

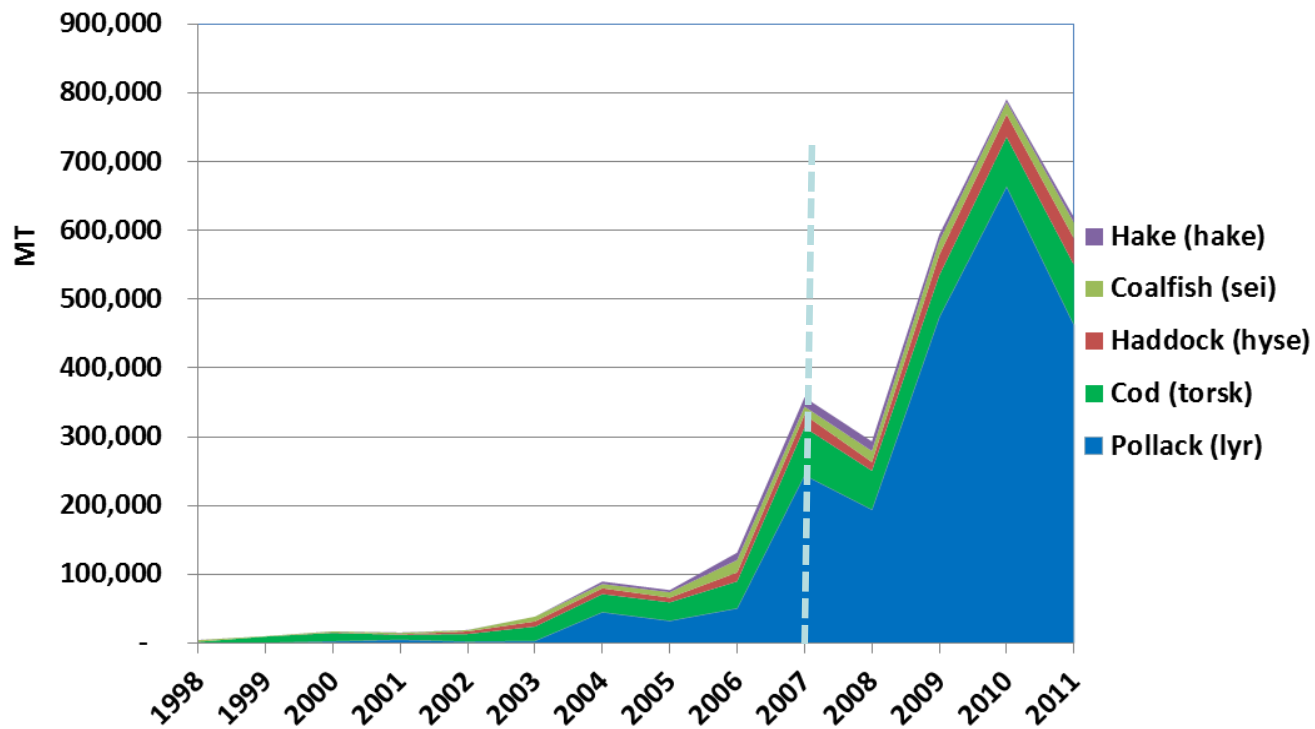


Hva skjer i Kina: Økonomisk utvikling og konsekvenser for sjømatindustrien

Jinghua Xie

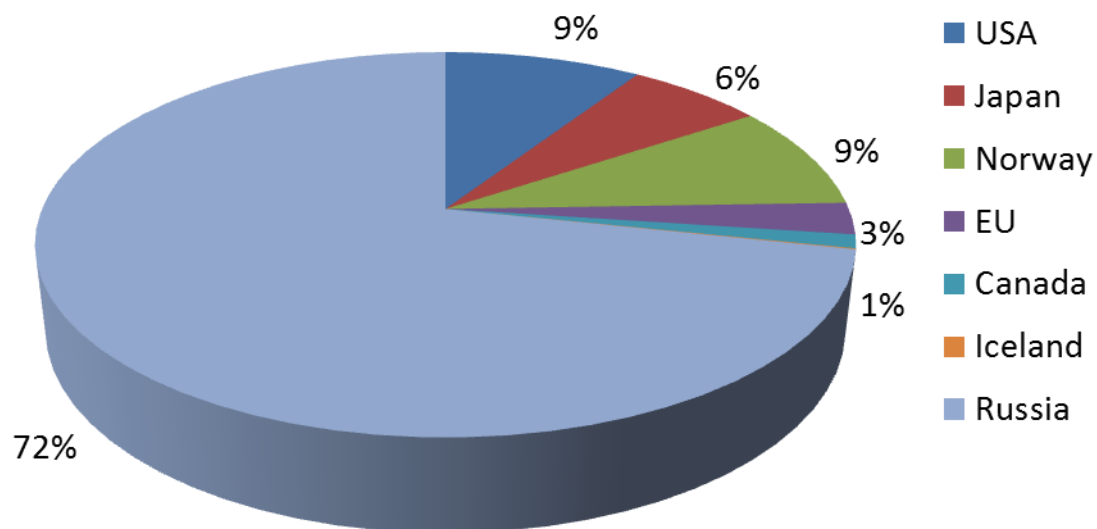
Tromsø Business School, University of Tromsø

