COMMISSION OF THE EUROPEAN COMMUNITIES

COM(87) 219 final

Brussels, 13 August 1987

REPORT FROM THE COMMISSION

<u>THE MARKET FOR SARDINES IN THE COMMUNITY : SITUATION AND OUTLOOK</u>

<u>Preliminary Assessment</u>

The sardine sector plays an important part in the socio-economic balance of certain coastal regions of the Community. Although it does not involve more than 5% of the total catches in the enlarged Community, sardine fishing accounts for more than one third of the activity of the Portuguese fleet, 15% of the Spanish fleet and 10% of the Greek and Italian fleets; sardine fishing, which is seasonal, supplies a food industry providing an important source of employment in coastal areas particularly dependent on inshore fishing.

The accession to the Community of two countries which are among the most important producers of sardines in the northern hemisphere on the one hand and the development programmes for the sector implemented or planned in Morocco, Tunisia and the Canary Islands on the other hand, have a significant impact on the traditional Community sardine industry, which benefitted hitherto from the Community preference on an internal market which was a substantial net importer.

This preliminary assessment, which is based on the figures currently available, analyses the present situation in the sector and the prospects for the future. The report seeks to identify the technical and commercial measures which are necessary and the approach which should be adopted at the industrial level in order to re-establish an economically viable structure able to make an active contribution to eliminating the socio-structural disparities affecting the less-favoured coastal regions. This is all the more necessary in that there appears to be surplus capacity in the sector.

./.

I. THE SITUATION

1. Production

Sardine fishing in the Community, where the species is covered by a protected name which relates only to products caught in the North-East Atlantic and the Mediterranean, is presently carried out only in the coastal waters of the Member States, with the exception of fishing by the Canary Islanders which strictly speaking does not constitute Community production and is carried out in the waters of the neighbouring coastal states on the west coast of Africa.

Present catches of around 330 000 tonnes per year (excluding the Canaries) do not appear to create any problems as regards the management of available stocks. Before enlargement, Community production was much lower and did not exceed 100 000 tonnes.

The accession of the two new Member States to the Community resulted in a reversal of the ratio between Atlantic and Mediterranean production. The Atlantic, which accounted for only about 15% of production in the Community of Ten, now provides more than two thirds. While the catches all belong to the same species, they differ in quality and in average size; Atlantic sardines are more suited to skinning and boning while Mediterranean sardines, although generally too fragile to undergo processing of this type, are of a size more suitable for canning.

Production has been relatively stable over the last few years. The increase in the quantities produced in the Mediterranean in the early 1980's was caused by the attraction of the withdrawal system, the cost of which was met by the Community budget without any financial co-responsibility on the part of the fishermen concerned. Since 1983, thanks to the introduction of a degressivity mechanism in the EAGGF intervention and of producer co-responsibility in the market organization mechanisms, production has returned to the levels of previous years, in line with the absorption capacity of the market.

./.

Sardine production is an important factor in the balance of the economy of the coastal regions of Mediterranean and Atlantic Member States and, in particular, the two new Member States of the Community.

In addition to the economic and social problems which it would immediately create, any disturbance of this activity could lead ultimately to a shift in fishing from sardines to other species, thereby threatening the rational management of stocks in the Mediterranean, in the south of the Bay of Biscay and along the coast of Portugal, as well as on the North and North-West coast of Spain. Possibilities of converting or diversifying the fleets engaged in such fishing are limited and their dependence on this product is therefore very considerable.

2. Marketing

i) Almost all Community sardine production is disposed of on the Community market. There are two main outlets: the market for fresh sardines and that for tinned sardines. Small quantities are sold for salting or smoking and to the freezing industry. Unlike the situation in the Canary Islands or Morocco, in the Community no sardines are caught specifically for the meal industry though the latter does provide an appreciable outlet for withdrawals and waste from the canning industry in Portugal.

ii) The prices fetched on the market for fresh sardines, on which fishermen are heavily dependent, vary according to the competition and the degree to which sardines can be replaced by other fishery products marketed without any substantial processing; the withdrawal price operates more in the way of a "disaster price", functioning as a safety net in the event of difficulty in disposing of production rather than as a factor regulating the average price; the fixing of the withdrawal prices themselves at a level which would make it profitable to fish for sardines could only lead to structural surpluses with no particular effect on consumption.

./.

