COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 10.07.1995
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REPORT FROM THE COMMISSION

on the

sardine market

Articles 169 to 172 and 356 to 359 of the 1985 Act of Accession of the Kingdom of Spain and the Portuguese Republic made provision, in connection with the common organization of the market in fishery products, for special transitional arrangements for sardines.

These include:

- the gradual alignment (in ten stages from 1 January 1986) of the prices applicable for sardines on the two Atlantic seacoasts and on the Mediterranean coast;
- the payment, during the period of the moves towards price alignment, of compensatory allowances to sardine producers in the Community (of Ten) in order to ensure that the cost to their canning industries of obtaining supplies of the raw material is equivalent to that for Spanish and Portuguese firms.

These arrangements are due to expire on 31 December 1995 and the Council is required, under Articles 171 and 358 of the Accession Treaty, to decide before that date on the action to be taken regarding the system of compensation.

To make this decision easier, a review of the situation on the sardine market is needed. The purpose of this report is to attempt to encapsulate the situation on the Community market in this species as a follow-up to the preliminary study of the topic undertaken by the Commission's departments in 1992 (Commission Staff Working Paper on the Sardine Market, SEC(92) 2221 of 20 November 1992).

An update of the situation on the market is all the more appropriate in that, in the period since the accession of the Community's two largest sardine producers, the legal, economic and political climate of the sector has undergone considerable change (world production, consumption patterns, outcome of the Uruguay Round, fisheries agreements, enlargement of the European Community, etc.).

1. THE PRODUCT

The species "Sardina pilchardus Walbaum" is a member of the Clupeidae family and is caught along the east Atlantic seaboard from the North Sea to the Bay of Gorée (Senegal), as well as in the Mediterranean, the Adriatic and the Black Sea.

In Europe stocks are sufficiently plentiful to meet market demand meaning that for the moment no special management measures need be introduced.

Production is seasonal, starting - depending on the fishing grounds - in spring and ending in early autumn, with the largest catches being taken in summer. Production fluctuates considerably, however, from one fishing year to another, depending on weather and biological conditions. Fluctuations in landings can be responsible for market disturbances.

Sardine production is used chiefly for human consumption in fresh or canned form, the frozen product as a rule providing the raw material for canning. It is used also for meal and as bait in fisheries targeting other products.

The nutritional value of sardines, consumed fresh or canned, is exceptional. Unfortunately, not enough consumers are aware of this and regard the product as a bottom-of-the-range one. As living standards rise, other products with a better image take its place, tuna for example in the case of canned fish, and, in the case of fresh fish, filleted and deep-frozen whitefish.

2. WORLD PRODUCTION

A look at the FAO figures (Annexes 1, 2, 4 and 5) shows the trend of world prices significantly up during the second half of the 1980s. From 1991, total production fell with a sharp drop in 1992 (279 812 tonnes, i.e. 19 % down on the figure for 1991).

The principal reason for this appreciable drop is the cutback in the fleets of the former USSR and the countries of eastern Europe (Romania). In the Mediterranean, former Yugoslavia has halved its output (from an average of 32 000 t to 15 000 t in 1992). This trend is expected to continue in some cases (former USSR) since the speedy re-establishment of a fleet of this size would be difficult but, in the case of the Mediterranean, once the conflict in Yugoslavia is over a resumption of production can be expected.

Catches of Clupeidae compared with world total fish catches are falling (from 25.8% in 1986 to 20.8% in 1992). The drop does not seem to be due to stock problems.

3. PRODUCTION IN THE EUROPEAN UNION AND THE MARKET ORGANIZATION'S REGULATORY MECHANISMS

With regard to Union production, the trend highlighted previously in the 1992 Report is continuing, that is to say, Mediterranean catches have stabilized roughly speaking (see Annexes 3, 4 and 5), with those in Italy sharply down as against those in Greece which are up (see below, point 7).

At the same time, traditional sardine fisheries in the Atlantic have been contracting slowly. As described before in 1992, catches in the Canary Islands for the manufacture of fishmeal are declining steadily, whereas the Danish fleet has greatly increased its production for industrial use, taking its catches in the North Atlantic.

The gradual fall in production in recent years, mainly affecting the market for human consumption, has not been sufficient to restore market balance since withdrawals on some markets are still significant (see Annex 6).

Despite the reduction in production, the relative scale of the sardine fishery continues to be significant, especially in Spain and Portugal, accounting in 1992 for 17% and 28% respectively of the total volume of catches. It should be added that these catches are taken as a rule by a small-scale fleet, i.e. by small vessels which as a whole provide employment for a large local workforce.

The distribution of withdrawals is indicative of the segmentation of the market associated with potential local outlets.

In the case of Atlantic sardines, where canning represents the major outlet for the production for human consumption:

- on the Portuguese market, supplies have been diminishing very slowly (down 13% in 5 years) while withdrawals are substantial, particularly in 1992 and 1993: provisional figures for 1994 point to a rise in production and prices and a fall in withdrawals;

- on the Spanish mainland market, supplies have almost halved in five years while withdrawals are insignificant despite a slight recovery in production in 1993;

- on the French market, withdrawals in 1992 and 1993 were beyond the limit at which compensation is still granted (>14% of the annual quantity put up for sale).

In the Mediterranean the absence of withdrawals on the Italian market seems to be the result of the lack of organization in the sector (producers' organizations) rather than of market balance.

Attention should be drawn, lastly, to the lack of recourse to another market-regulating mechanism, namely carryover aid; sardines are a product with seasonal landings, the outlet for which is frequently the canning industry.

4. CONSUMPTION

An examination of the apparent consumption of the fresh and deep-frozen product discloses a slow drop that has been accelerated somewhat, however, in recent years (Annex 22). This situation, which is not compensated for by a rise in prices, illustrates the problems of a market that is not expanding.

The finding is the same if an examination is made for the canned product (Annex 23). After adjustment of the figures, it is clear that there is stagnation or a slow fall in apparent consumption.

This development, which is to be found also on other high-income markets (for example, the United States of America, where consumption went down from 0.3 lb per head in 1987 to 0.2 lb per head in 1992), is fundamental in terms of analysis of prices and the future of the sector as a whole.

5. PRICES

A differential is applied in setting the level of prices according to whether they relate to the fresh product for local consumption or the product intended for canning. In the latter case, the price of the raw material is a decisive component of the price of the canned product, which is subject to international competition.

This explains the variable trend of prices across the different production areas (Annexes 8, 9, 10 and 11).

In the Mediterranean marketing is geared mainly to the market in the fresh product and the production of traditional semi-preserved products (salted sardines, etc.), with average prices distinctly above those on the Atlantic. Italy is an exception in that consumption of the fresh product continues to be very low.

In the Canary Islands, where there is virtually no local market, the entire production for human consumption goes to the only cannery in operation, at a price in 1992 which was 40% below the Community average price for Atlantic sardines.

It is against this background that the transitional arrangements for including Portuguese and Spanish production in the market organization were applied, which were designed to prevent the introduction of a factor that would distort competition between Community processors.

The system provided specifically for the planned alignment over 10 years of the guide prices for Atlantic sardines (Community of Ten and Spain and Portugal) towards the level of prices for Mediterranean sardines.

In practice there has been a general alignment of market prices between the Member States on the same seaboard. Alignment towards the prices for Mediterranean sardines, on the other hand, has not taken place (average EUR-12 Atlantic/average EUR-12 Mediterranean in 1986: 49%; in 1993: 49%, see Annex 11).

As in the case of many fishery products, prices are falling or stagnating, a situation that has remained unchanged for years.

6. PROCESSING

The production of canned sardines in the European Union is falling steadily (Annex 21).

Country-by-country, Spain remains the largest producer with sales directed predominantly towards its own market. The Spanish processing industry is highly dispersed and has persistent problems of under-use (95 plants operational out of the existing 140).