Chinese Import of White Fish



Main Exporting Countries to China

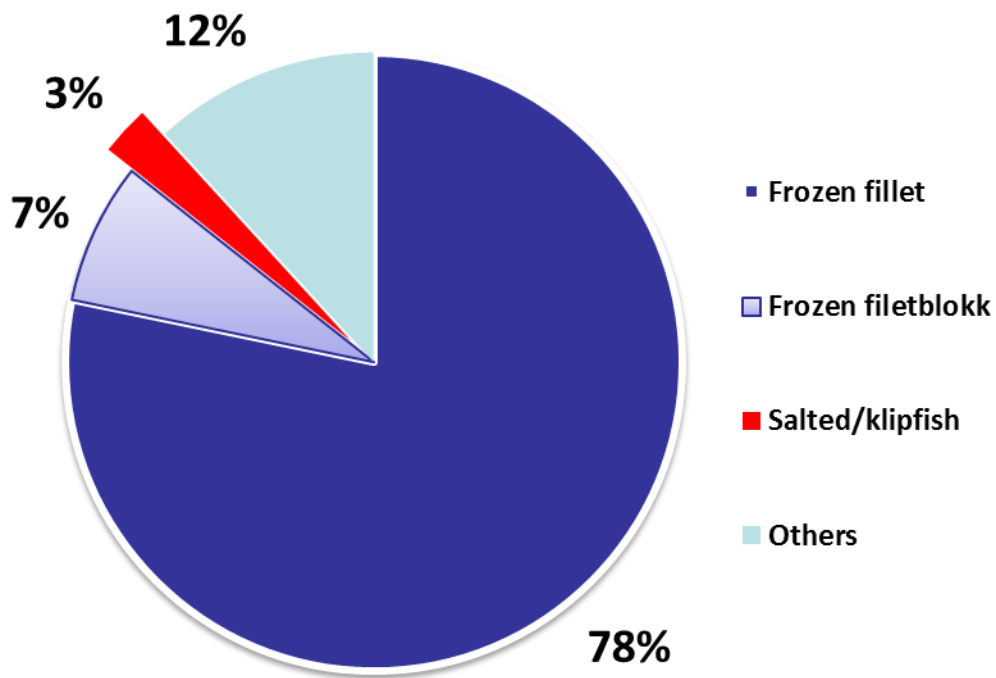
2007-2011



Chinese Export of White Fish



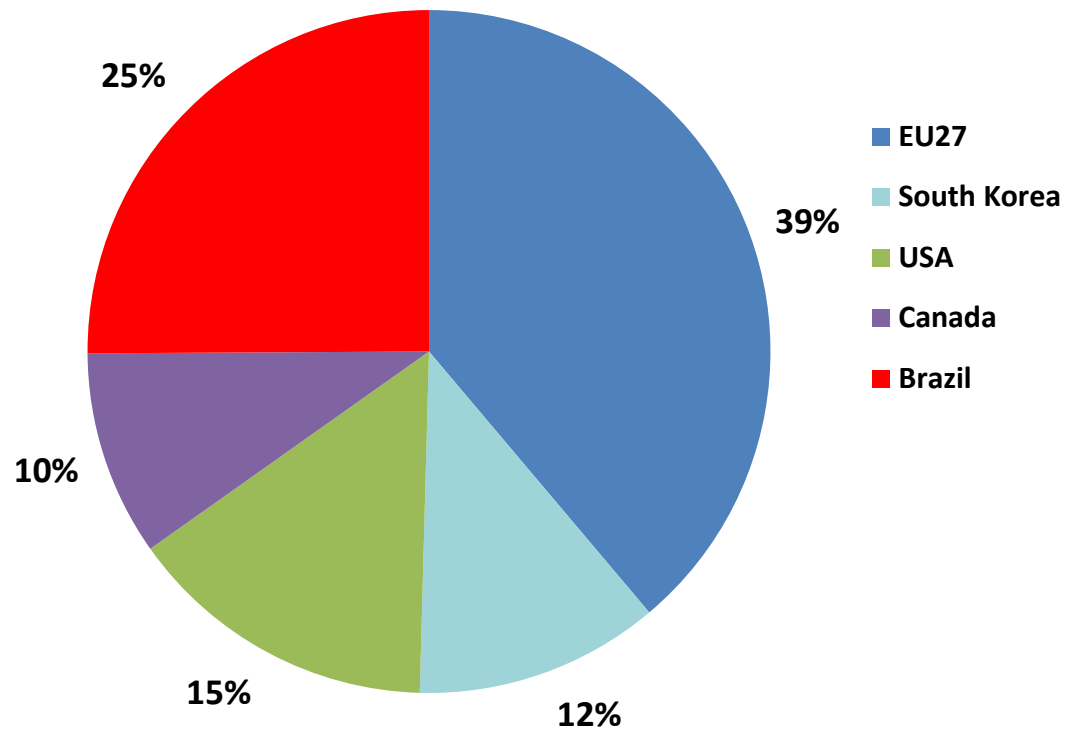
Export Product Forms (2008-2011)