On the market for products intended for processing, on the other hand, levels of Community prices are a deciding factor in the process of price formation insofar as they serve as a reference for the negotiation of supply contracts before the fishing year commences. Overall, the Community canning industry absorbs at least one third of the catch and this situation is the result of the sardine fleet's relatively heavy structural dependence on the manufacture of preserved products.

iii) That dependence is all the greater now that the price mechanism for the supply of the canning industry has been supplemented by special price support measures for Mediterranean fishermen in France, Greece and Italy, as decided at the time of accession.

Those measures are subject to a production ceiling of 43 000 tonnes, which is equivalent to the volume supplied by these three countries to the Community market before enlargement, and the mechanism itself should therefore not lead to any expansion of production.

To obtain the allowance in the 1987 fishing year, for example, the minimum selling price to be observed is 370 Ecu/tonne and the allowance is 210 Ecu/tonne for Mediterranean production in the Community of Ten. Through a regionalization factor applying to Atlantic sardines of size 3 in Spain and Portugal, the price for that size is maintained at the same level as that for size 2. Whatever the category of product used by the industries in the various Member States, therefore, the price of access to the raw material is 160 Ecu/tonne throughout the Community. In the two new Member States this system has not yet caused any increase in the cost of the raw material, as compared with the price levels which applied there before enlargement.

./.

Though this mechanism helps to prevent distortion of competition between processors in the enlarged Community, it does ultimately lead to the uncoupling of that price from the world market prices for the product.

The Act of Accession provides that the price for Atlantic sardines, which applies to the largest size so as to meet the requirements of the canning industry in the Community, should be progressively aligned on the Mediterranean price. In view of the price differences existing in 1987 (1), this will mean an increase in prices by the end of the transitional period, of approximately 50% for size 2 and more than 100% for size 3, raising the cost prices for processed products by between 7 and 15%.

Such an alignment upwards is a serious handicap to maintaining the competitive capacity of Community industries, whose wage bill is also high as compared with non-member countries.

In this connection, it should also be stressed that even when supplies of raw materials are imported from non-member countries, the difference in costs remains the same because of the reference price mechanism provided for in the rules governing the market organization.

However, for the oils incorporated in the product, possibilities of supply are adjusted so that the purchase prices paid by the Community industry are comparable with those in non-member countries.

./.

(1) See Annex

3. Processing

No precise conclusions can be drawn from an appraisal of the situation on the basis of statistical data, given the lack of homogeneity of the basic data, expressed, as the case may be, in net weight or net weight with intermediate wrappings. Community production of tinned sardines may nevertheless be estimated at approximately 70 000 tonnes per year (net weight).

Likewise, the statistics available do not make it possible to determine with accuracy the Member States' overall production capacity.

Before enlargement, the Community of ten was a net importer of canned sardines. The two main suppliers were Morocco and Portugal with whom preferential agreements had been concluded; the tariff concessions on canned sardines granted within this framework reduced the rate for Portugal to 10% subject to compliance with minimum prices and for Morocco to 0% under the same conditions; since no agreement was reached with Morocco on minimum prices the Community introduced autonomous quota arrangements for 14 000 tonnes of canned sardines at 0% and 6 000 tonnes at 10%. Spain is still subject to the common customs arrangements applicable to non-member countries, i.e. a customs duty of 25% with the application of quantitative restrictions in France; Spain's exports to the Ten between 1973 and 1985 have decreased from 5 000 tonnes to 600 tonnes.

The transitional measures for canned sardines in the Act of Accession cover a period of 10 years. They involve the gradual elimination of quantitative restrictions on Spanish goods in France and the gradual dismantling of customs duties in intra-Community trade; for the two new Member States these customs duties will be dismantled on the basis of the basic rates applicable to them on 1 January 1985, in accordance with Articles 30 and 169 of the Act of Accession.

Since 1980, tinned sardine production has increased slightly thanks to a substantial increase (approximately 35%) in Italian production followed by a more moderate increase (approximately 9%) in Portuguese production.

Over the same period, imports from non-member countries into the Community increased significantly (+ 22% between 1981 and 1985), while exports, which had slumped in 1982, came back up in 1985 to a level close to that of 1981. However, this recovery should probably be put down to the introduction of the product into food aid programmes. The balance of trade in preserved sardines with non-member countries seems close to equilibrium, which makes the Community almost self-sufficient overall. The level of internal net consumption appeared to rise over the period, although it has been too short for any long-lasting trend to be discerned.

