5 percent to 3,289 MT and were mainly to the Republic of Korea (1,400 MT), Serbia (700 MT), Japan (600 MT), and Malaysia (300 MT).

Figure 5. Exports of Fish and Fishery Products to EU and Non-EU Countries (MT)



Source: Bulgarian National Statistical Institute

In 2017, exports of mollusks represent the most significant share of total exports of fish and other aquatic organisms to 4,129 MT, which is 54.8 percent over 2016. This increase is due to higher export-oriented catch in the year. The main destinations were Italy (1,400 MT), Greece (1,000), Spain (500 MT), Republic of Korea (500 MT), and Japan (300 MT).

Frozen fish exports, excluding fillets, is up 42 percent over 2016. Over two-thirds of the exported frozen fish consists of sprat and European sprat – 1,118 MT, up 54.2 percent compared to 2016. Traditionally, the export of frozen fish to Romania was the highest (900 MT).

2017 mollusk exports increased by 55 percent at 4,129 MT. Bulgaria's main mollusks markets were Italy (1,400 MT), Greece (1,000 MT), Spain (500 MT), Republic of Korea (500 MT), and Japan (300 MT).

Total exports of processed fishery products in 2017 increased significantly by about 32 percent for canned crustaceans and mollusks, and less so by 2.2 percent for ready food, caviar and fish cans, reaching total 5,942 MT. Main destinations for processed fishery products were Sweden (2,600 MT), Romania (1,300 MT), Republic of Korea (900 MT), Belgium (400 MT), Japan (300 MT), and Greece (300 MT).

Table 4. Export of Fish and Fishery Products by Type, 2015 –2016 (MT)

Product	**2016**	**2017**	**Change 2016/2015**
Fish, fillet, crustaceans, mollusks, incl:	**7,162**	**10,799**	**50.8%**
Live fish - fresh water and marine	1,149	2,122	84.7%
Fish - fresh and chilled, excluding fillet	1,658	1,866	12.6%
Fish - frozen, excluding fillet	1,148	1,630	41.9%
Fillet and other fish meat - fresh, chilled, or frozen	213	222	4.1%
Fish - dried, salted, smoked	196	327	66.8%
Crustaceans	82	130	59.1%
Mollusks	2,668	4,129	54.8%
Water invertebrate, other than crustaceans and mollusks	48	373	677.1%
Processed fishery products, incl:	**4,972**	**5,942**	**19.5%**
Ready food, caviar, fish cans	2,070	2,116	2.2%
Canned crustaceans and mollusks	2,902	3,826	31.8%
Total fish and other water organisms and fishery products	**12,134**	**16,741**	**38%**

Source: Bulgarian NSI Data, Through Ministry of Agriculture and Food's Agrarian Report 2018

EU Common Fisheries Policy

Bulgaria's fish and seafood industry follows the EU Common Fisheries Policy (CFP). The CFP is a set of rules for managing European fishing fleets and for conserving fish stocks. Designed to manage a common resource, it gives all European fishing fleets equal access to EU waters and fishing grounds and allows anglers to compete fairly.

Stocks may be renewable, but they are finite. Some of the EU's fishing stocks, however, are being overfished. As a result, EU countries seek to ensure the European fishing industry is sustainable and does not threaten the fish population and productivity over the long term.

The CFP was first introduced in the 1970s and went through successive updates, the most recent of which took effect on January 01, 2014. The CFP aims to ensure that fishing and aquaculture are environmentally, economically and socially sustainable, and that they provide a source of healthy food for EU citizens. Its goal is to foster a dynamic fishing industry and ensure a fair standard of living for fishing communities. The CFP has four main policy areas:

- Fisheries management
- International policy
- Market and trade policy
- Funding of the policy

The CFP also includes rules on aquaculture and stakeholder involvement. For further information on the CFP please see the EU website here.

Labeling

EU legislation requires that all products, including seafood, offered for retail sale in the EU be properly labeled. The EU's Publications Office issued a pocket guide to the new fish and aquaculture consumer labels. It explains what must appear on the labels and what additional information can be displayed. The pocket guide can be accessed through this link.

Import Tariffs

All EU Member States apply the same tariff on goods imported from outside the EU. The import duty rate is determined by the classification of a good in the EU Tariff Schedule (last update published in Official Journal L 312 – October 31, 2014) and by the customs value. For the customs classification of goods, the EU uses the Combined Nomenclature established by Council Regulation 2658/87. This eight-digit coding system is based on the Harmonized System, which is also the basis for the import and export codes used by the United States. The full list of fish and seafood products duties can be found in Chapter 3 (page 52-73) here.

Bulgarian Fish and Seafood Importers

Contact the FAS Sofia for an updated list of fish and seafood importers.

Forecast

Bulgarian prices are determined mainly by international markets. Post expects that consumption and imports will keep growing in the next few years while prices will remain stable. For traditional species in Bulgaria, prices depend on the catch size and domestic aquaculture production, while imported species are determined by market prices. Shelf-stable seafood, especially premium types, is forecast to continue its positive upward trend. Consumers are increasingly likely to buy more expensive and more healthful species.

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