Chinese Export of Salted Fish



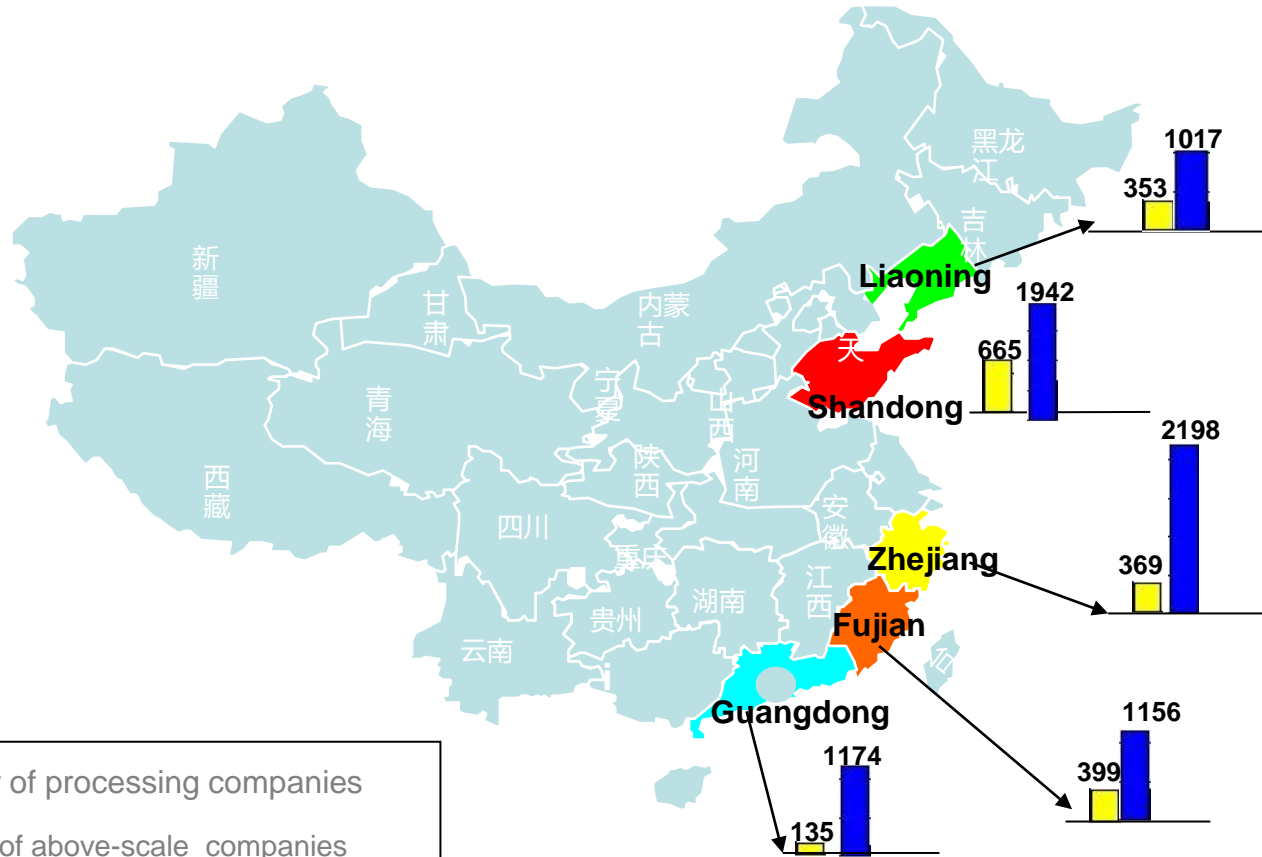
Export Markets of salted/Kippfisk/Tørrfisk
(2010-2011)







Processing

Aquatic Product Processing Industry



 Number of processing companies

 Number of above-scale companies (annual production capacity more than 5 million tons)

	Import Price (\$/T)	Export Price (\$/T)
Pacific cod	2350-2800	4400-5000
Atlantic cod	2500-2900	4500-5000
Haddock	2400-2500	4000-4500
Pollock	1300-1400	2400-2600

- **Yield rate**

Pollack: 67%-72%

Cod: 75%-80%.

In general: 70%

- **Cost**

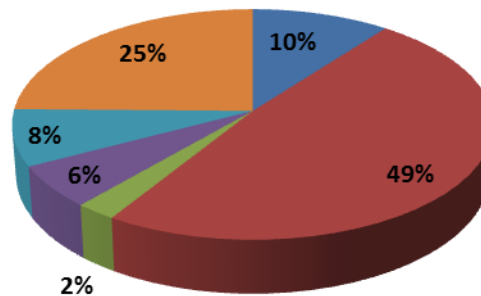
Total: \$1010-\$1060/T

Labor: 49%

Water& electricity: 10%.