Portuguese production, which has undergone extensive modernization, comprises 52 production plants and is focused mainly on the export market.

Production in France has partly relocated its traditional manufacturing plants in Portugal (where labour costs and the costs of the raw material are lower) and is continuing to produce top-of-the-range products with a high added value in France.

The Italian industry is the one which appears to be experiencing the greatest problems of adjustment since it cannot rely on its own market, which is a very small consumer, and seems to have excessively high production costs.

In these circumstances, the compensation system probably marked a competitive breathing space and disguised a loss of competitiveness in part of the processing sector.

Overall, in disposing of its production the Community processing industry is faced on the one hand with a drop in consumption on high-income markets and a fall in purchasing power on traditional eastern European and African markets, and on the other hand with competition from non-European countries producing the same product.

The canning industry is sited locally in regions that are generally remote, and provides employment for a large number of workers. Its adjustment to the changed circumstances to allow it to continue operating on a sustained basis is of crucial importance, therefore, to those regions.

7. COMPENSATORY ALLOWANCE

This consists of a degressive aid payable over the transitional price-alignment period within quantitative limits by country (Annex 9).

It has scarcely ever been applied in respect of sardines caught in the Atlantic.

In the case of Mediterranean sardines, the maximum quantity has never been achieved (Annex 13). Among the Member States, Greece alone has increasingly applied the mechanism, availing itself of it to develop a traditional form of salting for a specific market. Greek producers have at the same time increased their catches.

Total expenditure (Annex 14), after a slow start due to the implementation of the system, reached a peak in 1988 but has fallen each year since then due to the degressive nature of the aid. Payments will continue to be made in 1995 and 1996 on account of the allocation system applied.

The compensation was intended to give canneries in the Community of Ten an opportunity of obtaining supplies of the raw material at competitive prices alongside the Spanish and Portuguese industries. In practice it has enabled canners on the French, Italian and Greek Mediterranean coasts to obtain the raw material at costs which are sometimes lower than those for Atlantic sardines (Annex 25). It should be borne in mind, however, that the compensatory mechanisms have been evaluated on the basis of theoretical supply costs to the industry.

The direct payment of the compensation to canners, lastly, has failed to encourage the setting-up of producers' organizations and has kept in position a high level of dependency by producers on the industry. The situation in Italy is typical in this respect.

8. INTERNATIONAL COMPETITION

Annex 24 sets out the customs duties on fresh, frozen and canned sardines.

The pattern of trade over the past six years is shown in Annexes 15 to 20.

In so far as the raw material is concerned, imports have been minimal.

The Russian fleet, having been responsible for serious disturbances on the market in 1991 and 1992 as a result of enormous landings, has vanished or moved on to other more profitable fisheries.

Canners are therefore purchasing the bulk of their supplies on the European market. The possibility of obtaining the raw material at accessible prices is hence especially important if the prices of European canneries are to be competitive.

Morocco continues to be the main outside supplier of sardines for canning. However, despite the somewhat disquieting reports of the effects of the new import conditions in force since 1993, the volume arriving from that country has remained relatively steady.

Morocco has the potential to be a major producer but its processors have to face problems of obtaining quality supplies and in conection with costs that do not yet seem to be fully resolved.

New suppliers are appearing on the market, among them Namibia, producers of other small Clupeidae which are marketed under the designations sardines, pilchards, sprat, briesling, sardinops, etc. These are different species from the one dealt with in this report but some consumers are unaware of this and may confuse sardines with the others, most of which come from Latin America. Like Morocco, all of the new suppliers have the advantage of plentiful stocks and low labour costs.

Lastly, products that do not conform with the specifications in the Community standard (Regulation (EEC) No 2136/89) have been imported as "sardines". An investigation is under way in the cases that have come to light. The situation arises because some consumer markets do not distinguish between the various qualities of sardines and consumer habits in some cases do not encourage recognition of a high-quality European product.

9. PROSPECTS FOR THE PRODUCTION AND CANNING SECTOR

The interests of producers and processors can both clash and complement each other. For producers, the market which provides the best return is clearly that for fresh sardines. However, if the volume of catches is to be maintained at its present level, a large proportion of European production will have to be supplied to canneries, but at prices which make it possible for the processing industry to be competitive with firms in non-member countries.

In addition to that, the jobs in question both in the fleet and the industry are very important for the producing regions and cannot easily be converted to alternative forms of activity.

What are the measures which would safeguard the interests involved and at the same time guarantee the future viability of the sector?

Firstly, it is necessary to influence consumption and understand it clearly. It is crucially important that consumer habits are developed for a product with no supply difficulties and which, into the bargain, has undeniable nutritional qualities.

Promotional campaigns undertaken in the past, as part of structural programmes, have produced positive results, and action of this nature should be continued. Since campaigns are normally conducted at national level and given that the producer countries consume considerable quantities themselves (Italy apart), promotional efforts should focus therefore on the markets of the non-producing Member States.

Supply will need to be adapted to demand and demand will have to be properly understood. Market studies and trials of new presentations will make it possible to target potential demand better and stimulate it, for example by improving quality, offering a wider range of sizes geared to particular markets, offering the filleted product, putting it up in small quantities available right down to the supermarket shelf, offering ready-prepared meals, etc. One of the reasons for the limited consumption of sardines is the problem of preparation.

In order to develop these measures, a well-organized and dynamic producer sector will be necessary. The present structure of the sector is inadequate (too many under- capitalized small and medium-sized producers). Public authorities will have to encourage the development of producers' organizations; the new market rules are better adapted now to small producers.

The majority of these measures could be funded under the structural programmes with back-up from national or regional authorities.

For producers, increasing the proportion of sales of the fresh product as compared with canned sardines is of major importance. A number of producers' organizations in the South of France have met the challenge with satisfactory results.

As for the canned product, a similar approach could be adopted to market adaptation. The traditional presentation of sardines in oil no longer satisfies market needs nor does it freshen up the image conveyed by the product.

Nevertheless, even if supply were totally in line with demand, price would continue to be the determining factor.

Consequently, the guide price for sardines should make it possible for processors to obtain supplies of the raw material at a price which is not prohibitive, as is now the situation regarding Mediterranean sardines.

The result is that, instead of setting the price at the level of that for Mediterranean sardines, the common guide price should now be aligned on that for Atlantic sardines, if necessary with certain prices set on a regional basis (size 3 sardines in Portugal and Spain).

At the same time, the expiry of the price-alignment period brings to an end the requirement that the conversion factors applicable to sardines (Articles 172 and 359 of the Act of Accession of Spain and Portugal) may not be adjusted.

In view of the preponderance of sales of the fresh product and the virtual absence of withdrawals in the Mediterranean, this prices policy should not penalize unduly the income of producers.

In so far as supplies to canneries are concerned, those provided in the Community by the fleet are expected to remain at an adequate level. In this context, the system of carryover aid should be reviewed for sardines. This involves in particular bearing a larger proportion of the costs of carryover in order that the product carried over can be readily used for sale to canneries so as to be able to stagger the delivery period for this highly seasonal product.

CONCLUSIONS

As regards the compensation scheme, two options are available:

- Retaining a system of allowances:

In this case, it would have to be applied to all Member States, failing which there would be discrimination which is incompatible with the single market. This would imply a significant budget increase as compared with the present system of allowances, since the system would have to be extended to Member States which are major producers of sardines. On the basis of payments in 1994, the budget for compensatory allowances would rise from ECU 3.5 million to around ECU 17.3 million

Leaving aside the cost of the support measure, the underlying reason for the measure, namely the differential between guide prices, has disappeared. On top of that, any measure on the subject runs the risk of being perceived by the Community's trading partners to be an aid likely to distort the conditions of competition.