Community production of tinned sardines faces fairly strong competition both on the Community market and on the international market.

World production of tinned sardines from the species "Sardina pilchardus" is estimated by the FAO to amount to 170 000 tonnes per year. World production of other species in tins is approximately 260 000 tonnes per year and represents a potential source of competition.

While the latter products are not direct substitutes for European tinned sardines and must not be considered as directly competing products in every case, the potential threat which they represent to the market should not be minimized. Figures for imports of such products into the Community are not given separately but they are still negligible, with the exception of the United Kingdom market where imports of tinned pilchards from Chile, Peru and Japan appear to be as high as those of tinned sardines.

On the international market this competition appears to be more direct, particularly in Africa and the United States, where Community production faces competition from tinned pilchards from Latin American countries or tinned brisling from Norway.

II. OUTLOOK

i) On the basis of the scientific data available, the level of Atlantic and Mediterranean stocks shows no sign of deteriorating; sardine production in the Community and in the waters of non-member countries may thus be maintained and even increased.

Under these circumstances, the outlook for the fleet and the industry is not subject to considerations of conservation but mainly to constraints of an economic or commercial nature.

ii) The very slow expansion of the internal market (approximately 2% per year) is, on the other hand, a worrying sign: the demand for tinned sardines is not keeping pace with the increase in consumption of comparable products such as tinned tuna (more than 6% per year), precooked fish products, etc. If the present trend keeps on, internal demand for tinned sardines should not reasonably be expected to average more than 70 000 tonnes per year, with the result that the Community will continue to produce a slight surplus.

This situation may nevertheless be improved by an increase in consumption, particularly in Italy, where, per capita, consumption is lower than the Community average and where the beginnings of a downward trend are also emerging.

./.

As far as the sardine fishermen are concerned, the situation could improve as the demand for fresh sardines increases, particularly on the markets of the new Member States which are major consumers of fish; in those countries sardines are much in demand, particularly in view of the low prices at which they are offered.

iii) Trade in sardines involves the customs territory of the Community and a very small number of non-member countries (Morocco, Tunisia and Yugoslavia) with which the Community is bound by preferential arrangements entailing tariff reductions on substantial quantities, as well as involving the Community territory, outside the customs union, in the Canary Islands.

General policy and specific obligations rule out any increase in the protection currently granted to the Community processing industry. On the contrary, if the Community's considerable fishing interests in the waters of those countries are to be safeguarded, commercial cooperation should be stepped up to ensure that partner states enjoy all the benefits they are entitled to expect from the economic and commercial cooperation agreements already concluded as well as the fisheries agreements contemplated or being negotiated. For similar reasons, subsidizing the expansion of Community exports to solvent external markets would be bound to undermine the special relations those agreements involve and would deliberately jeopardize the achievement of the objectives they lay down.

It should also be noted that Portuguese exports of certain types of sardine to the United States are no longer covered by the General System of Preferences as they were before Portugal joined the Community. However, the value of the exports concerned is too slight to entail any significant commercial losses.

./.

Similarly, exports from Spain have lost a certain competitive advantage owing to the discontinuation of the fiscal relief arrangements for which they qualified before enlargement.

*

* *

Under these circumstances, balance in this sector depends on the extent to which production is in line with known requirements, which offer only limited prospects for expansion. The present balance in this sector appears highly precarious and its maintenance mainly depends on the constant adjustment of catches to the requirements of the market for fresh products and of the canning industry. At present that balance is threatened by the policy of upward price alignment, the disturbing effects of which will increase in geometrical progression each year.

In the future the Community sardine industry as a whole will have to work in a trade context which will be even more open to international competition, to meet a solvent demand capable of only little expansion.

Sales promotion measures, both on the internal market and on the markets of non-member countries, should therefore be planned for the future, with the principal aim of stimulating consumption.

In addition, the various branches of this sector form an indivisible whole within which the viability of each branch depends on that of the others and determines the way it functions.

The preservation of the vitality of the sardine sector is thus definitely in the Community's interest, in view of its importance to the economy of the coastal regions.

./.

Seen against this background, the future of the fishing fleet and the processing industry depends on the ability of undertakings to offset the disadvantages of the high production costs they bear, as compared with their foreign competitors, by improving productivity at all the various stages of production, processing and marketing.