- **Profit**

Maximum: \$100-200/T



■ Water and electricity

■ Wage

■ Quality control and management

■ Low-value consumables

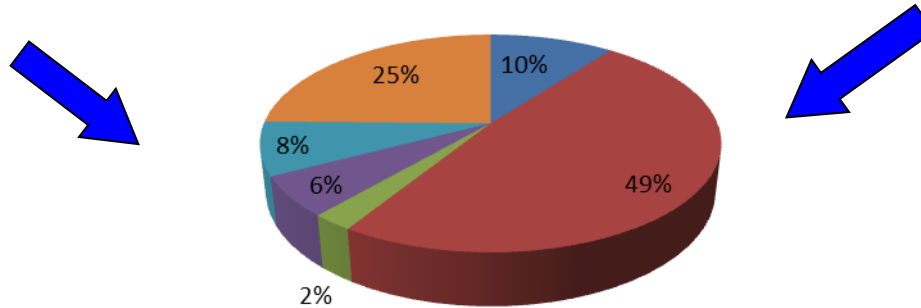
■ Depreciation

■ Transportation and custom

**Import price
of Atlantic cod
(\$2500-2900)**

processing

**Cost of raw fish in
value of frozen
fillets (\$3333-3867)**



Processing cost: \$1010-\$1060/T

Processing

**Expected export price of frozen fillet
(\$4343-4877)**

2012 Cod



(\$4343-4877)

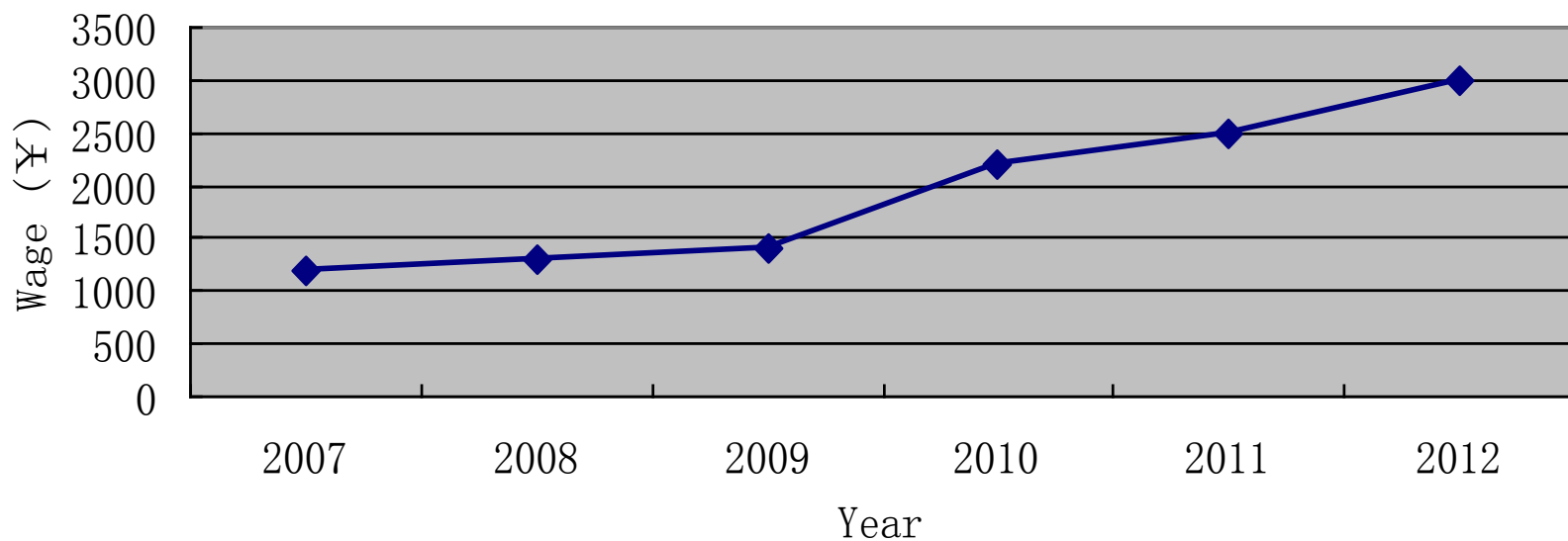
	Import Price (\$/T)	Export Price (\$/T)
Pacific cod	2350-2800	4400-5000
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Increasing Wage Cost



The Trend of Workers' Average Wage in Aquatic Product Processing Enterprises from 2007 to 2012 in Shandong Province



2013 Cod



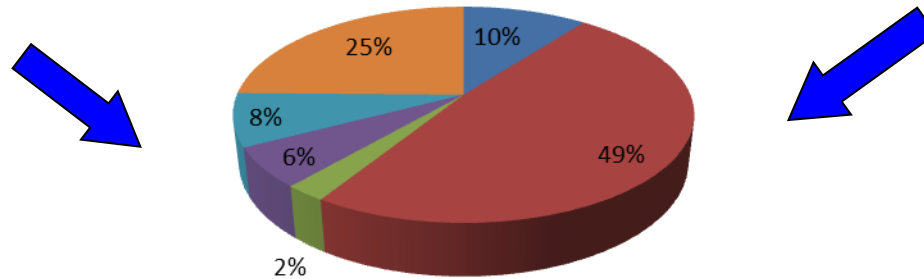
(\$4441-4975)

