

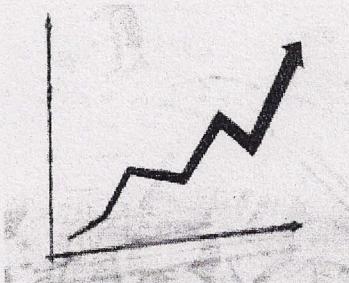
The Emerging Tuna Markets, Where Are They?

Published October 18 2012, by
www.atuna.com

By Atuna.com

atuna**HEADLINES**

October 18, 2012



The Emerging Tuna Markets, Where Are They?

Brazil, October 18, 2012

Indonesia and Iraq have the potential to become major markets for canned tuna, says Dario Chemerinski, an economist at Global Resources Brazil, a company that facilitates international business. "Those two countries already have big resources so they can become richer much more quickly, so probably consumption of tuna will grow..."

[Read this article](#)

Indonesia and Iraq have the potential to become major markets for canned tuna, says Dario **Chemerinski**, an economist at Global Resources Brazil, a company that facilitates international business.

"Those two countries already have big resources so they can become richer much more quickly, so probably consumption of tuna will grow faster than the others," he says. "They can be surprising and they can be big consumers."

The positive outlook is based on the joint OECD-FAO (Organization for Economic Co-operation and Development and the United Nation's Food and Agriculture Organization) forecast that the average global fish consumption per capita will increase by about 1 kg over the next decade, reaching almost 20 kg in 2021. Chemerinski believes canned tuna will form a reasonable percentage of that extra kilo of fish – about 100 g.

In addition to the larger fish intake, the world population is also expected to increase by about 700 million people in 2021, with the fastest growth rates in Africa and Asia, according to OECD-FAO. Chemerinski says the majority of the new tuna consumers will emerge from a distinct group of 11 developing countries – nine Asian and two African – that were previously selected for their long-term, expected growth.

Last year, 11 countries – dubbed the "Global Growth Generators" (3G) – were identified by two economists from Citigroup, a financial services company. The analysts used six factors, including demographic prospects, health and trade openness, to compile a list of poor nations that show economic promise in 40 years. The 3G countries are: Bangladesh, China, Egypt, India, Indonesia, Iraq, Mongolia, Nigeria, Philippines, Sri Lanka, and Vietnam.

Chemerinski estimates 80% - or 560 million new tuna consumers – will come from these regions of the world. He says some countries are more likely than others to drive the future growth of tuna consumption.

Iraq and Indonesia, for instance, could surprise the tuna industry in the medium term, by giving "nice growth volumes for the future," he says. Iraq stands to profit from its oil resources and Indonesia is turning into a "major force" in the world, thanks to its strong

economy. Both countries are also predominantly Muslim, so tuna is "halal" or acceptable to eat. While the fish is already a popular choice in the Middle East, he says Indonesia – one of the top tuna fishing and exporting nations – will eventually "catch up and discover the benefits of eating tuna."

For China and India, where tuna is eaten minimally, Chemerinski sees the upper class of the world's most populated countries impacting the industry in 10-15 years. With more sophisticated eating habits and the expansion of modern retail, he says canned tuna will become "one more interesting option" for the Chinese or Indian consumer.

"I think the growth in terms of per capita will be very small, but in terms of new consumers coming that will be interesting, because eventually perhaps we will see the high class, the top 5% of the population, discovering tuna. When you talk about 5% of the Chinese or Indian population, that means 50 million consumers – that's a whole country."

On the other hand, Mongolia, he says, is not a good candidate because its population, though equipped with a strong mining industry to boost its economy, has less than three million people. Bangladesh is also projected to take longer to amass tuna consumers.

Chemerinski says it's difficult to predict the future of tuna consumers in Africa because the populations there are growing faster than production. According to OECD-FAO's outlook, African fish consumption per capita will shrink by 0.7 kilos in 2021. Fish consumption per capita in Asia, to compare, is expected to grow by 1.5 kg, with the Chinese fish intake expected to increase by 4 kg in a decade.

Egypt and Nigeria, though, are the most densely populated countries in Africa and both nations already eat tuna. Egypt's tuna intake is about 600-700 g per capita, while Nigeria's is much smaller so it might take longer for the West African country to drive tuna volumes, says Chemerinski.

He describes Philippines as "one of the most logical" countries, given its already present tuna industry in terms of fishing fleets and processing facilities. Vietnam also has the "right components" to become a major player because of its population size, high fish consumption, and tuna catching and producing activities.

For countries not included on the 3G list, Chemerinski sees Brazil and Colombia becoming major tuna consumers in five years. Brazil's fish consumption per capita is expected to grow by a kilo in 2021, which is double the growth expected for Latin America, he says.

If the global intake of fish increases by 1 kg per capita in 2021, Chemerinski estimates the 700 million new consumers will eat 100 g of tuna on average each. To meet this future demand, the industry will need to produce an extra 70,000 tons of canned tuna or about 160,000 tons extra in tuna catches, he says. This marginal increase assumes the rest of the world will continue to eat tuna at historical levels, where average global canned tuna intake per capita has remained constant around 200 g in recent years.

Chemerinski says 100 g – half the global average – is reasonable because the consumers from the poor, developing countries are not used to including tuna in their diets.

"This 200 grams has a history. It's a history of habits, of rich countries eating more and more. You cannot apply the same 200 g consumption to the new populations that are not coming from these rich countries."

With potential new markets now identified in Asia and Africa, one crucial concern is how to increase tuna catches to supply the growing demand.

"I think one of the important things is how to make this more sustainable so that more tuna will available in the future. Eventually more catch will be needed to satisfy consumers."