Date: 4/11/2017
GAIN Report Number: BU1706

Bulgaria

Post: Sofia

Fish and Seafood Market Brief - Bulgaria

Report Categories:
Fishery Products

Approved By:
Russell J. Nicely, Agricultural Attaché
Prepared By:
Alexander Todorov, Marketing Specialist

Report Highlights:

This report contains information about Bulgaria’s fish and seafood market. It provides an overview of market opportunities and key information and statistics about production, imports, exports, and main EU regulations.

General Information:

The Bulgarian seafood market is a smaller one in Europe (population 7.2 million, per capita household consumption of fish and seafood of about 5.2 kg.), but many current and potential suppliers find it attractive, offering many opportunities. Bulgarian importers are actively seeking to expand the selection of fish available on the local market, especially mid- to high-value products. Food service outlets are providing a major impetus for this demand, with an increasing number offering high quality fish as a regular menu item.

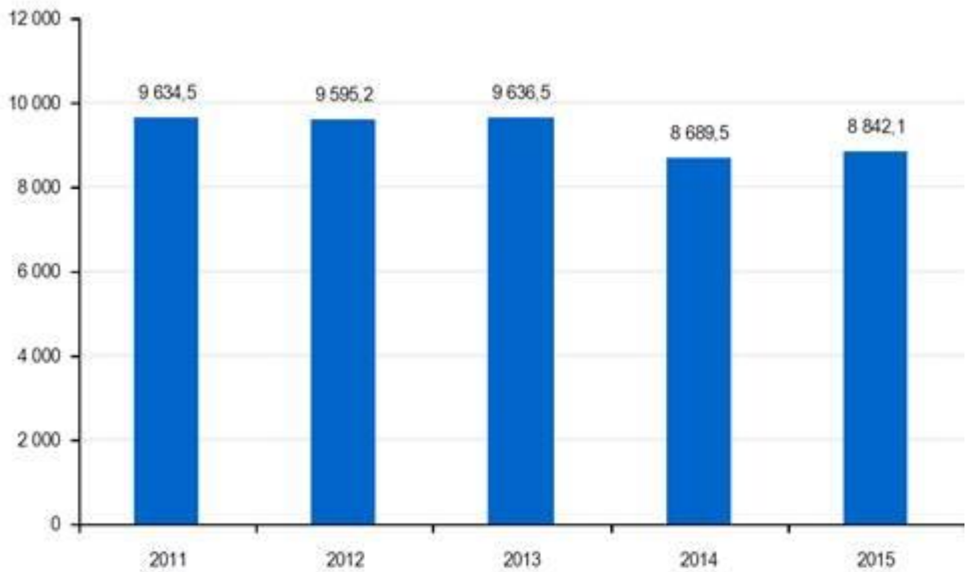
The taste of Bulgarian consumers is currently oriented towards species like carp (36%), rainbow trout (18%), Prussian carp (11%), silver carp (10%), and zander (8%), which represent about 83% of total fish consumption, according to the Bulgarian Executive Agency for Fisheries and Aquaculture. Retailers are responding to the demand through imported and domestic supplies. There is an increasing tendency of demand for mid- to high-end species like mackerel, salmon, shrimp and prawn, trout, tuna, catfish, hake, and lobster. According to U.S. Customs trade data, Bulgarian imports of U.S. fish in 2015 were mainly of lobster, hake, scallops, pink salmon, and squid. U.S. exports of lobster and mackerel have declined slightly in the past year, but there are solid opportunities for growth in demand due to increased consumer awareness. Other opportunities exist for U.S. exports to Bulgaria to be repackaged and sold as value added goods throughout the European Union.

The development of the domestic fish market as well as the introduction of new species for aquaculture could help increase the demand for fish and fish products. Other opportunities are presented through exploration of potential market niches by increasing the share of the valuable and delicacy species, diversification of activities via development of fishing tourism, and conversion of capture fisheries to aquaculture production of more valuable, export oriented species.