	Import Price (\$/T)	Export Price (\$/T)
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Haddock	2400-2500	4000-4500
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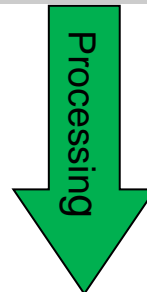
**Import price of
pollock
(\$1300-1400)**



**Cost of raw fish in
value of frozen fillets
(\$1733-1867)**



Processing cost: \$1010-\$1060



**Expected export price of frozen fillet
(\$2743-2877)**

2012 Pollock



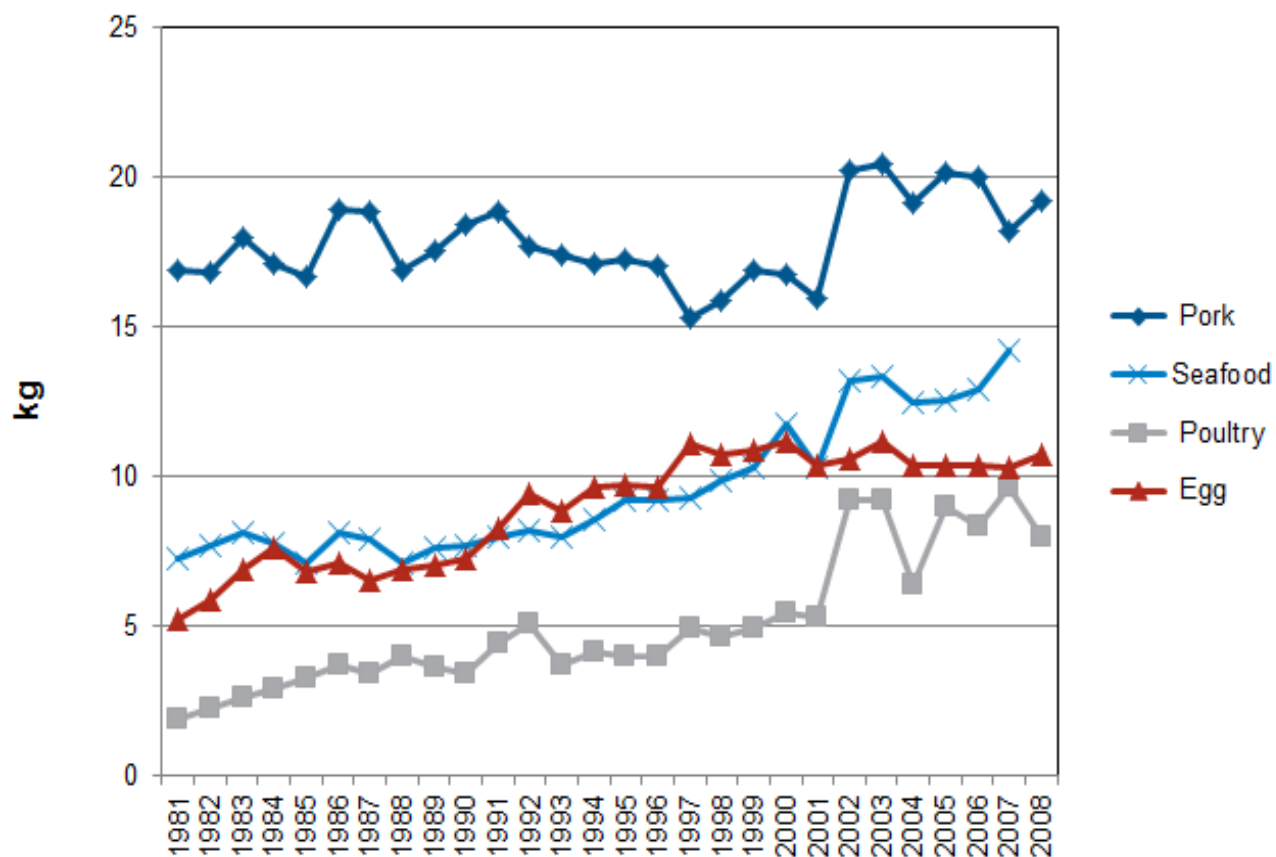
(\$2743-2877)