- Abolishing the system:

Long-term solutions to the problems being experienced by the sector can only come from an awareness of and adjustment to the commercial situation, for which it has been able to prepare itself for nearly 15 years (prior to the compensatory allowance system, the special carryover premium mechanism was applied to allow the sector to be restructured). The Commission does not therefore consider it advisable to propose prolonging the system.

The sector should instead continue the modernization, diversification to top-of-the-range presentations and restructuring of the trade in order to be able to provide information to and exert an influence on consumers. The public authorities would then be able to provide background support, mainly through the structural policy for fisheries.

At the same time, stringent application in all Member States of the rules in force regarding health standards, customs duties and marketing standards would continue to be essential.

To date, part of the trade has successfully faced up to competition from outside, due mainly to its know-how and dynamism, which are the principal guarantors of the sector's long-term viability.

List of annexes

Annex 1

Comparing world production total fish/sardines (in tonnes)

A. Catch of sardines

	1986	1987	1988	1989	1990	1991	1992
Sardines	980604	1184230	1366325	1558304	1548642	1478023	1198211
% of the Clupeidae family	4.1%	5.3%	5.6%	6.3%	7.0%	6.8%	5.9%
% of world catches	1.1%	1.3%	1.4%	1.6%	1.6%	1.5%	1.2%

B. Nominal world catches

	1986	1987	1988	1989	1990	1991	1992
Total world catches of fish	92845400	94402500	99085700	100311100	97556100	97051700	98112800
Catches of the Clupeidae family	23984049	22374779	24387212	24799654	22280223	21709986	20389148
% of total	25.8%	23.7%	24.6%	24.7%	22.8%	22.4%	20.8%

C. Other important species of the Clupeidae family:

	1986	1987	1988	1989	1990	1991	1992
Pacific herring	324734	348517	304651	212251	198560	215230	227108
Sardinellas	554800	558210	601053	634984	607664	704854	669624
Janapese pilchard	5191036	5321064	5428922	5142930	4732154	3774247	2488533
South American pilchard	4960771	4949842	5382681	4530393	4253718	4189889	3105462
Gulf menhaden	828503	907103	638733	583350	519583	550730	432848
European anchovy	664630	643590	858792	488562	536274	388502	393140
Japanese anchovy	412272	308238	303604	316203	536271	613664	662540
Peruvian anchovy	4945315	2100508	3613107	5407527	3771577	4017106	5451003
Total Clupeidae family	23984049	22374779	24387212	24799654	22280223	21709986	20389148

Nominal catches of Sardines by country and by area (in tonnes)

A) Atlantic, Northeast

	1986	1987	1988	1989	1990	1991	1992
Portugal	103635	90687	94699	91306	93471	87193	83316
Spain	77155	78613	64951	64951	73085	67270	66000
Denmark	3602	1573	3234	4667	7312	10151	37265
France	13007	8645	10394	10394	10394	14660	14470
United Kingdom	1374	1993	1777	1523	523	1088	2306
Netherlands				11	6		42
Germany					106	8	4
Total:	198773	181511	175055	172852	184897	180370	203403

B) Atlantic, Eastern Central

	1986	1987	1988	1989	1990	1991	1992
USSR (+former USSR)	169290	338685	425929	609539	654618	575629	317028
Morocco	258131	246767	290605	312138	325845	351827	298352
Spain	92679	109934	165039	161986	120557	116548	120000
Romania	8425	16808	28065	29419	16754	19941	8806
Portugal	198	79	51	35	67	31	31
Sao Tome	17	17	18	19	22	21	22
Germany	1220	3100	35		221		
Others					11		
Total:	529960	715390	909742	1113136	1118095	1063997	744239

C) Mediterranean

	1986	1987	1988	1989	1990	1991	1992
Algeria	40323	68485	85307	65531	61462	52464	66907
Spain	46264	39212	41098	46278	46278	40490	42000
Turkey	14013	13873	14513	25871	18808	30298	29765
Italy	52171	47452	42761	47509	37737	42169	26113
Morocco	18970	28123	17859	17966	20011	18822	23890
Greece	10366	9681	9831	10239	11053	10967	20691
Yugoslavia (+ex Y)	31915	40780	31509	32913	27969	15982	15268
France	15691	16700	16064	12491	12452	12687	12421
Tunisia	18494	18350	18099	10983	7250	7237	10775
Albania	3664	4673	4487	2535	2630	2540	2540
Total:	251871	287329	281528	272316	245650	233656	250370

Annex 3a

Trends in EU productions of sardines for human consumption

(in tonnes)

A) Atlantic

Member State	1988	1989	1990	1991	1992	1993	1994 1-6
Portugal	94636	91262	93038	87224	83315	82083	24294
Spain (omitting Canaries)	69307	51592	56364	42168	28718	34913	13220
France	9645	9799	10016	16541	10113	9366	3229
UK	1476	166	2024	2952	4199	4829	1895
Total	175064	152819	160442	148885	126345	131191	42638

B) Mediterranean

Member State	1988	1989	1990	1991	1992	1993	1994 1-6
Spain (omitting Canaries)	41099	39635	43085	49620	49887	49020	25281
Italy	15437	16855	36386	40547	25109	32705	8549
Greece	10911	12229	11979	14943	12044	6693	2930
France	16064	12491	11693	10302	10933	11348	14592 *
Total	83511	81210	103143	115412	97973	99766	51352

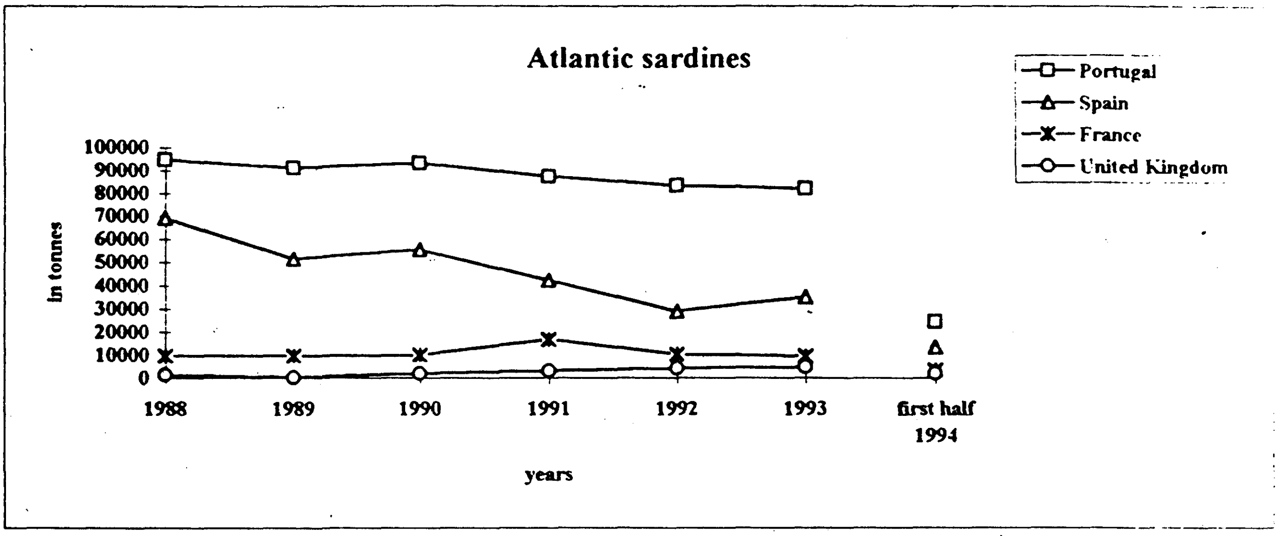
EU total	258575	234029	263585	264297	224318	230957	93990