According to official statistics, the domestic catch of fish increased by 1.8% to 8,842 metric tons (MT) in 2015 as compared to 2014, of which 8,745 MT was from the Black Sea and 97 MT from the Danube River. However, Bulgaria relies heavily on imports to bridge the gap between the steady consumer demand and reduced national output. This means that importers are seeking new suppliers and products to fill the gap.

Changes in the Law on Fisheries and Aquaculture in August 2012 imposed a ban on commercial fishing within in-country water basins. Among other things this measure aims to differentiate fishing from natural resources (Black Sea and Danube) and aquaculture production.

Figure 1. Total Catch of Fish and Other Water Organisms in the Country, 2011 – 2015 (metric MT)



Source: Bulgarian Executive Agency for Fisheries and Aquaculture (Agrarian Report 2016)

Table 1. Bulgarian Seafood Production 2015 (metric MT)

Description	**Quantity**
Fish fillets and other fish meat (whether or not minced), fresh or chilled	697
Fish, frozen	3,673
Fish fillets, frozen	134
Fish, dried, whether or not salted, or in brine	496
Fish, including fillets, smoked	202
Fish, otherwise prepared or preserved, except prepared fish dishes	5,078
Molluscs, frozen, dried, salted or in brine, smoked	453
Crustaceans, otherwise prepared or preserved; molluscs and other aquatic invertebrates, otherwise prepared or preserved	3,053
Total:	**13,786**

Source: Bulgarian National Statistical Institute

Black Sea Fisheries

The Bulgarian fisheries sector is fragmented along its 240 miles of coastline. In recent years marine caught (capture) fishery levels has increased. The main Black Sea catch is comprised of European sprat and conch as well as the production of mussel on farms. Traditionally, catch of European sprat is the highest and represents about 74% of total Black Sea catch, with a 45% increase in 2015, as compared to 2014 at 3,301 MT. The catch of red mullet almost doubled in 2015 to 634 MT. The catch of other Black Sea species is represented by bluefish (139 MT), spiny dogfish (133 MT), scad (87 MT), and European anchovy (12.4 MT). The catch of conch in 2015 shows a 13.5% decline as compared to 2014 at 4,092 MT, while the catch of soft-shell clams and blue mussels increased by 50% and 12% to reach 124 MT and 18.1 MT respectively. The Bulgarian fishing fleet is considerably small in size with about 2,000 vessels.

Table 2. Black Sea Catch by Species 2015 (metric MT)

Specie	Quantity
Shellfish (Conch, Mussel, Shrimp)	4,237
European Sprat	3,301
Red Mullet	634
Bluefish	139
Spiny Dogfish	133
Scad (Horse Mackerel)	87
Goby	48
Turbot	43
Thornback Ray	43
Other species	80

Source: Bulgarian Executive Agency for Fisheries and Aquaculture

Freshwater Fisheries

Bulgaria has over 200,000 HA of lakes, reservoirs and rivers, which account for 1.8% of the total territory of the country. The longest river is Danube with length of 470 km., followed by the Iskar (368 km.), Maritsa (321 km.), Kamchia (245 km.), and other smaller rivers. There are more than 400 lakes covering more than 10,000 HA.