	Import Price (\$/T)	Export Price (\$/T)
Pacific cod	2350-2800	4400-5000
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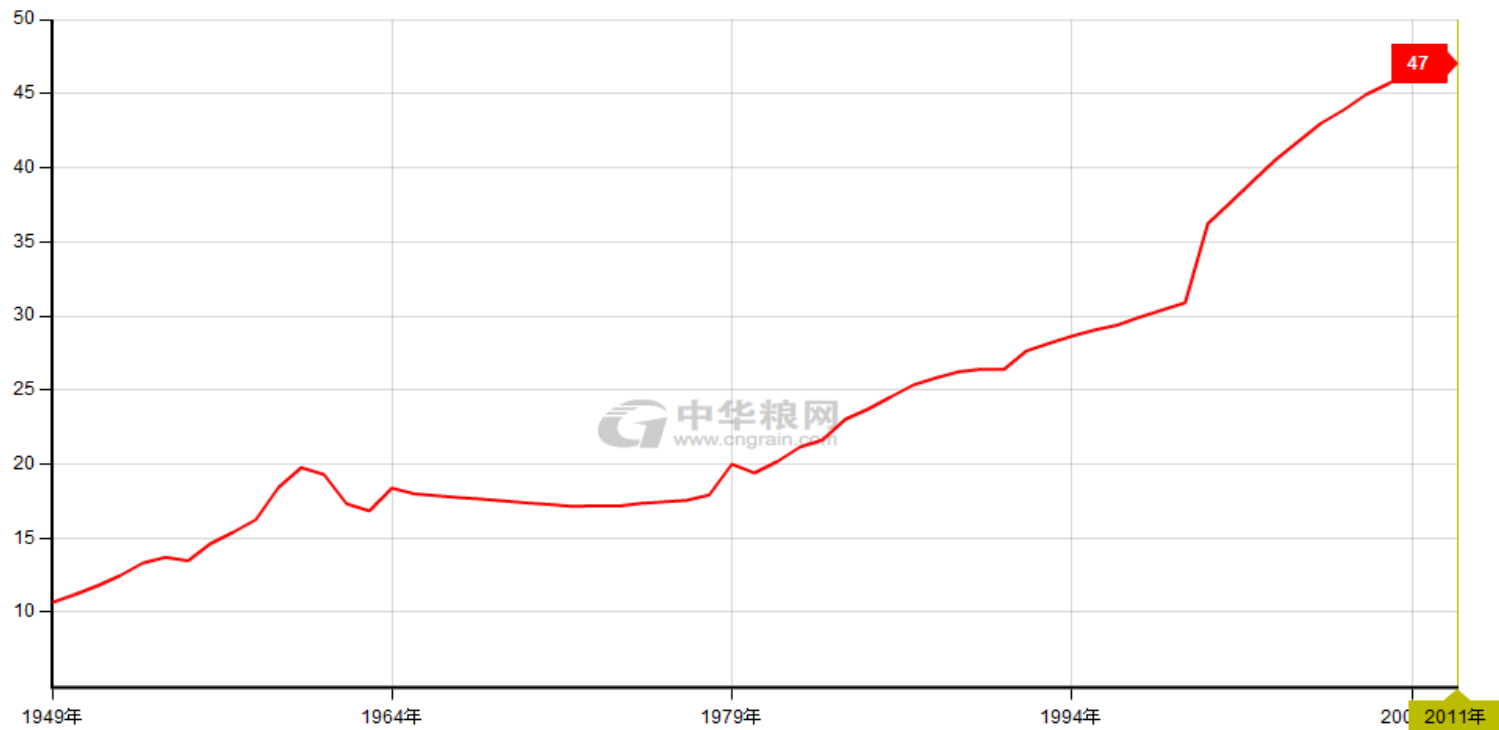