* France 1994, 1-12

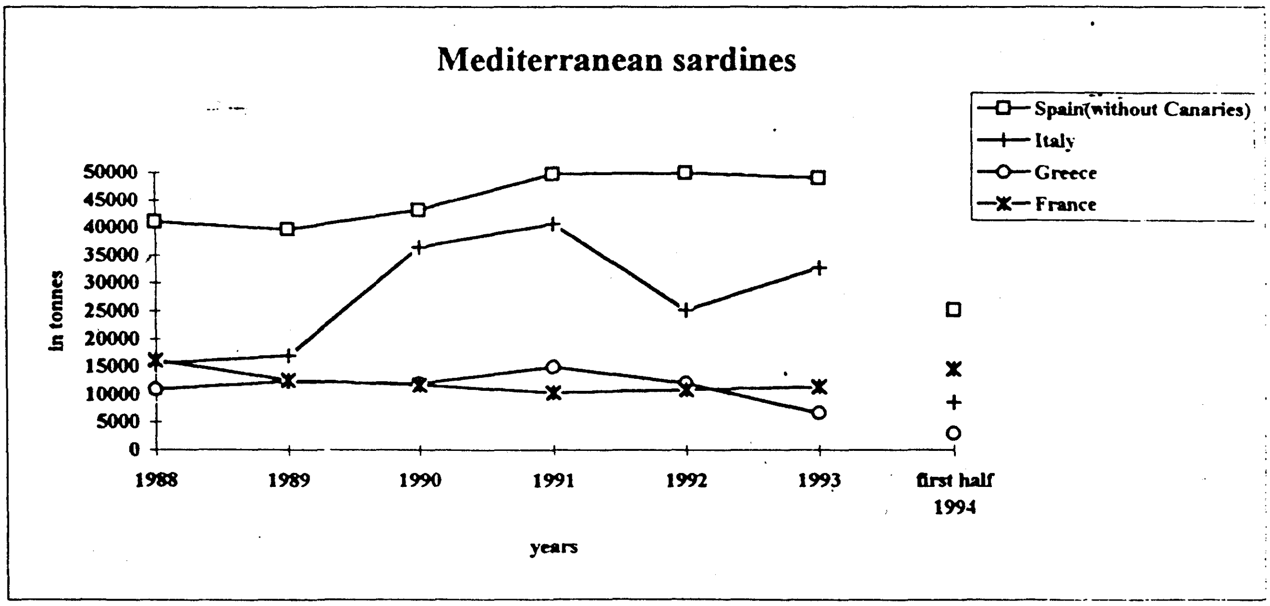
Annex 3b

Trend of Community production of sardines for human consumption

A). Atlantic



B). Mediterranean



Comparing Community production total fish/sardines in 1988 and 1992 (in tonnes)

A. Sardine production by country and by zone

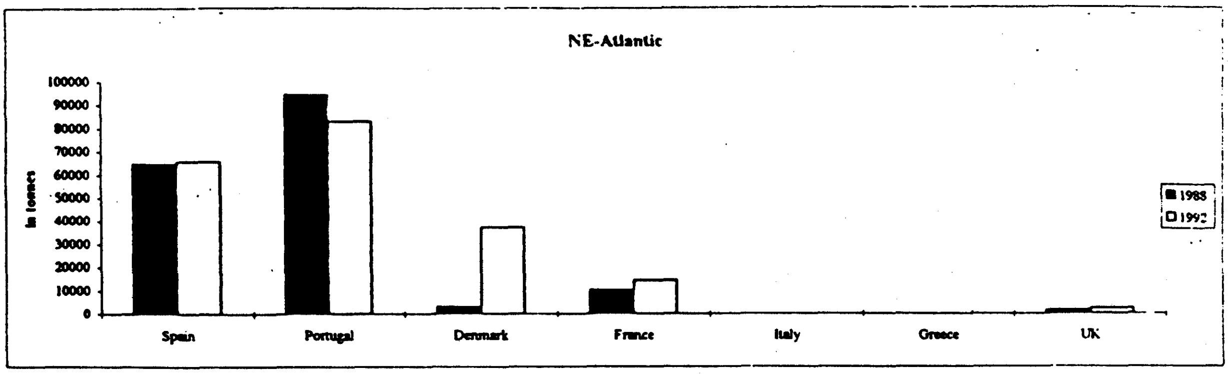
	1988				1992			
Member State	Northeast Atlantic	Eastern central Atlantic	Mediterranean	Total	Northeast Atlantic	Eastern central Atlantic	Mediterranean	Total
Spain	64951	165039	41098	271088	66000	120000	42000	.228000
Portugal	94699	51		94750	83316	31		83347
Denmark	3234			3234	37265			37265
France	10394		16064	26458	14470		12421	26891
Italy			42761	42761			26113	26113
Greece			9831	9831			20691	20691
UK	1777			1777	2505			2505
Netherlands	0			0	42			42
Germany		35		35	4			4
Ireland								
Belgium								
Total EC	175055	165125	109754	449934	203602	120031	101225	424858

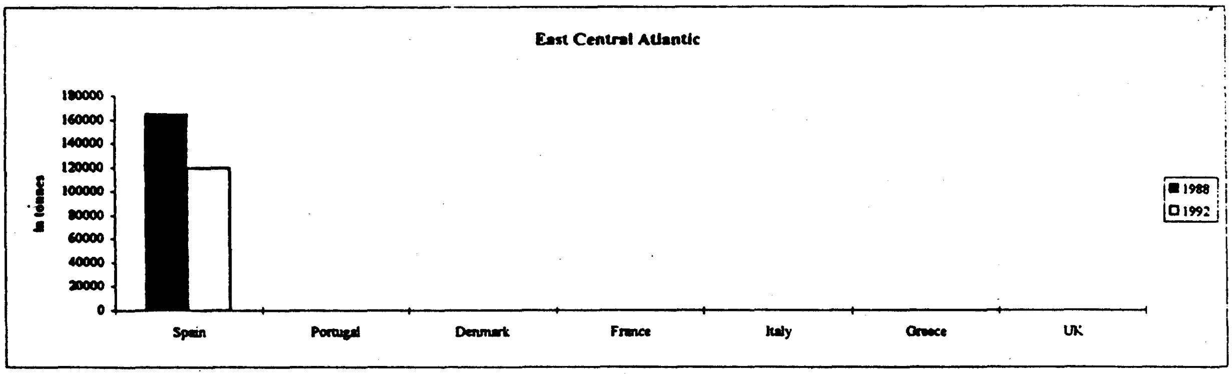
B. Comparing Community production total fish/sardines

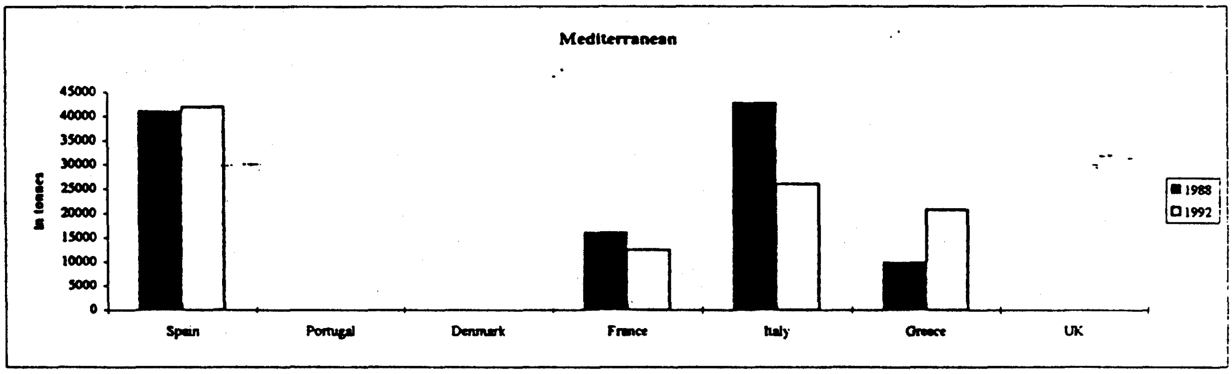
	1988			1992		
	Total fish	Total sardine	% sardine	Total fish	Total sardine	% sardine
Denmark	1974426	3234	0.2%	1995025	37265	1.9%
Spain	1593395	271088	17.0%	1330000	228000	17.1%
UK	937702	1777	0.2%	839910	2505	0.3%
France	888132	26458	3.0%	800000	26891	3.4%
Italy	579780	42761	7.4%	555876	26113	4.7%
Netherlands	398853	0	0.0%	438004	42	0.0%
Germany	392438	35	0.0%	304768	4	0.0%
Portugal	346677	94750	27.3%	295284	83347	28.2%
Ireland	257549	0	0.0%	275418	0	0.0%
Greece	126939	9831	7.7%	171690	20691	12.1%
Belgium	41767	0	0.0%	37356	0	0.0%
Total EC	7537658	449934	6.0%	7043331	424858	6.0%