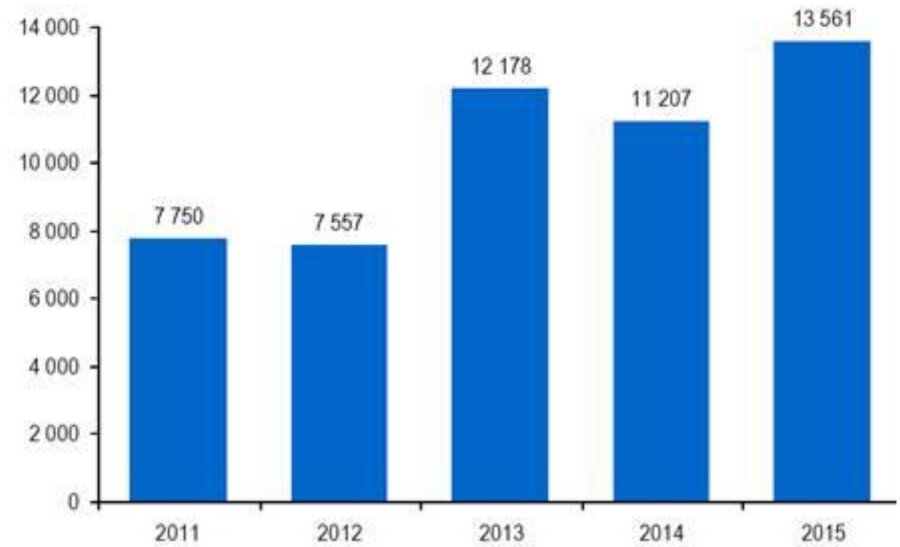
The catch from the Danube decreased by 32% in 2015 to reach 97 MT, as compared to 128 MT in 2014. The main species were carp (12.74 MT), silver carp (11.54 MT), Prussian carp (10.2 MT), common carp (9.55 MT), barbell (9.2 MT), and common bream (6.1 MT). The highest increase in catch, compared to the previous year, has been registered for Prussian carp (more than 7%), while the catch of other species has decreased. In January 2012 the Ministry of Agriculture and Food imposed a ban on the fishing, transporting, and selling of fish of the sturgeon group and their sub-products. The ban was imposed for four years and aimed at preservation and restoration of the Danube sturgeon species. In 2016 the ban was extended for another 5 years.

Aquaculture

In 2015 total aquaculture production increased by 28.3% to 2,687 MT, compared to the previous year. This is mainly due to increased production of the two main species, carp (532 MT) and common carp (450 MT).

2015 recorded an increase of 21% in total capture fisheries production of fish and other water organisms for consumption at 13,561 MT (Figure 2). The main portion of aquaculture production in Bulgaria is represented by the species of the carp group (silver carp and carp), and trout group (mainly rainbow trout). The production of all these species has increased in 2015, and is the most notable in silver carp (23.8%), carp (13.6%), and rainbow trout (3.7%).

Figure 2. Total Capture Fisheries Production, 2011 – 2015 (MT)



Source: Bulgarian Executive Agency for Fisheries and Aquaculture (Agrarian Report 2016)

The production of other high-quality local species is insignificant and is represented mainly by black carp, channel catfish, grass carp, brown trout, and northern pike. Recently, diversification of the produced species has included species such as barramundi, African sharptooth catfish, and sturgeon.

The main species subject to marine aquaculture is the black mussel. In 2015 black mussel production has increased by 26% as compared to the previous year, reaching 3,114 MT. Crayfish production decreased by 18.8%.

According to the Bulgarian Executive Agency for Fisheries and Aquaculture (BEAFA), the total number of fishery businesses at the end of 2015 was 611, of which 577 were in fresh water aquaculture and 34 in marine aquaculture. In 2014 the number of fishery businesses was 552.
It has been forecast that in the following years the number of fishery businesses will increase as new and modern production facilities are established under the EU “Fishery” program.