To promote such innovation, accompanying measures should be adopted to ensure that competition remains within limits compatible with the general objectives of the Community and to encourage private initiative, which is vital if the industrial fabric is to be restored.

III. ACCOMPANYING MEASURES

1. Supply

The Community's advanced state of development does not allow the prices for the raw material to be aligned on those applying abroad; on the other hand, it does allow the processing industries to obtain a product whose quality characteristics are such that a higher yield can be obtained from the raw material. Standards should therefore be raised so that the Community prices policy is based on a product meeting the requirements of a highly automated industry.

Quality improvements will, of course, call for a special effort to modernize the fleet and transport and storage facilities, in order to keep the product fresh and prevent it from being damaged at any stage in the chain; this can only be achieved by highly selective on-board installations and by a considerable improvement in unloading, transport and pre-processing storage facilities.

./.

For its part, the Commission intends playing an active part in the provision of such facilities by giving priority to the execution of multiannual programmes submitted by Member States pursuant to the Regulation adopted by the Council at its meeting of 19 December 1986 (Regulation (EEC) No. 4028/86).

Furthermore, the Commission intends to help raise common quality standards by adjusting the corrective coefficients applying in the market organization in line with the productivity objectives pursued under the structural policy and by reviewing the characteristics of the pilot product selected for the fixation of guide prices. In addition, the Commission would point out that the prices policy pursued within the market organization must take account of the very narrow limits within which balance may be maintained to meet solvent demand. It would especially like to stress that the systematic raising of prices would increase production costs and inevitably hinder the launching of the restructuring process by cancelling out the incentive which the first increases in productivity could provide; in these circumstances, it would appear advisable that the price alignment mechanism provided for in the Act of Accession should operate during the transitional period in such a way that any price increases at the beginning of the period are delayed for as long as possible.

2. Processing

The Community industry has a wide assortment of processing capacity, ranging from highly automated undertakings to old-fashioned undertakings operating with obsolete equipment; this lack of homogeneity leads to short-term speculation for which there is no future and results in a disorganization of the industrial and marketing system.

./.

It should also be borne in mind that because of the lack of means of preserving fresh sardines in the past and the inadequacy of suitable means of transport the canning industry grew up locally and dependant on the level of catches corresponding to the seasonal peaks in each region.

Making the industry more efficient calls for sustained concertation in order to rationalize the overall production effort by modernizing plant. The Commission has reason to believe that current processing capacity exceeds demand and that the potential of those undertakings which are best equipped technically is greatly under-utilized, to the extent that their viability is jeopardized. This provisional conclusion requires confirmation by data to be supplied to the Commission by Member States.

If confirmation should be forthcoming the Commission considers that when the financial instruments for the structural adaptation of agriculture are implemented (Regulation (EEC) No. 355/77), consideration should be given only to those investment projects for modernizing the sardine canning industry which serve to adjust effective capacity in the sector in the framework of a medium-term plan whose conditions remain to be determined.

The Commission will lay down guidelines on the subject, particularly as regards the adjustment of effective capacity in the sector, on the basis of information which it will request from the member States for this purpose by means of an appropriate questionnaire. Account will also have to be taken of the trend recorded in solvent demand and the structure of trade.

Meanwhile the Commission, adopting a restrictive approach, will examine the projects submitted case by case and will decide in their favour only where the investments can be proved to be in line with the need to rationalize the sector.

./.

As a result of these guidelines, it will be possible to continue implementing the principles already adopted for drawing up Regulation No. 3722/85, adopted by the Council on 20 december 1985 setting up a system of structural aid for the reconversion of canned sardines in the Community of 10. This restructuring, which should take place over a period of three years, was provided for during the work on the enlargement of the Community with Spain and Portugal in line with the changes which had taken place in the structure of the market due to the enlargement.

Similarly, it would appear advisable to limit as much as possible the burdens which might derive, in the management of individual undertakings, from administrative measures applying under the Community rules on the payment of compensatory allowances to fishermen.

The present arrangements for paying the compensatory allowances laid down by Council Regulation (EEC) No. 3117/85 of 4 November 1985, provide that in the case of Mediterranean sardines the compensatory allowances for producers are to be paid to the processors. In practice, this entails a fairly long verification procedure and the deferring of payment, even if the processor has already settled purchase invoices to the fishermen. Such delays entail heavy financial costs which should be eliminated or reduced.