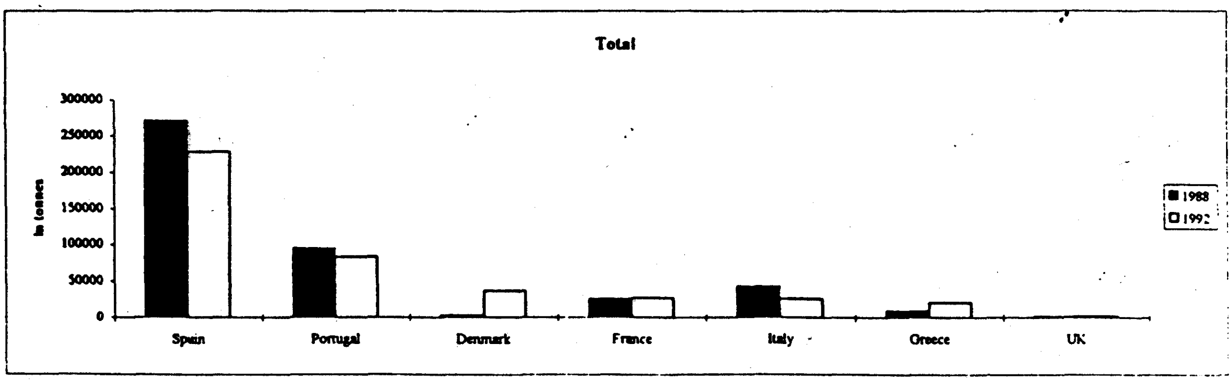
Annex 5

Trend of sardines production by Member State and by area









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Annex 6

Trend of Community withdrawals of sardines (in tonnes)

(and percentage withdrawals/ landings)

A). Atlantic

	1988	1989	1990	1991	1992	1993	1994 first half
Portugal	7924	6028	3756	4133	11095	9230	1019
%	8.4%	6.6%	4.0%	4.7%	13.3%	11.2%	4.2%
Spain	97	30	25	5	124	1164	0
%	0.1%	0.0%	0.0%	0.0%	0.3%	4.1%	0.0%
France	950	1200	316	1626	1688	1604	238
%	9.8%	12.2%	3.2%	9.8%	16.7%	17.1%	7.4%
United Kingdom	0	0	638	470	166	0	0
%	0.0%	0.0%	31.5%	15.9%	4.0%	0.0%	0.0%
Total	8971	7258	4735	6234	13073	11998	1257
%	5.1%	4.7%	3.0%	4.2%	10.3%	9.1%	2.9%

B). Mediterranean

	1988	1989	1990	1991	1992	1993	1994 first half
Spain	0	0	0	0	0	0	0
%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Italy	393	20	0	0	0	0	0
%	2.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Greece	142	232	41	0	49	163	22
%	1.3%	1.9%	0.3%	0.0%	0.4%	2.4%	0.8%
France	133	0	0	956	1168	839	900
%	0.8%	0.0%	0.0%	9.3%	10.7%	7.4%	6.2%
Total	668	252	41	956	1217	1002	922
%	0.8%	0.3%	0.0%	0.8%	1.2%	1.0%	1.8%

Total Community	9639	7510	4776	7190	14290	13000	2179
%	3.7%	3.2%	1.8%	2.7%	6.4%	5.6%	2.3%

Annex 7

Trend of Community carry-over premium of sardines

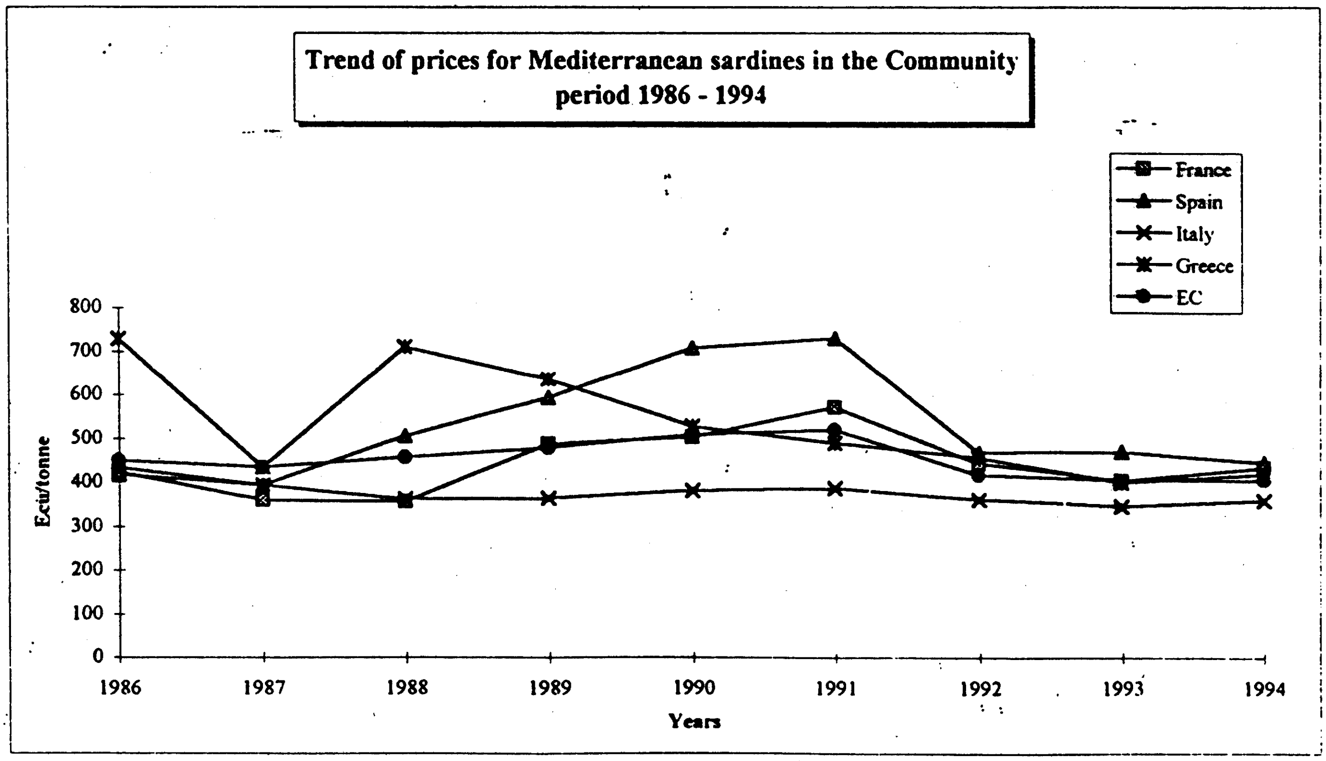
Atlantic (in tonnes)