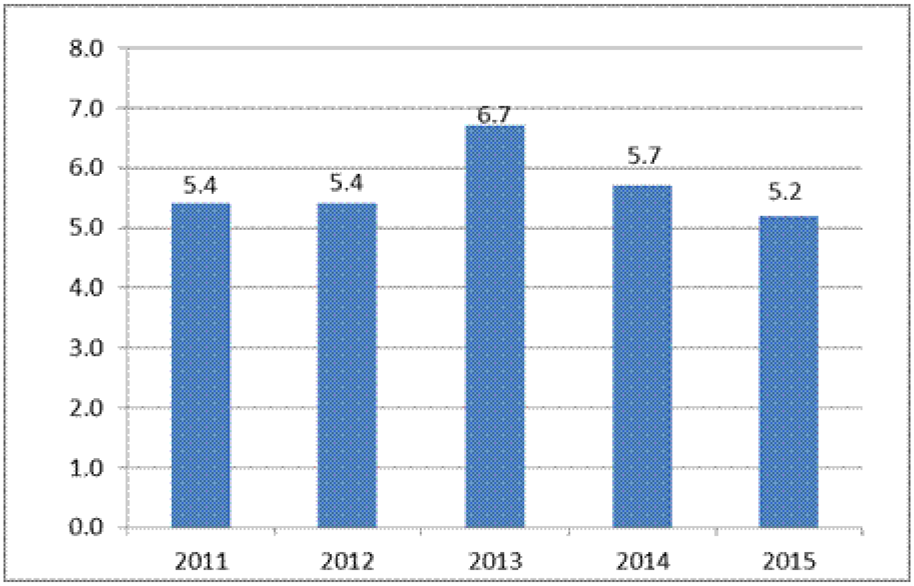
Consumption

Fish consumption in Bulgaria is rater moderate on a per capita basis and is below the average EU level. Per capita household fish consumption in 2015 was 5.2 kg.. This number does not include consumption in restaurants. Cumulative consumption per capita, including consumption in restaurant, is estimated at 8.8 kg. Although the consumption level has remained stable for the last three years, the industry forecasts that it will increase slightly, despite increasing wholesale and retail prices of fish and fishery products, due to rising consumer incomes.

Bulgarian prices are determined mainly by movements in the international market as well by the ban on commercial fishing in Bulgarian internal water basins. In 2015 higher prices are most notable for Atlantic bonito and herring, and lowest for zander. It’s expected that the prices of the main species will remain stable in 2017. For traditional species in Bulgaria, prices will depend mainly on the catch size and domestic aquaculture production, while for imported species it will be determined by import prices.

Shelf-stable seafood is expected to continue its positive upward trend and increase by 1% in retail value. Meanwhile, players are set to offer a wide variety of exotic fish types, which consumers prefer as nutrient-rich food options.

Figure 3. Average Per Capita Household Consumption of Fish and Fishery Products, 2011 – 2015 (kg)



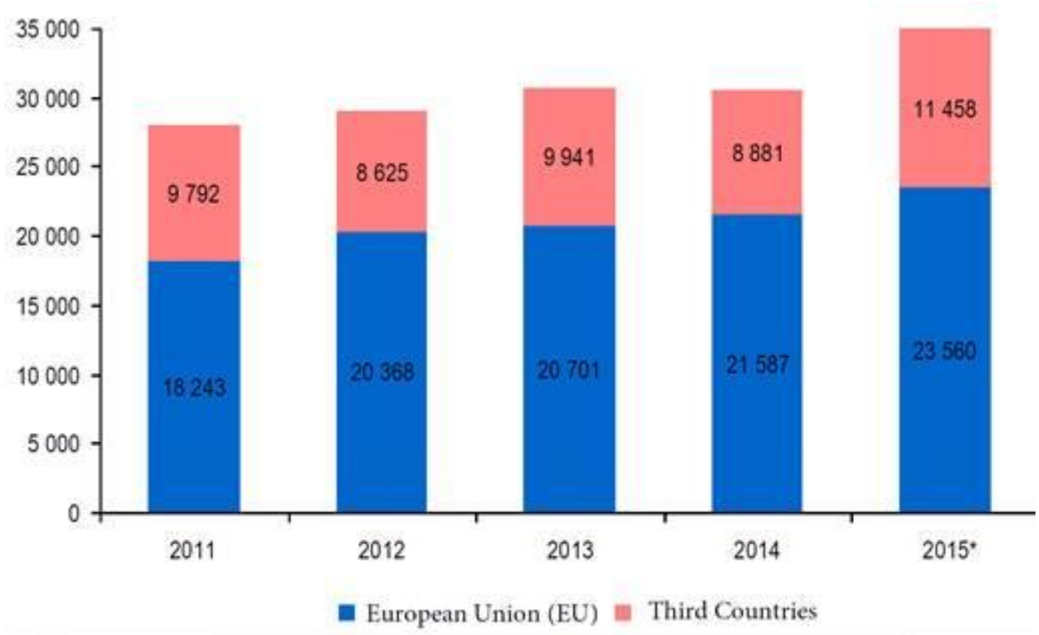
Source: Bulgarian National Statistical Institute
Remark: Consumption in restaurants not included

Import of Fish and Fishery Products

According to the Bulgarian National Statistical Institute data, total imports of fish and fishery products in Bulgaria in 2015 is 35,019 MT, an increase of 15% over 2014. Increased imports of fish, fishery products and processed fishery products are what compose this increase.