Consumption

Per Capita Seafood Consumption in Urban China

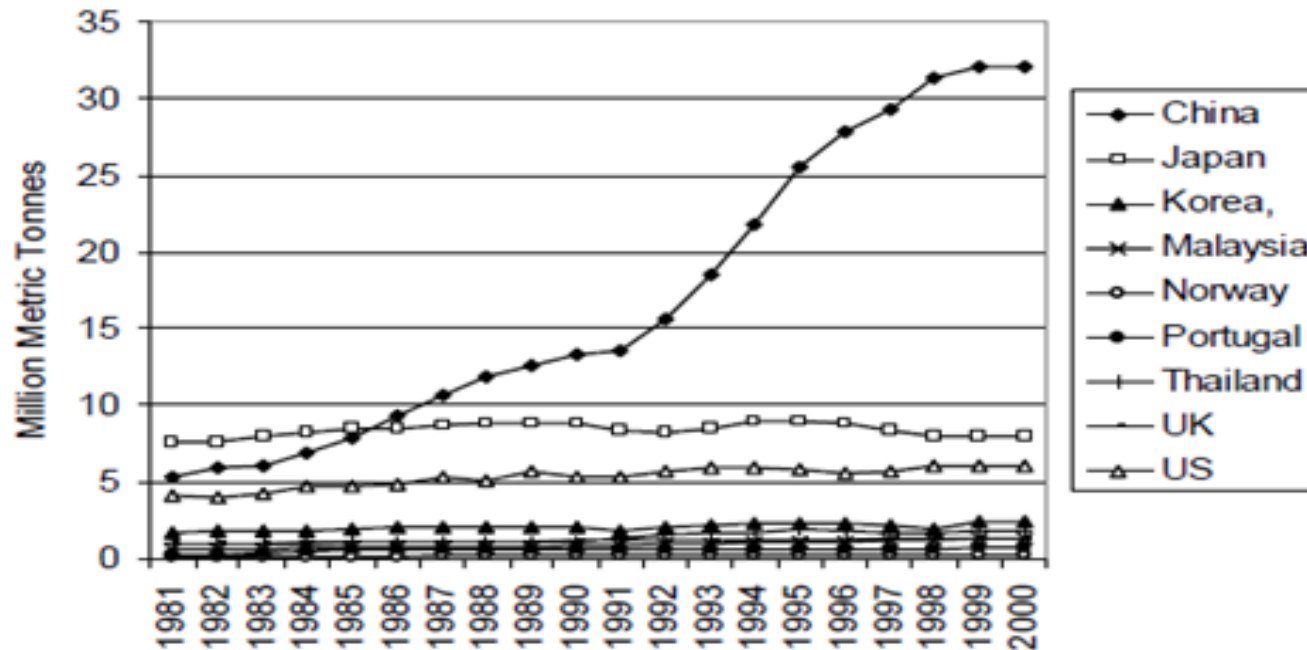


Urbanization Rate



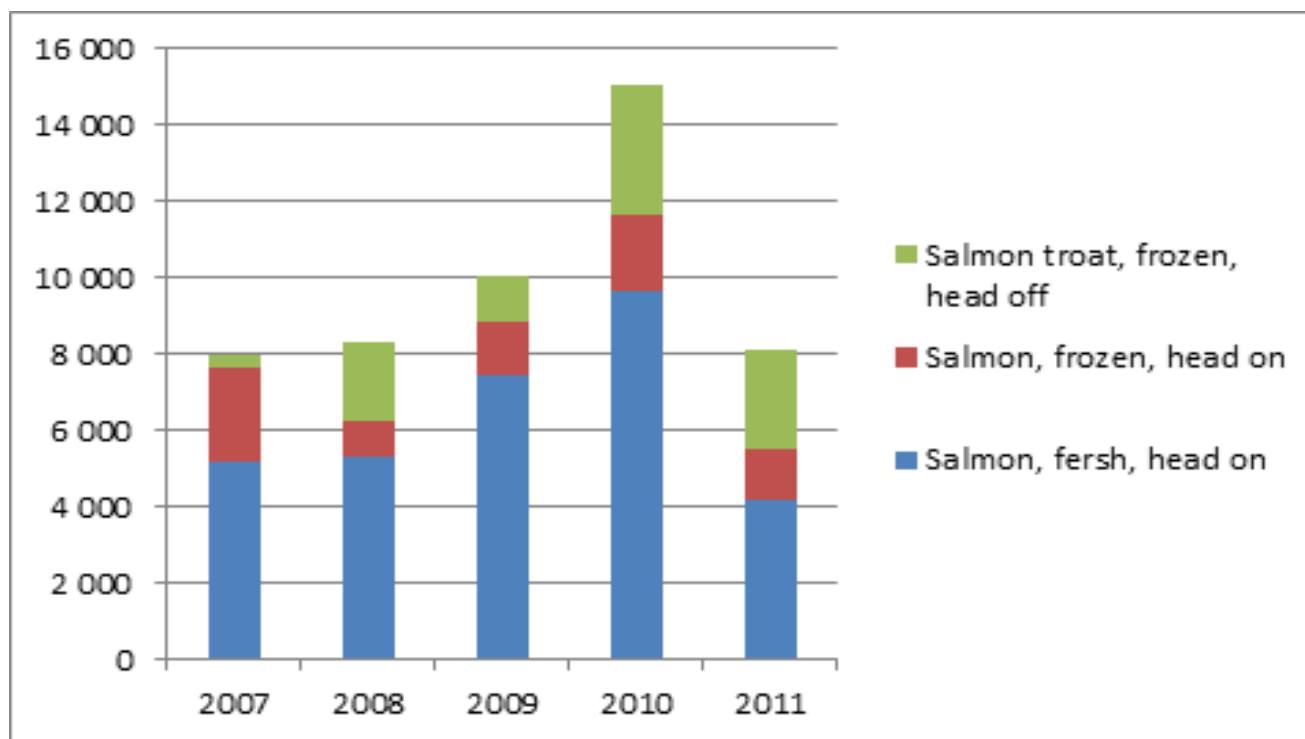
Source: <http://datacenter.cngrain.com/IndexMacroEcoView.aspx?MId=11&IId=32>

Seafood consumptions for the whole population in selected eastern and western countries