The Commission is currently examining this technical matter and calls on the Member States to take suitable measures to remedy the situation by improving investigation procedures.

3. Marketing

i) If production is to be economically viable in the long term, a constant marketing effort is required to stabilize and to increase consumption; the most striking means of communication must be used to promote the product in various presentations and the technically most advanced laboratory techniques will be needed to devise new preparations.

./.

Under the structural instruments which have recently been adopted and the specific accession-related measures to facilitate the adaptation of the Ten's industries, cash is available for this purpose and marketing campaigns have already been undertaken. In due time their effects should be evaluated. The possibility of supporting measures for canned sardines was, in effect, introduced into the Community system by Regulation No. 3722/85 under measures to adapt the canneries of the Community of Ten to the conditions resulting from the accession of Spain and Portugal. This possibility for Community intervention, for all fishery products coming from species of which there is a surplus or there has been little exploitation, has been extended to all Member States by Regulation No. 4028/86.

ii) The development of the processing industry calls for a management strategy based on the profitability of investments forming part of a definite plan rather than on the search for speculative profits of a one-off transient nature.

Without calling into question the liberalization of trade, in particular by the lowering of tariff barriers and the elimination of non-tariff or equivalent obstacles, trade should nevertheless be organized in such a way as to preserve the industry from the real threats of dumping.

The Commission is of the opinion that the introduction of a minimum quality standard and a threshold price reflecting the minimum constraints on the manufacture of this type of product, irrespective of its origin, must usefully contribute towards accelerating the liberalization process; it would thus seem advisable to take into consideration compliance with such minimum standards in any negotiations on preferential relations and to adjust the relevant threshold price at the rate prescribed for aligning prices on the Community market.

./.

Arrangements of this type were approved and implemented between Portugal and the Community under the agreement concluded in 1982.

Internally, compliance with this minimum price level should be sought through the active cooperation of producers and processors, in particular by requiring appropriate undertakings to be given when the Community grants financial aid for investments.

iii) The development of trade under economic and commercial cooperation agreements must henceforward provide a coherent framework for the respective interests of the industries of non-member countries and those of the Community, in line with the overall outlook for the sardine market. To that end the Community must endeavour with its partners to make the fullest use of the preferential possibilities for access to the internal market; in the spirit behind those agreements, it would appear advisable to give priority access to processed products of higher commercial value and thus promote technical progress and maximize commercial profits.

The Commission is therefore of the opinion that the trade concessions which could still be contemplated with the non-member countries in question should be examined on the basis of a selection of the types or presentations of products covered by the preferences.

iv) The integration of Spain and Portugal into the Community tariff structure has altered the terms of their trade with certain non-member countries, in respect of which they used to be able to claim, in certain cases, entitlement to preferential arrangements or benefit from export-incentive tax measures.

Those changes, which are taking place because of the outcome of the GATT negotiations pursuant to Article XXIV(6), may disturb the balance of the sector by affecting the potential export capacity of the industry concerned.

./.

To make it easier for the industry to adapt, the Commission considers it necessary that a financial allowance be granted to offset temporarily and degressively the extra taxation that it must bear.

The adjustment of the industry to these new trade conditions requires that a special effort be made to preserve the trade network for the time required; under these circumstances the Commission considers that a special degressive premium should be granted to reduce the cost of the raw material and thus compensate for the effect of the extra burden on exports. The overall amount of the temporary allowance may be estimated at 300 000 Ecu/year and should be granted to the two Member States in terms yet to be defined.

The Community's part of the production of sardines
in the world production of this species

	1981	1982	1983	1984
World production	991 755	882 312	938 707	877 321
EEC production (+ Canaries)	469 216	466 848	407 638	395 820
Part EEC with Canaries	47.31 %	52.91 %	43.42 %	45.11 %
EEC production (- Canaries)	381 045	371 801	334 463	321 095
Part CEE without Canaries	38.42 %	42.14 %	35.63 %	36 60 %

(Source: FAO)

Distribution by fishery zone of the
Community production of sardines
(1984)

	North Atlantic Bay of Biscay	Central Atlantic Canaries	Mediterranean
SPAIN	97 234	74 725	44 441
PORTUGAL	95 261	83	--
ITALY	-	-	45 817
FRANCE	8 750	-	15 817
GREECE	-	-	10 456
Other Member States	3 627	-	--
TOTAL EEC	**204 872**	**74 808**	**116 223**