Member State	1994			1993			1992			1991			1990		
	1e SEM	2e SEM	Total	1e SEM	2e SEM	Total	1e SEM	2e SEM	Total	1e SEM	2e SEM	Total	1e SEM	2e SEM	Total
Portugal			0					435.3	435.3						
Spain	0	0	0				0		0						
France	50.0		50.0				230.3	0	230.3						
Italy	0	0	0				0		0						
Total	50.0	0	50.0	0	0	0	230.3	435.3	665.6	0	0	0	0	0	0

Trend of prices for Mediterranean sardines in the community

(in ECU/tonne)

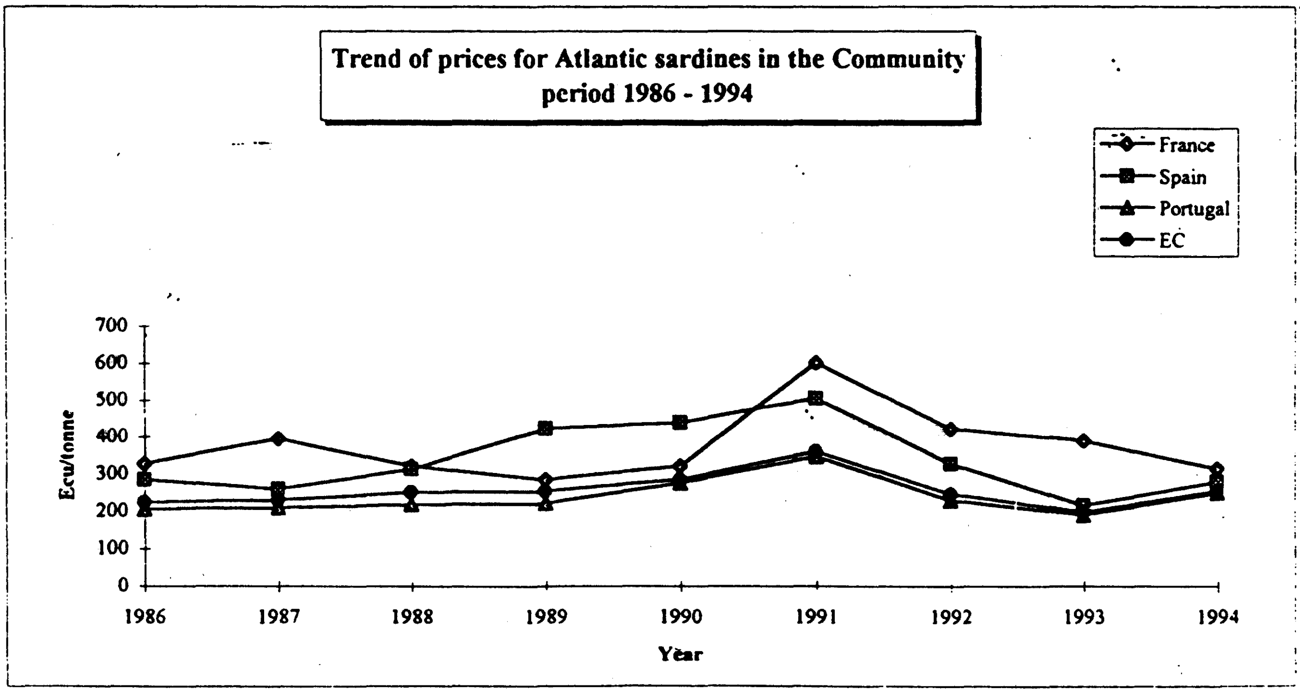
Member State	1986	1987	1988	1989	1990	1991	1992	1993	1994 first half
France	423	359	357	487	503	571	443	404	435
Spain	417	392	507	594	708	730	467	470	447
Italy	434	392	363	365	382	387	360	346	361
Greece	728	434	711	636	529	489	456	400	421
EC	449	434	458	479	509	520	416	405	407



Trend of prices for Atlantic sardines in the Community

(in ECU/tonne)

Member State	1986	1987	1988	1989	1990	1991	1992	1993	1994 first half
France	327	395	323	286	322	602	422	390	313
Spain	284	258	313	424	439	506	327	216	278
Portugal	205	209	219	222	276	346	230	190	249
EC	224	230	252	256	287	361	246	198	253



Annex 10

Trend of production and prices for sardines in the Canary Islands

A) Production

(in kg)

Intended use	1988	1989	1990	1991	1992	1993	1994 first trm
Meal	174787	164912	155498	133776	81134	135777	16381
Frozen bait	6797	6413	6764	5946	1624	2530	966
Canning	12624	11910	6760	8918	6328	6634	742
Total	194208	183235	169022	148640	89086	144941	18089

B) Average prices

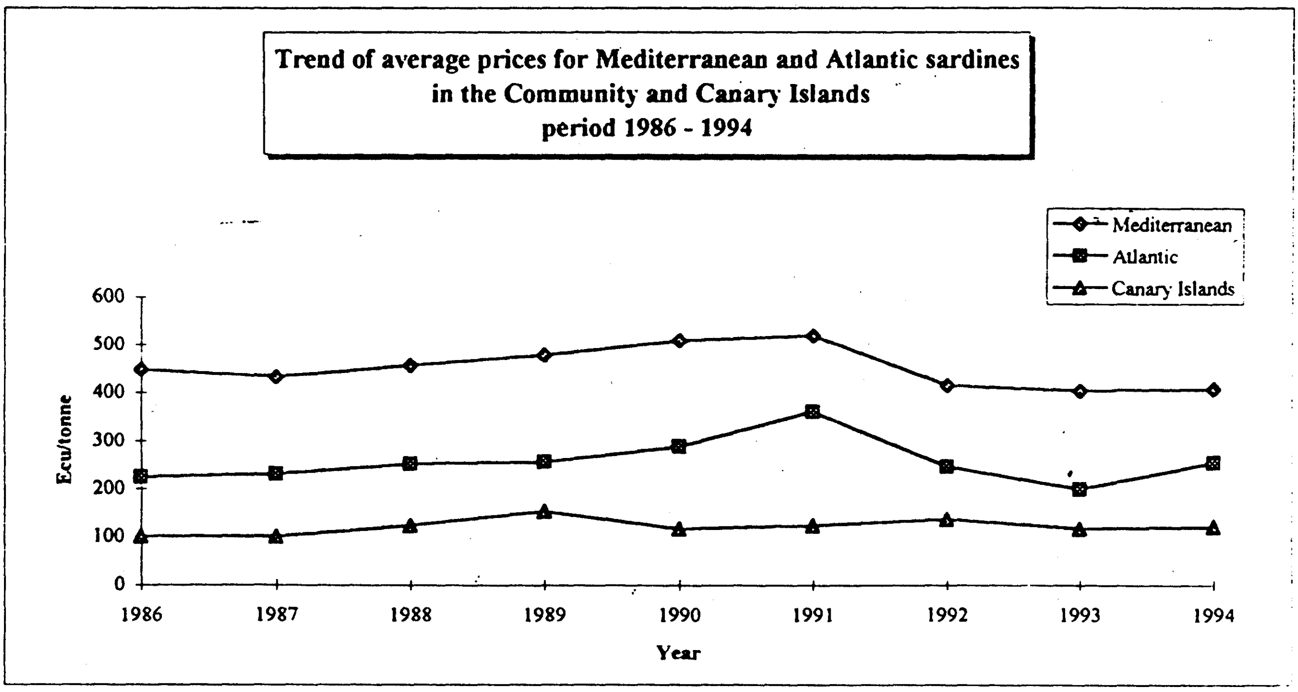
(in Ecu/tonne)

Intended use	1988	1989	1990	1991	1992	1993	1994 first trm
Meal	57	51	51	52	50	42	47
Frozen bait	103	96	96	97	99	84	88
Canning	122	151	116	123	136	116	120

Trend of average prices for sardines in the Community and the Canary Islands.

