

## SECTION 4

### DATE COLLECTION AND ASSESSMENT

Data collection and assessment is a minefield for market analysis. Problems occur at all levels, and the quality of information varies considerably. The problems can be summarised as follows;

- The fishing sector is the only industry where the capture of wild stocks is still a major activity. This activity happens well away from the sight of normal controls and is relatively easy to misreport catches. Data is often false or inaccurate.
- Data collected by the central controlling bodies (Fishery Departments) and international organizations (FAO) etc, takes one or two years to process so it is always out of date compared to now.
- Data is also difficult to collate accurately as fish is internationally traded and transhipped without ever being officially recorded or even recorded twice. In the recent EU survey for the sea bass and sea bream markets ([see case study on supply and demand – the sea bass and sea bream story](#)) it was shown that Denmark was an exporter of these species when it has no own production, and the official statistics were far less than the estimated figures produced by one of the consulting companies. Aquaculture sites often have licenses that control the number of tonnes that are allowed to be produced, but it is relatively simple to over produce and not record.
- The fisheries and aquaculture sectors are notoriously secretive, and the lack of transparency and information flow, coupled with the fragmented nature of these sectors further inhibits the collection and transmission of accurate statistics
- Much of the fish traded is at auction, this means that prices can fluctuate wildly and data must be developed for a long period of time to even out these fluctuations. Data sets from these auction centres are often incomplete, and markets are very reluctant to provide this type of detailed data
- Distribution chains can be very complex, and every link in the chain has a margin, which is a closely guarded secret. A wholesaler may reveal the selling price for the fish, but they will rarely reveal the price at which they buy the fish. This is also true for the quantities that are traded – transparency does not exist. Trading is further complicated by traders buying sometimes from middle men or agents, and at other times being supplied direct from the producer
- Raw material from the fish and aquaculture sectors is highly variable in size, quality, and form. Prices reflect these different products so it is essential to differentiate between these to ensure that the prices being used reflect realistic market trends. Shrimp is an obvious area where problems can arise with products being traded internationally so prices being quoted in US Dollars, Euros and Yen, and products being sold by



the kilo and the pound. Add to this foreign exchange rates, the weakness of the dollar, and pricing shrimp products becomes very difficult ([see the case study on shrimp – small but tasty, but a billion dollar industry](#))

- Trends will also become apparent from analysis of the main data sources, but these also have to be treated carefully. In the early half of 2004, shrimp imports and prices were higher, but by the time the anti-dumping tariffs were imposed in July, imports and prices had slumped. Importers and traders had been buying ahead of the new legislation, and were now selling off stocks. Here the trend had no relevance to the actual market.

All of the above have to be evaluated to assess their level of impact on the proposed markets identified for the project and their respective accuracy, up to date value. A conservative approach should then be applied and a model developed which allows simple flexing of prices to assist with sensitivity analysis.

#### 4.1. Data Sources

With the internet, we are now able to access many more data sources than previously at a touch of button. However, base data is still only produced free by Governmental or institutional centres e.g. FAO, ICLARM, EU, JETRO, etc. but unfortunately these sources are often late in publication, however they do provide historical trends necessary for full evaluation.

Other industry publications e.g. Intrafish, Fish Information Systems. Info-fish and Globefish, Fishing News, etc. are available but will cost money, or need to be subscribed to. These data sources are more up to date, often to the last month of trading so are useful for more recent data from the major trading points worldwide. Unfortunately not every species or grade is reported, and often some extrapolation is needed to get near to realistic prices and volumes.

Direct information is also obtainable by visiting markets and talking to traders. This can be extended to retailers however they are often reluctant to discuss market information unless they are interested in the products potentially available from your project. Visits should also be made to retailer outlets where a range of products are being sold, and if budgets and time allow, consumer interviews will add to perceptions and concerns of the end user which add value to the overall study.

What statistics do not show or highlight is the difference in consumers and their behaviour, which is very important in market-led production.