(Source: FAO)

Community production of sardines compared with the production of all fishery products in the EEC (Year 1984)

(in tonnes)	Total production	Sardine production	Part of sardine production
DENMARK	1 846 643	1 210	0.06 %
SPAIN (+ Canaries)	1 267 631	216 400	17.07 %
SPAIN (- Canaries)	1 143 631	141 675	12.39 %
UNITED KINGDOM	847 106	1 334	0.16 %
FRANCE	738 813	24 259	3.28 %
ITALY	495 028	45 817	9.25 %
NETHERLANDS	462 413	1 083	0.23 %
GERMANY	326 764	-	0
PORTUGAL	285 153	95 261	33.41 %
IRELAND	207 615	-	0
GREECE	100 000	10 456	10.46 %
BELGIUM	47 871	-	0
TOTAL EEC with Canaries	**6 625 037**	**395 820**	**5.97 %**
TOTAL EEC without Canaries	**6 501 037**	**321 095**	**4.94 %**

(Source: FAO)

Evolution of the Community production of sardines

(EEC 12 without Canaries)

	(Average) 1971 - 1975	1979	1980	1981	1982	1983	1984	1985
SPAIN	103 550	103 607	119 920	134 360	139 735	138 736	141 675	137 785
PORTUGAL	88 748	91 332	106 438	113 717	109 970	86 040	95 261	111 709
ITALY	44 973	52 023	47 712	78 126	72 411	60 193	45 817	45 387
FRANCE	30 402	24 823	25 868	33 613	28 441	25 982	24 259	28 190
GREECE	9 799	12 541	11 828	12 376	13 201	10 236	10 456	8 556
UNITED KINGDOM	1 726	9 866	9 428	3 792	5 518	7 319	1 334	1 572
DENMARK	-	-	-	4 471	1 311	4 743	1 210	
NETHERLANDS	266	1 456	1 327	590	1 204	1 204	1 083	
GERMANY	39	1, 196	82	-	10	10	-	
IRELAND	90	-	-	-	-	-	-	
BELGIUM	0	-	-	-	-	-	-	
TOTAL EEC (12)	**279 593**	**296 844**	**322 603**	**381 045**	**371 801**	**334 463**	**321 095**	**333 199**

(Source: Eurostat)

Evolution of the Community production of sardines
in the Mediterranean

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
SPAIN	41 335	40 247	41 460	34 783	34 640	33 480	36 091	43 519	40 810	39 768
FRANCE	11 775	12 487	11 412	14 517	15 393	20 693	20 967	17 924	15 509	18 817
GREECE	12 674	12 161	11 768	12 541	12 062	12 378	12 376	10 236	10 457	8 556
ITALY	41 476	42 431	53 522	52 023	47 712	78 126	72 411	60 193	45 816	45 387
TOTAL EEC (12)	107 260	107 326	118 162	113 864	113 864	144 677	141 845	131 872	111 962	112 528
OTHER COUNTRIES	68 031	81 122	73 494	75 514	73 947	89 445	87 739	106 633	109 263	
TOTAL	175 291	188 448	191 656	189 378	187 811	234 122	229 584	238 505	221 225	
PART EEC / TOTAL	61.2 %	56.9 %	61.6 %	60.1 %	60.6 %	61.8 %	61.8 %	55.3 %	50.6 %	

(Source: Conseil génerale des pêches en Mediterranée)

22

Evolution of the production of Atlantic sardines (zone VIIIc-IXa)