(in ECU/tonne)

	1986	1987	1988	1989	1990	1991	1992	1993	1994 first half
Mediterranean	449	434	458	479	509	520	416	405	407
Atlantic	224	230	252	256	287	361	246	198	253
Canary Islands	100	100	122	151	116	123	136	116	120



Annex 12

Compensatory allowance Mediterranean sardines

Classes E, A

(Prices in ECU/tonnes)

Year	Size 3	Size 4
1986	225	90
1987	210	79
1988	197	69
1989	183	58
1990	171	48
1991	160	39
1992	151	30
1993	138	19
1994	120	9
1995	0	0

Allowed quantities

	1986/1991	1992	1993	1994
France	8000	8000	8000	7500
Italy	30000	29000	28000	27500
Greece	5000	6000	7000	8000
Total	43000	43000	43000	43000

Quantities processed which qualified for the allowance

(in kg)

Marketing year	FRANCE		ITALY	GREECE	Total
	in France	in Italy			
1989	3229652	9154701	673506	159766	13217625
1990	3780693	8633362	4608224	3754277	20776556
1991	2358359	9257644	9471569	239913	21327485
1992	3451094	9068716	4141773	5292672	21954255
1993	3225068	4683479	5325634	7034041	20268222
1994	4486476	8468230	1400255	8898563	23253524
Total	20531342	49266132	25620961	25379232	120797667

Note:

The system is in force since 1986.

As the the data 1986-1988 are not complete, these figures are not mentioned in this table.

Payments by FEOGA for the allowance

(in MIL-ECUS)

Budget year	FRANCE From France and Italy	ITALY	GREECE	Total
1986	1.176	0	0	1.176
1987	3.498	0	0	3.498
1988	3.580	2.489	0.184	6.253
1989	2.855	2.282	0.414	5.551
1990	2.804	1.658	0.567	5.029
1991	2.288	1.894	0.762	4.944
1992	2.807	1.371	0.740	4.918
1993	2.471	1.293	0.832	4.596
1994	1.850	0.696	1.019	3.565
1995)°	0.581	0.412	0.702	1.695
Total	23.910	12.095	5.220	41.225

)° First 3 months of the budgetary year (16 Oct 94 - 31 Jan 95)

This figures do not correspond with the figures in annex 13 for 2 reasons:

1; The budgetary year from FEOGA is from 16 Oct - 15 Oct.

2; The Member States do not specify their payments by marketing year

Annex 15

Imports of frozen sardines "SARDINA PILCHARDUS"

(in tonnes)

A) By Member State

Member State	1988	1989	1990	1991	1992	1993	1994 first half
France	2075	3078	3258	3430	2135	983	248
Italy	174	7				110	
Portugal	4662	800	6582	8189	5459	45	3
Spain	29	60	398	2907	5327	445	89
Greece					1		
United Kingdom		3	43	13	18	2	
Germany	170	63	122	14	36	70	18
Netherlands			1	65		60	
Belgium/Luxemb.					19	8	
Total	7110	4011	10404	14618	12995	1723	358

B) By partner

Partner	1988	1989	1990	1991	1992	1993	1994 first half
Soviet Union / Rusia	4682	819	6836	10890	10595	58	
Marocco	2144	3102	3387	3614	2320	1350	337
Turkey	156	72	114	8	49	89	17
Slovenia						194	
Croatia						17	
Tunisia	114	16					
Others	14	2	67	106	31	15	4
Total	7110	4011	10404	14618	12995	1723	358

Annex 16

Imports of fresh or chilled sardines "SARDINA PILCHARDUS"

(in tonnes)

A) By Member State

Member State	1988	1989	1990	1991	1992	1993	1994 first half
France		17					
Italy					18	75	
Portugal	196						
Spain		1	2	1	24	1	
Greece						3	
United Kingdom	4	4		1			
Germany	7		1				
Netherlands							
Belgium/Luxemb.							
Total	207	22	3	2	42	79	0

B) By partner

Partner	1988	1989	1990	1991	1992	1993	1994 first half
Soviet Union / Rusia	196	17					
Marocco		1	2	1	24	1	
Turkey	7		1				
Norway	2	4					
Japan	2						
Albania						3	
Slovenia					1	28	
Croatia					17	47	
Tanzania				1			
Total	207	22	3	2	42	79	0

Annex 17

Imports of canned sardines

	1988	1989	1990	1991	1992	1993	1994 first half
Total imports:	17275	18889	19450	19002	28329	24168	12673

A. By partner

(in tonnes)

From	1988	1989	1990	1991	1992	1993	1994 first half
from Marocco:	15550	17288	17827	16991	19024	16479	8488
% from Marocco:	90.0%	91.5%	91.7%	89.4%	67.2%	68.2%	67.0%
from Namibia	0	0	0	0	3998	3068	1362
% from Namibia	0.0%	0.0%	0.0%	0.0%	14.1%	12.7%	10.7%
from Chile	24	0	1	14	3355	1635	2054
% from Chile	0.1%	0.0%	0.0%	0.1%	11.8%	6.8%	16.2%
Others	1701	1601	1622	1997	1952	2986	769
% from Others	9.8%	8.5%	8.3%	10.5%	6.9%	12.4%	6.1%

B. Member State

(in tonnes)

To	1988	1989	1990	1991	1992	1993	1994 first half
To United Kingdom	4254	4933	4966	4240	[1] 12653	[1] 10436	5868
% to UK:	24.6%	26.1%	25.5%	22.3%	44.7%	43.2%	46.3%
To France	5695	7776	6632	5324	6156	6005	1836
% to France:	33.0%	41.2%	34.1%	28.0%	21.7%	24.8%	14.5%
To Germany	4798	3070	3741	4795	4339	3327	2456
% to Germany:	27.8%	16.3%	19.2%	25.2%	15.3%	13.8%	19.4%
To Netherlands	744	1313	2122	2285	2923	2503	1156
% to Netherlands:	4.3%	7.0%	10.9%	12.0%	10.3%	10.4%	9.1%
Others	1784	1797	1989	2358	2258	1897	1357
% to Others:	10.3%	9.5%	10.2%	12.4%	8.0%	7.8%	10.7%

[1] According to the British authorities these figures include an unknown quantity of other species than "Sardina Pilchardus"

Annex 18

Exports of frozen sardines "SARDINA PILCHARDUS"

(in tonnes)

A) By Member State

From	1988	1989	1990	1991	1992	1993	1994 first half
Spain	1901	439	1847	1965	1216	2397	398
Portugal	793	1339	1361	1134	1105	1391	916
France	79	16	27	26	7	11	4
Italy	6	4	13	64	318	59	0
Germany	5	6	21	3	9	6	3
Netherlands	0	2114	4825	107	247	44	39
United Kingdom	0	0	0	325	39	114	131
Greece	0	0	0	1	4	8	0
Total	2784	3918	8094	3625	2945	4030	1491

B) By partner

To	1988	1989	1990	1991	1992	1993	1994 first half
Chile	1798	371	1783	1965	1015	819	378
Argentina	0	0	0	0	17	1049	0
USA	154	374	447	378	226	283	159
Canada	361	527	428	371	456	460	297
Israel	101	205	100	157	62	190	276
Brazil	84	170	1162	41	0	193	30
Australia	8	31	31	37	66	28	0
Macao	16	46	63	69	80	113	30
South Africa	83	78	120	113	168	121	27
Switzerland	44	45	83	69	99	77	63
Egypt	0	1840	3364	0	0	0	0
Others	135	231	513	425	756	697	231
Total	2784	3918	8094	3625	2945	4030	1491

Exports of fresh or chilled sardines "SARDINA PILCHARDUS"

(in tonnes)

