

INDIAN SEAFOOD TRADE: IMPLICATIONS, ISSUES, AND POLICY IMPERATIVES

Mr. Sandu Joseph
Secretary, SEAI

Dr. Shyam.S.Salim
Senior Scientist, CMFRI Cochin

Introduction

The exports of marine products during April- March 2011-12 have achieved the US 3.5\$ billion mark by registering a growth of 6.2 per cent in quantity ,26.85 per cent in rupee value and 22.81 per cent in US \$ realisation compared to the same period last year. This is the first time in the history of marine products that we are achieving the 3.5 billion mark. The average unit value realisation has also gone up by 15.87 per cent. Indian seafood exports are less than the global average, with about 12 per cent of its total fish production (wet weight equivalent) entering world trade. About 6.7 million people depend on fisheries for a livelihood. There are also about 300,000 people employed directly in the shrimp aquaculture sector and about 700,000 people in ancillary units. It is significant to note that more than 3 per cent of India's exports are marine products

Table I Marine exports during 2011-12 and 2010-11

Export details	April-March 2011-12	April-March 2010-11	Growth (%)
Quantity (tonnes)	862021	813091	6.02
Value (Rs.crore)	16597.23	12901.47	28.65
US\$ (Million)	3508.45	2856.92	22.81

The provisions under the various World trade agreements have impacted the different dimensions on the fisheries sector. The agreement has created opportunities as well as invited threats. It is significant to note that the sector has performed impressively in terms of exports growth and increased diversification in commodity and countries exported. However, there are many challenges faced by Indian fisheries trade in relation to the NAMA, Technical and Non-Technical Barriers to Trade, Subsidies, Anti-dumping, Sanitary and Phyto-Sanitary measures, domestic trade and

Free Trade Agreements. The major implications are discussed below.

(a) Tariff barriers

EU is India's largest trading partner. According to the Indian Export-Import Policy 2002-2007, all marine products, with a few exceptions under the Wildlife Protection Act 1972, can be exported free subject to pre-shipment quality inspection. 90 per cent of Indian seafood exports comprise frozen fish, shrimp and cephalopod. The average tariff rate in Japan, the biggest Indian seafood market, is 4.1 per cent. US, the 3rd biggest market for Indian seafood, has just a nominal 1 per cent tariff duty. EU, the biggest importer, has an average tariff duty of 10.2 per cent,

followed by China, the fourth biggest, which has a bound tariff rate of 18 per cent. The EU, Japan and the US extend preferential tariff treatment under Generalized System of

Preferences (GSP) to Indian products including seafood. In general, tariff measures are not seen as a trade barrier by the Indian seafood industry to the US and Japanese markets. However, it is seen as a barrier to access some of the markets in developing countries, including China, as well as the EU market. India is still in List I of Annex I of the EC Decision 97/276/EC, amended by 99/136/EC,