YEAR	PORTUGAL	SPAIN			TOTAL VIIIc and IXa
	Div. IXa	VIIIc	Div. IXa	TOTAL	
1940	98 212	66 816	-	66 816	165 028
41	76 486	27 801	-	27 801	104 287
42	81 667	47 208	-	47 208	128 875
43	132 924	46 348	-	46 348	179 272
44	128 221	76 147	-	76 147	204 368
45	109 030	67 998	-	67 998	177 028
46	107 454	32 280	-	32 280	139 734
47	97 967	43 459	21 855	65 314	163 281
48	78 001	10 945	17 320	28 265	106 266
49	35 986	11 519	19 504	31 023	67 009
1950	74 618	13 201	27 121	40 322	114 940
51	82 527	12 713	27 959	40 672	123 199
52	88 948	7 765	30 485	38 250	127 198
53	96 848	4 969	27 569	32 538	129 386
54	112 474	8 836	28 816	37 652	150 126
55	92 330	6 851	30 804	37 655	129 985
56	99 827	12 074	29 614	41 688	141 515
57	112 554	15 624	37 170	52 794	165 348
58	131 088	29 743	41 143	70 886	201 974
59	121 025	42 005	36 055	78 060	199 085
1960	138 746	38 244	60 713	98 957	237 703
61	139 067	51 212	59 570	110 782	249 849
62	130 236	28 891	46 381	75 272	205 508
63	118 567	33 796	51 979	85 775	204 342
64	163 294	36 390	40 897	77 287	240 581
65	137 762	31 732	47 036	78 768	216 530
66	124 821	32 196	44 154	76 350	201 181
67	114 696	23 480	45 595	69 075	183 771
68	79 526	24 690	51 828	76 518	156 044
69	64 103	38 254	40 732	78 986	143 089
1970	69 158	28 934	32 306	61 240	130 398
71	84 408	41 691	48 637	90 328	174 736
72	87 528	33 800	45 275	79 075	166 603
73	100 825	44 768	18 523	63 291	164 116
74	75 071	34 536	13 894	48 430	123 501
75	95 877	50 260	12 236	62 496	158 373
76	79 649	61 901	10 140	62 041	141 690
77	79 819	36 149	9 782	45 931	125 750
78	83 553	43.522	12 915	56 437	139 990
79	79 806	18 271	43 876	62 147	141 953
1980	90 094	35 787	49 593	85 380	175 474
81	113 338	35 550	65 330	100 880	214 218
82	100 859	31 756	71 889	103 645	204 504
83	85 922	32 374	62 843	95 217	181 149
84	95 110	27 970	79 606	107 576	202 686
85	111 709	25 907	66 491	92 398	204 107

(Source : CIEM)

Evolution of the Community production
and consumption of preserved sardines
(EEC 12 without Canaries)

(Source : Eurostat + national statistics)

(Net weight - Tonnes)

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
FRANCE	17 280	19 140	21 450	21 300	17 000	17 600	15 520	15 950	16 710	16 350
SPAIN						19 930	14 800	17 050	19 782	20 835
GREECE						1 200	1 200	1 200	1 260	420
ITALY	5 000	5 800	6 800	7 800	9 000	8 500	9 700	9 400	10 400	11 500
PORTUGAL	14 500	23 650	24 900	22 300	24 700	21 500	21 150	23 650	26 000	23 450
EEC 12 Production						68 730	62 370	67 250	74 152	72 555
EEC 12 Imports (T.C. + Canaries)						+ 16 276	+ 13 913	+ 17 700	+ 18 058	+ 19 896
EEC 12 Exports						- 18 653	- 14 377	- 15 156	- 15 626	- 18 400
Apparent consumption EEC 12						66 353	61 906	69 794	76 584	74 051

23

Production and consumption of preserved sardines
in the Community by Member States

(Tonnes - Net weight)

	PRODUCTION	IMPORTS			EXPORTS			APPARENT CONSUMPTION	CONSUMPTION PER CAPITA (kg)
		from the EEC	from T.C.	Total	to the EEC	to T.C.	Total		
SPAIN	20 835	0	3 591	3 591	593	2 274	2 867	21 559	0.567
FRANCE	16 350	3 742	7 615	11 357	111	661	772	26 935	0.492
GREECE	420	1 553	603	2 156	6	25	31	2 545	0.260
ITALY	11 500	886	189	1 075	5 192	3 752	9 944	3 631	0.064
PORTUGAL	23 450	0	0	0	9 557	10 850	20 465	2 985	0.300
BENELUX	0	1 547	1 156	2 703	474	85	559	2 144	0.087
DENMARK	0	320	1	321	2	0	2	319	0.062
IRELAND	0	390	135	525	3	0	3	522	0.149
GERMANY	0	4 128	3 300	7 428	6	6	12	7 416	0.120
UNITED KINGDOM	0	6 000	3 306	9 306	535	746	1 281	8 025	0.142
EEC	72 555		19 896			18 400		74 051	0.231

(Source: Eurostat + National statistics)