Over 67% (23,560 MT) of all imported fish is from European Union (EU) countries, which represents an increase of 9% as compared to 2014. The main imports in 2015 are from Netherlands (4,600 MT), Spain (4,300 MT), Romania (2,100 MT), Greece (2,100 MT), Poland (1,700 MT), and Czech Republic (1,300 MT). Imports from third countries grew notably in 2015 by 29% compared to 2014 to reach 11,458 MT. The main partners were Vietnam (1,400 MT), Canada (1,100 MT), China (1,000 MT), Morocco (600 MT), Argentina (500 MT), and Faroe Islands (400 MT).

Figure 4. Import of Fish and Fishery Products from EU and Third Countries, 2011-2015 (MT)



Source: Bulgarian National Statistical Institute

Imports for 2013 include: 31,125 MT of fish, filets, crustaceans and mollusks, and 3,894 MT of processed fishery products.

Frozen fish, excluding fillets, accounts for almost 60% of total fish imports. As in the previous years, imports by species are dominated by frozen mackerel – 11,947 MT in 2015, up 10% compared to 2014. Due to a lack of mackerel in Bulgaria, the frozen mackerel imports satisfy market demand for direct consumption and that of the processing industry.

2015 saw relatively large imports of the following species: salmon group (1,003 MT), sardines, sprat, European sprat (365 MT total); herring (1,379 MT); European hake (724 MT); shark group (224 MT), trout group (158 MT); scad group (191 MT). Fish imports from the U.S. mainly consist of pink and chum salmon, loligo squid, hake, and lobster.

The import of processed fishery products in 2015 increased by 13% compared to 2014, to reach 3,894 MT. The import of canned crustaceans and mollusks increased more than twice as compared to 2014, reaching 1,101 MT.

Table 3. Import of Fish and Fishery Products by Type, 2014 – 2015 (MT)

Product	2014	2015	Change 2015/2014
Fish, fillet, crustaceans, mollusks, incl:	**27,023**	**31,125**	**15.2%**
Live fish - fresh water and marine	43	275	547.5%
Fish - fresh and chilled, excluding fillet	3,844	3,818	-0.7%
Fish - frozen, excluding fillet	16,128	18,630	15.5%
Fillet and other fish meat - fresh, chilled, or frozen	4,026	3,243	-19.4%

Fish - dried, salted, smoked	379	401	5.6%
Crustaceans	1,529	2,255	47.4%
Mollusks	984	1,114	13.2%
Water invertebrate, other than crustaceans and mollusks	91	1,390	1422.1%
Processed fishery products, incl:	**3,445**	**3,894**	**13.0%**
Ready food, caviar, fish cans	2,934	2,793	-4.8%
Canned crustaceans and mollusks	511	1,101	115.2%
Total fish and other water organisms and fishery products	**30,468**	**35,019**	**14.9%**

Source: Bulgarian National Statistical Institute Data, Through Ministry of Agriculture and Food's Agrarian Report 2016

