THE ECONOMICS OF POLISH FISH PROCESSORS AS THE COMPONENT OF EUROPEAN SALMON SUPPLY CHAIN

World Atlantic salmon (*salmo salar*) production has been growing constantly for years. 99,9% of production comes from aquaculture, of which over a half is from Norway.

Aquaculture production	2010	2011	2012	2013	2014
volume (th. tons)	1438	1728	2067	2087	2320
value (mln USD)	7889	9682	10097	12904	14323
NORWAY	**939**	**1065**	**1232**	**1168**	**1258**
share (%)	65%	62%	60%	56%	54%

Import from Norway to Poland covered 75% of Polish market supply (total 155 th. tons worth 814,8 mln EUR in 2014).

POLAND IN ATLANTIC SALMON SUPPLY CHAIN

Domestic market is growing. However most of production is exported. Polish export in 2014 amountet to 77,8 th. tons worth 831,2 mln EUR. Main destination is Germany (56%), followed by Vietnam, Italy and Denmark.

In commodity term deliveries on German market 50% was mostly smoked fish (Poland as main supplier), and frozen (from China) but fast growing fresh and chilled (MAP) production is supported by discounts stores.

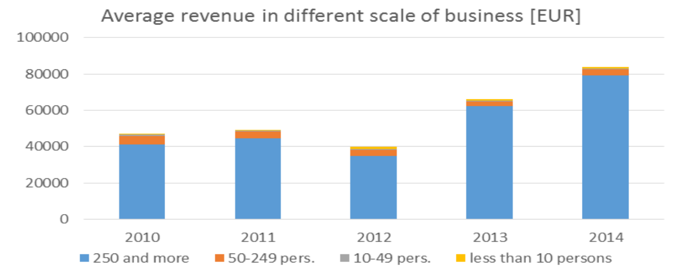
YEAR		2010	2011	2012	2013	2014
import	th tons	106,1	102,9	128,5	135,7	155,0
	mln EUR	526,0	468,6	521,8	733,5	814,8
export	th tons	55,8	52,8	64,3	74,9	77,8
	mln EUR	538,1	540,1	562,0	738,0	831,2

PRODUCTION EFFICIENCY

Poland is important processor at European and worldwide stage. There are located more than 80 enterprises located, which specialize in salmon processing.

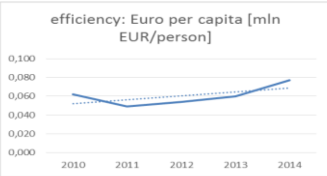
Revenues

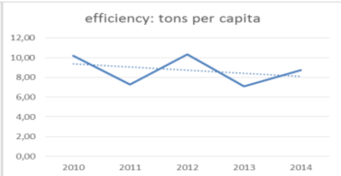
The dynamics of sales of the polish salmon processors were different depending on the scale of business. The fastest growing segment were small enterprises (less than 10 per.) and their average growth was more than 500% per year. The small businesses have usually produced for Polish market. The biggest enterprises also increased at 20% per year. They have produced mostly for export.



Employment efficiency

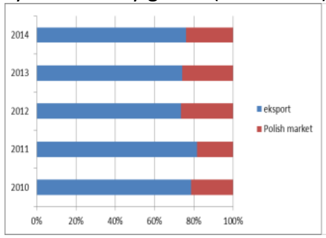
During the years 2010 - 2014 the efficiency calculated in sales per person employed in Polish salmon industry increased. At the same time efficiency calculated as total tons processed per capita decreased.

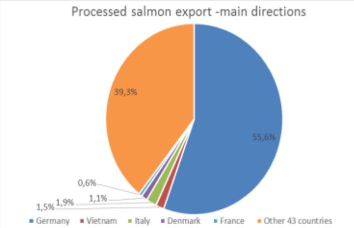


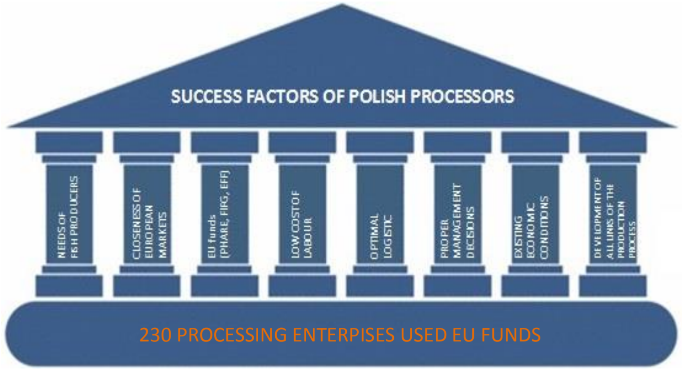


DISTRIBUTION

In researched period 77% (in Euro) of processed salmon was exported, but the national market is dynamic and its share systematically grows (from 2012).







Subsidies for processors

SAPARD – 112 mln PLN ~ 27,3 mln EUR
FIFG – 234,3 mln PLN ~ 57,1 mln EUR
EFF – 555, 1mln PLN ~ 135,4 mln EUR

$\Big\}$ **220 mln EUR**

Opportunities	Threads
- growing domestic market - improved transport infrastructure - location - developed research centers - internationalization of the ownership structure	- growing wages - changes on the market (new presentation, MAP) - increasing environmental requirements - 'black PR' for farmed salmon - relatively high raw material prices

FURTHER ACTION

- ➢ investments in diversification of production (innovative products)
- ➢ investments in productivity (new innovative technologies)
- ➢ waste management (pro-environment activities)
- ➢ development of transport infrastructure
- ➢ promotional and marketing actions

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