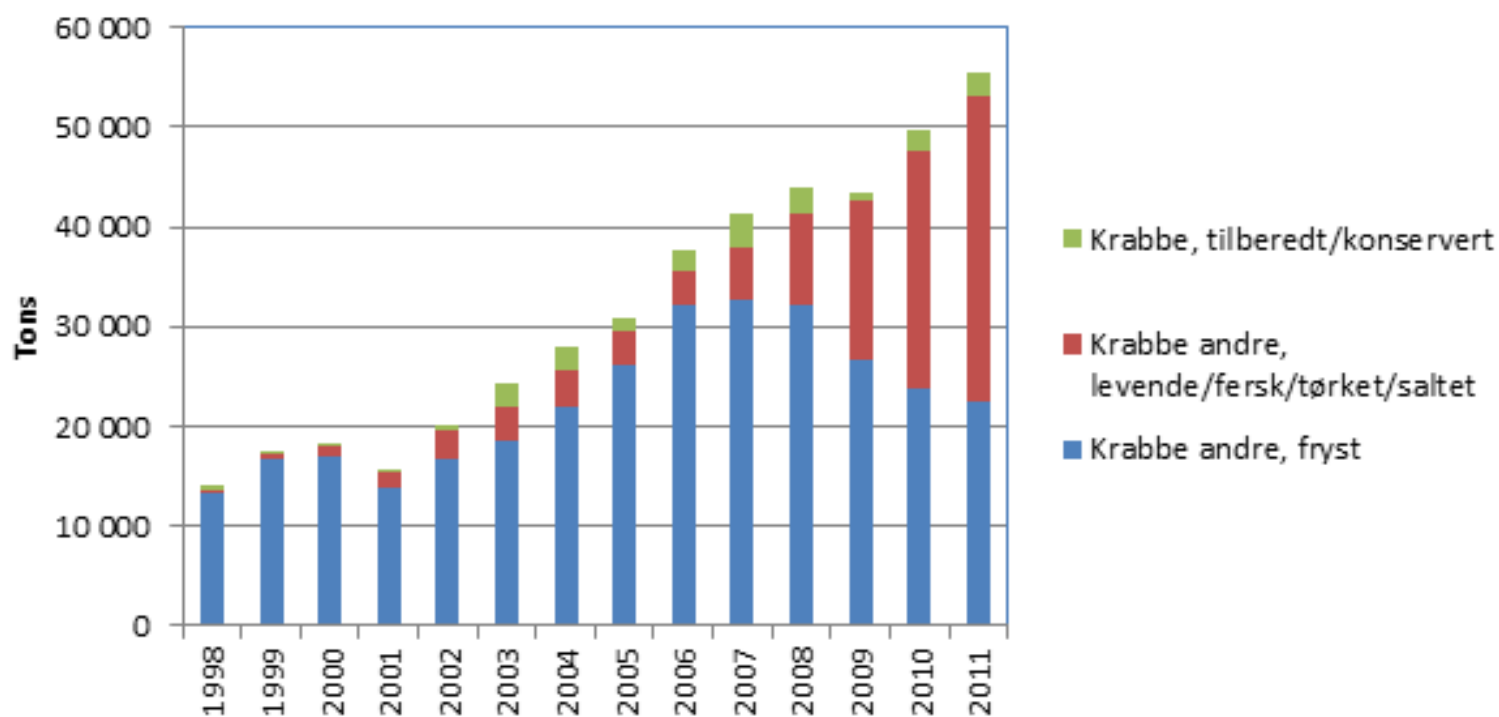


Source: FAO 2002 in Clarke, S. (2004)

Chinese Import of Salmon from Norway



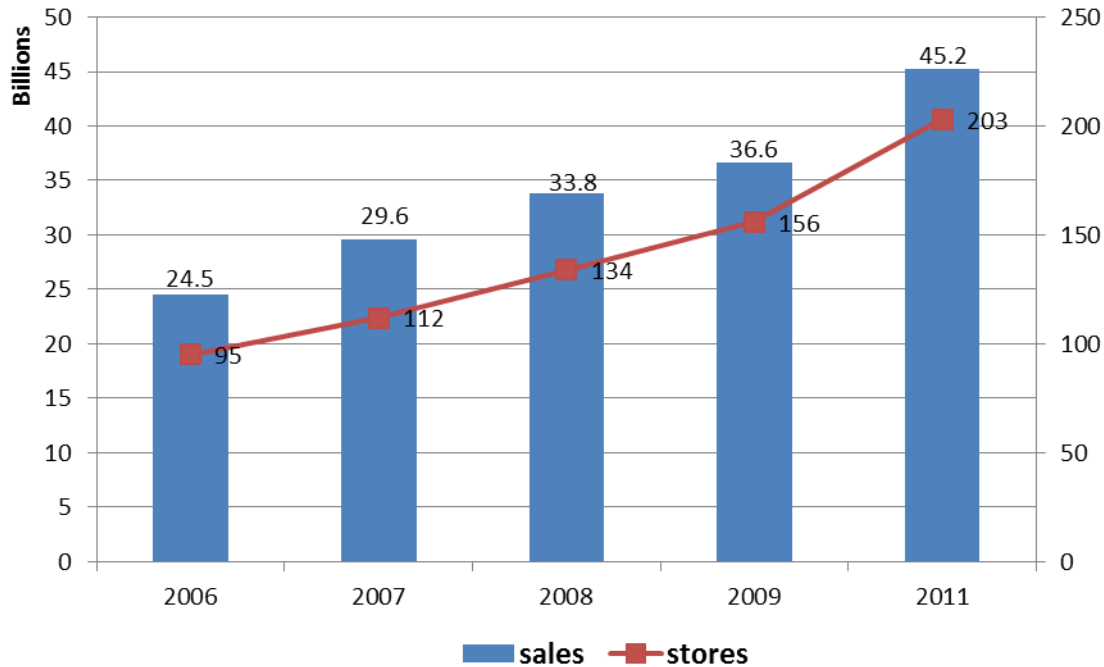
Chinese Import of Crab







Carrefour in China



KFC in China





KFC (yum) in China



% of 3Q 2010 sales



% of 3Q operating profits

SOURCE: YUM! BRANDS; PHOTOS: THINKSTOCK

Source

<http://money.cnn.com/2011/01/19/news/companies/thebuzz/>

Sushi in China



Conclusion

1. Chinese processing industry is earning tiny profit or is losing money.
2. Only high-value added processing sector will remain in China in the next years.
3. Domestic consumption for imported high quality seafood is increasing.



Thank you!