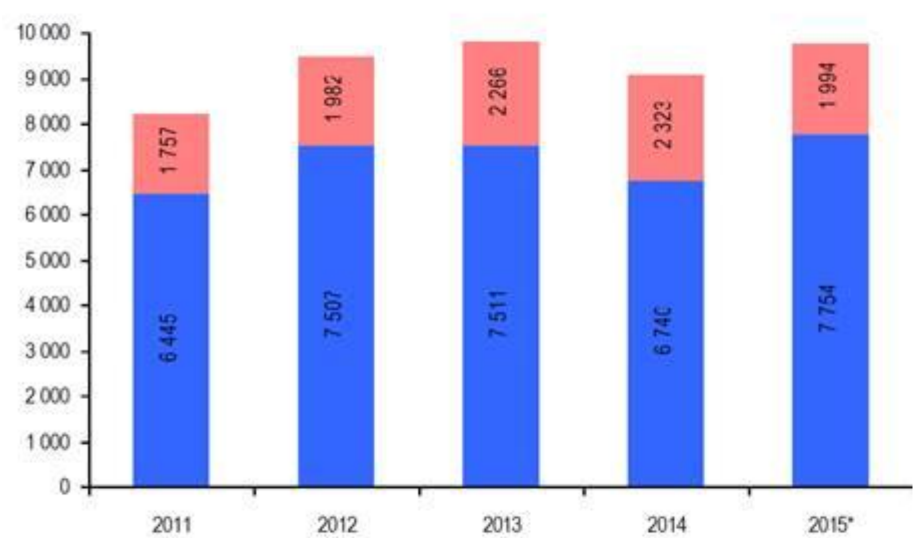
Export of Fish and Fishery Products

According to Bulgarian National Statistical Institute data, the total export of fish and fishery products from Bulgaria in 2015 is 9,748 MT, an increase of 7.6% over 2012. This is due mainly to the increase of catch and production as well as aquaculture production.

In 2015 export of Bulgarian fish and fishery products to the EU increased by 15% to reach 7,754 MT, 80% of total exports. The main destinations were Romania (4,000 MT), Sweden (1,600 MT), Greece (900 MT), Spain (300 MT), and Hungary (200 MT).

Exports to third countries in 2015 decreased by 14% to 1,994 MT, with the main destinations the Republic of Korea, Japan, and Serbia.

Figure 5. Export of Fish and Fishery Products to EU and Third Countries, 2011- 2015 (MT)



European Union (EU) Third Countries

Source: Bulgarian National Statistical Institute

The structure of exports by type of product in 2015 consisted of 6,102 MT of fish, crustaceans and molluscs (live, fresh, chilled, frozen, smoked, or salted) and 3,646 MT of processed fishery products, such as ready food, fish cans, caviar, and canned crustaceans and mollusks.

Compared to the previous year there is a notable increase of the exports of fresh and chilled fish (61.4%) and smoked, salted, and dried fish (58.5%). The exports of live fish and crustaceans increased by 48.1% and 17.6%.

Frozen fish exports accounts for 32% of total exports of fish, filets, crustaceans, and mollusks in 2015 at 1,993 MT (including re-export of imported fish, mainly mackerel). Over 45% of the exported frozen fish consists of sprat and European sprat – 875 MT, up 27% compared to 2014, due to a bigger catch. The export of frozen mackerel is down by 46% to 549 MT. Traditionally, the export of frozen fish to Romania was the highest (1,500 MT).

The exports of mollusks in 2015 was down by 26.6% at 1,169. Main destinations for these products were Republic of Korea (400 MT), Japan (400 MT), and Greece (200 MT).

Total exports of processed fishery products in 2015 was 3,646 MT, which represents 15.7% increase as compared to 2014. Main destinations for processed fishery products were Sweden (1,400 MT), Romania (800 MT), Japan (400 MT), and Republic of Korea and Greece (300 MT each).

Table 4. Export of Fish and Fishery Products by Type, 2012 – April 2014 (MT)

Product	2014	2015	Change
			2015/2014
Fish, fillet, crustaceans, mollusks, incl:	**5,912**	**6,102**	**3.2%**
Live fish - fresh water and marine	839	1,243	48.1%
Fish - fresh and chilled, excluding fillet	628	1,014	61.4%
Fish - frozen, excluding fillet	2,163	1,933	-10.6%
Fillet and other fish meat - fresh, chilled, or frozen	320	227	-29.1%
Fish - dried, salted, smoked	256	405	58.5%
Crustaceans	43	51	17.6%
Mollusks	1,592	1,169	-26.6%
Water invertebrate, other than crustaceans and mollusks	70	60	-13.2%
Processed fishery products, incl:	**3,152**	**3,646**	**15.7%**
Ready food, caviar, fish cans	1,179	1,361	15.5%
Canned crustaceans and mollusks	1,973	2,285	15.8%
Total fish and other water organisms and fishery products	**9,063**	**9,748**	**7.6%**

Source: Bulgarian National Statistical Institute Data, Through Ministry of Agriculture and Food's Agrarian Report 2016

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 fishermen 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 have taken action to ensure the European fishing industry is sustainable and does not threaten the fish population size 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 1 January 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 4 main policy areas:

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

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 must be properly labeled. The Publications Office of the European Union issued a pocket guide to the EU's 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. For further information, please consult the legislation listed on page 15 and the provided links.