Data from the OCM
concerning the market in sardines
Campaign 1987

I. Standards

	kg/fish	Pieces per kg
Size 1	100 gr. and more	10 or less
Size 2	55 gr. to 100 gr.	11 to 18
Size 3	31 gr. to 55 gr.	19 to 32
Size 4	a) 15 gr. to 31 gr.	33 to 67
	b) 11 gr. to 31 gr. (Mediterranean)	33 to 91

II. Price

1. Guide price

- Fresh or chilled sardines :
  - . Atlantic EEC 10 : 514 E/T
  - . Spain and Portugal : 344 E/T
  - . Mediterranean : 464 E/T
- Frozen sardines : 389 E/T

2. Withdrawal price

	Quality E and A		
- Atlantic EEC 10	Size 1	240 E/T	
	2	240	
	3	371	
	4	240	
Spain and Portugal	1	161	
	2	161	
	3	249	regionalized at 162 E/T
	4	161	
- Mediterranean	1	217	
	2	217	
	3	335	
	4	217	

3. Carry-over premium

- freezing and storage : 60 E/T
- filleting, freezing and storage : 103 E/T (81 E/T for S. and P.)
- salting and storage : 103 E/T (" ")

4. Compensatory allowance

- Atlantic	: Sizes 1, 2 and 4	: 8 E/T
	Size 3	: 11 E/T
- Mediterranean	: Size 3	: 210 E/T
	Size 4	: 79 E/T

26

Tariff regime
applicable to sardines

I. Sardines - raw material

1. CCT

- sardines of the species "sardina pilchardus" from the position 03.01B.I.d) : 23 %
- other sardines from the position 03.01B.I.y): 15 %

2. Exceptions to the CCT
   . Morocco - Algeria - Tunisia - Turkey - ACP and LDC (GSP) : zero duty
   . Canary Islands zero duty in the framework of tariff quotas

II. Transformed product

1. CCT
   - preserved sardines 16.04D : 25 %
   - salted sardines, in airtight containers 03.02 A.If) : 12 %
   - smoked sardines 03.02 B VIII : 14 %
   - preserved pilchards 16.04G : 20 %
2. Exceptions to the CCT
   . Morocco - quota of 14 000t at zero duty
     quota of 6 000t at 10 %
   . Tunisia - quota of 100t at zero duty
   . Turkey - ACP : zero duty
   . Canaries : zero duty in the framework of a tariff quota of 9 848t for heading 16.04 without prejudice to the measures applicable during the transition period

SB/ak/6.07.87

EEC-12 IMPORTATIONS - 1986 - PREPARED AND PRESERVED SARDINES

in tonnes

INTRA-12

Source : EUROSTAT

FROM	MEMBER STATE											
	EEC-12	FRANCE	BEL-LUX	NETH.	GERMANY	ITALY	U.K.	IRELAND	DENMARK	GREECE	PORT.	SPAIN
FRANCE	62	0	27	0	29	3	2	0	1	0	0	0
BELGIUM-LUXEMBOURG	52	0	0	49	3	0	0	0	0	0	0	0
NETHERLANDS	332	15	249	0	31	0	13	0	0	0	24	0
GERMANY	314	150	49	79	0	0	0	0	2	12	21	1
ITALY	5 246	1 518	41	482	334	0	1 494	16	0	1 361	0	0
UNITED KINGDOM	588	0	4	89	3	103	0	248	25	20	96	0
DENMARK	4	0	0	0	0	0	3	0	0	0	0	1
GREECE	47	0	1	2	5	34	5	0	0	0	0	0
PORTUGAL	12 173	1 783	558	182	4 659	634	3 949	19	234	155	0	0
SPAIN	464	25	12	2	71	2	103	0	2	247	0	0
TOTAL INTRA EEC-12	19 285	3 492	941	885	5 136	776	5 569	283	265	1 795	141	2

EEC-12 IMPORTATIONS - 1986 - PREPARED AND PRESERVED SARDINES

in tonnes

EXTRA-12

Source : EUROSTAT

FROM	MEMBER STATE											
	EEC-12	FRANCE	BEL-LUX	NETH.	GERMANY	ITALY	U.K.	IRELAND	DENMARK	GREECE	PORT.	SPAIN
YUGOSLAVIA	1 093	0	0	155	128	0	763	0	0	47	0	0
MOROCCO	15 545	8 328	626	386	3 313	146	2 399	108	0	239	0	0
TOTAL EXTRA EEC-12	17 043	8 359	669	639	3 459	146	3 229	108	7	318	109	0