A) By Member State

From	1988	1989	1990	1991	1992	1993	1994 first half
Italy	2	9	20	42	48	101	12
Portugal	16	8	61	44	40	18	8
Spain					1		40
Greece				1	17	34	32
United Kingdom				20		25	
Germany		14		4			5
Netherlands			1	1	1	4	3
Ireland	3					21	
France		2	1	2		1	
Total	21	33	83	114	107	204	100

B) By partner

To	1988	1989	1990	1991	1992	1993	1994 first half
Switserland	3	10	6	10	0	22	0
Canada	11	2	19	12	17	6	3
USA	2	6	34	32	25	12	5
Yugoslavia (+ex)	0	0	0	0	42	80	12
Others	5	15	24	60	23	84	80
Total	21	33	83	114	107	204	100

Annex 20

Exports of canned sardines

	1988	1989	1990	1991	1992	1993	1994 first half
Total exports:	16625	12150	10108	7768	7556	7795	4437

A. Member State

(in tonnes)

From	1988	1989	1990	1991	1992	1993	1994 first half
from Portugal:	12462	9237	7658	4969	4374	4257	2386
% from Portugal:	75.0%	76.0%	75.8%	64.0%	57.9%	54.6%	53.8%
from Spain	1422	1576	1475	1249	1482	2028	680
% from Spain	8.6%	13.0%	14.6%	16.1%	19.6%	26.0%	15.3%
from Italy	1197	94	276	462	386	401	324
% from Italy	7.2%	0.8%	2.7%	5.9%	5.1%	5.1%	7.3%
Others	1544	1243	699	1088	1314	1109	1047
% from Others	9.3%	10.2%	6.9%	14.0%	17.4%	14.2%	23.6%

A. Partner

(in tonnes)

To	1988	1989	1990	1991	1992	1993	1994 first half
To former USSR	4280	2394	844	11	7	150	68
% to former USSR	25.7%	19.7%	8.3%	0.1%	0.1%	1.9%	1.5%
To USA	3050	3049	2209	1674	1029	1152	431
% to USA	18.3%	25.1%	21.9%	21.5%	13.6%	14.8%	9.7%
To Australia	953	647	390	221	161	133	48
% to Australia:	5.7%	5.3%	3.9%	2.8%	2.1%	1.7%	1.1%
To South Africa	745	631	940	597	537	353	180
% to South Africa:	4.5%	5.2%	9.3%	7.7%	7.1%	4.5%	4.1%
Others	7597	5429	5725	5265	5822	6007	3710
% to Others	45.7%	44.7%	56.6%	67 8%	77.1%	77.1%	83.6%

Annex 21

Community production of canned sardines

(in tonnes)

Member State	1988	1989	1990	1991	1992	1993
Italy	9110	8400	8500	7000	5000	3500
Greece	1660	2397	2697	3814	4452	4496
France	22375	20215	19348	20595	19500	19361
Spain	33937	29203	28765	25888	25900	25900
Portugal	27101	28953	28189	24908	21934	22264
United Kingdom	1660	1660	2009	2961	2961	2961
Total Community	95843	90828	89508	85166	79747	78482

Estimated figures:
United Kingdom: 1988, 1992 and 1993
Spain: 1993

Community consumption of sardines for human consumption

(in tonnes)

	1988	1989	1990	1991	1992	1993	1994 first half
Production *)	248936	226519	258809	257107	210028	217957	91811
Imports							
Frozen	7110	4011	10404	14618	12995	1723	358
Fresh	207	22	3	2	42	79	0
Exports							
Frozen	2787	3918	8094	3625	2945	4030	1491
Fresh	21	33	83	114	107	204	100
Apparent Consumption	253445	226601	261039	267988	220013	215525	90578

Notes:
*) Production without withdrawls
The different stocks are not taken into account

Source:
Production: (annex 3 - annex 6)
Imports: (annex 15 + annex 16)
Exports: (annex 18 + annex 19)

Community consumption of canned sardines

(in tonnes)

	1988	1989	1990	1991	1992	1993
Production	95843	90828	89508	85166	79747	78482
Imports	17275	18889	19450	19002	[1] 28329	[1] 24168
Exports	16625	12150	10108	7768	7556	7795
Apparent Consumption	96493	97567	98850	96400	100520	94855

Source:
Production - annex 21
Imports - annex 17
Exports - annex 20

[1] See footnote of annex 17

Annex 24

Customs duties on different presentations of sardines

Countries	CN-Code		
	3002 61 10	0303 71 10	1604 13 10 1604 13 11 1604 13 19
Normal (N) Rate	23%	23%	25% (94 and before) 22.5% (95 and after)
EEA	16.5% (94) 13.2% (95)	16.5% (94) 13.2% (95)	18.0% (94) 13.0% (95)
Romania	(N)	20.7%(94 and after)	22.5%(94 and after)
Panama	(N)	(N)	0%(92 and after)
Andorra	0%(92 and after)	0%(92 and after)	0%(92 and after)
Central America (without Panama)	0%(92 and after)	0%(92 and after)	0%(92 and after)
Morocco	0	0	0%(92 and before) *C1 8% (93); 7% (94) 6%(Jan-Apr95) (N) (may 95 and later)
Tunisia	0	0	0 *C2
Algeria	0	0	(N)
Turkey	0	0	0
SPG (less developing countries)	0	0	0
ACP DOM/TOM	0	0	0

C1= Contingent of 10.000 tonnes for 1992
C2= Contingent of 100 tonnes

Annex 25

1990:

Compensatory allowance Mediterranean sardines size 3 (CA) : 171 Ecu/tonne

Mediterranean sardines			Atlantic sardines Average prices	
Representative ports	Av P	(Av P) - (CA)	France	EC (12)
France:			322	287
-Martigues	584	413		
-Port-Vendres	339	168		
-Sète	484	313		
Italy:				
-Chioggia	390	219		
-Ancona	367	196		
Greece:				
-Piraeus	437	266		

1993:

Compensatory allowance Mediterranean sardines size 3 (CA) : 138 Ecu/tonne

Mediterranean sardines			Atlantic sardines Average prices	
Representative ports	Av P	(Av P) - (CA)	France	EC (12)
France:			390	198
-Sète	388	250		
Italy:				
-Chioggia	348	210		
-Ancona	334	196		
Greece:				
-Piraeus	437	299		
-Kavala	361	223		
-Thessaloniki	503	365		

Note: These figures include the fresh sardine.

Av P = Average price
CA = Compensatory allowance

List of food aid operations
preserved sardines

Adjudication	Type of aide	Destination	Quantities (in tonnes)
1148-94	UNRWA	ISRAEL	180
1149-94	UNRWA	SYRIE	70
1150-94	UNRWA	LIBAN	65
1151-94	UNRWA	JORDANIE	80
1152-94	UNRWA	ISRAEL	87
921-94	UNRWA	ISRAEL	168
922-94	UNRWA	SYRIE	84
923-94	UNRWA	LIBAN	84
924-94	UNRWA	JORDANIE	112
925-94	UNRWA	ISRAEL	294
586-94	UNRWA	ALGERIE	438
523-94	UNRWA	CONGO	38
1711-93	UNRWA	EGYPTE	457
1012-93	UNRWA	ISRAEL	375
1013-93	UNRWA	SYRIE	84
1014-93	UNRWA	LIBAN	100
1015-93	UNRWA	JORDANIE	156
1008-93	UNRWA	ISRAEL	490
1009-93	UNRWA	SYRIE	84
1010-93	UNRWA	LIBAN	150
1011-93	UNRWA	JORDANIE	211
370-93	UNRWA	ISRAEL	323
371-93	UNRWA	SYRIE	121
372-93	UNRWA	LIBAN	160
169-93	UNRWA	GHANA	167
1600-92	UNRWA	JORDANIE	238
Total			**4816**

Note: ECHO data not received

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