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 – Oct. 31, 2014) and by the customs value. For the customs classification of goods, the EU uses the Combined Nomenclature (CN) established by Council Regulation 2658/87. This eight-digit coding system is based on the Harmonized System (HS) which is also the basis for the import and export codes used by the U.S.

The full list of fish and seafood products duties can be found in Chapter 3 (page 52-73) here.

Bulgarian Fish and Seafood Importers

Please contact the Office of Agricultural Affairs in Sofia, Bulgaria for an updated list of fish and seafood importers.

Table 5. English/Bulgarian Names of Fish and Shellfish

Anchovy	Аншоа
Anglerfish	Морски дявол
Atlantic bonito	Паламуд
Barbell	Мряна
Barramundi	Барамунди
Bass	Костур
Black carp	Черен амур
Blue fish	Лефер
Blue Mussel	Черна морска мида
Brown trout	Речна пъстърва
Carp	Шаран
Channel catfish	Канален сом
Cod	Треска
Common bream	Платика
Common carp	Бял толстолоб
Conch	Рапан
Crawfish	Рак /речен/
Crayfish	Рак /езерен/
Cuttle Fish	Сепия
Danube herring	Карагьоз
Eel	Змиорка
European hake	Мерлуза
European Sprat	Цаца
Gilthead bream	Ципура
Goby	Попче
Grass carp	Бял амур
Gurnard	Тригла
Herring	Херинга
Jackfish	Щука
Lobster	Омар
Mackerel	Скумрия
Mullet	Кефал
Mussel	Мида
Needlefish	Морска игла

Octopus	Октопод
Oyster	Стрида
Prawn	Едра скарида
Prussian carp	Сребриста каракуда
Rainbow trout	Дъгова пъстърва
Ray	Скат
Red mullet	Барбун
Scad	Сафрид
Seabass	Лаврак
Seabream	Ципура
Scallop	Вид мида
Shrimp	Скарида
Silver carp	Пъстър толстолоб
Soft-shell Clam	Пясъчна мида
Sping dogfish	Бодлива акула
Squid	Сепия
Sturgeon	Есетра
Swordfish	Риба-меч
Tench	Лин
Thornback ray	Морска лисица
Trout	Пъстърва
Tuna	Тон
Turbot	Калкан
Zander	Бяла риба

Exchange Rate: U.S. $1 = BGN 1.8 (April 2017)

Table 6 Forecast Sales of Processed Seafood by Category: % Volume Growth 2016-2021

Volume Growth (%)	2016/17	2016-21 CAGR	2016/21 Total
Processed Seafood	2.60	2.40	12.60
- Shelf Stable Seafood	3.50	3.35	17.91
- Chilled Processed Seafood	2.53	1.35	6.93
- Frozen Processed Seafood	0.79	1.23	6.28

Source: Euromonitor International

Table 7. Forecast Sales of Processed Seafood by Category: % Value Growth 2016-2021

% constant value growth	2016/2017	2016-21 CAGR	2016/21 TOTAL
Processed Seafood	0.94	0.20	0.99
- Shelf Stable Seafood	1.03	0.80	4.06
- Chilled Processed Seafood	0.00	-1.39	-6.75
- Frozen Processed Seafood	1.83	0.74	3.78

Source: Euromonitor International

FAS Sofia's Contact Information:
Embassy of the United States of America
Office of Agricultural Affairs
16 Kozyak Street
1408 Sofia, Bulgaria
Tel: +359-2-939-5774
Fax: +359-2-939-5744
E-mail: agsofia@fas.usda.gov
Web: http://bulgaria.usembassy.gov/fas.html

End of Report