

## MARKETING INFORMATION SESSION

Chairman — William B. Hannum, Jr.

*National Marine Fisheries Service,  
Washington, D.C.*

### **Marketing Service Activities of the FAO-INFOPECSA Project in the Caribbean**

WERNER F. SCHROEDTER  
*FAO/UNDP Regional Project  
Panama, Republic of Panama*

#### RESUMEN

Con el propósito de desarrollar las pesquerías latinoamericanas, facilitando el acceso de productos locales a los mercados internacionales, PNUD/FAO inició un servicio de información sobre mercadeo de productos pesqueros latinoamericanos. INFOPECSA proporciona información a sus miembros (la mayoría de los países latinoamericanos y unas pocas islas del Caribe) sobre nuevos mercados, recomienda a los procesadores de productos pesqueros cumplir con los requerimientos del mercado internacional y proporciona asistencia a los países miembros mediante el entrenamiento de personal calificado en las actividades de exportación y mercadeo.

La mayoría de los países del Caribe importan más pescado del que exportan. INFOPECSA promueve la compra de dicho excedente en Latino América. De acuerdo a los datos obtenidos por INFOPECSA, en 1977 las islas del Caribe importaron 113,000 TM de pescado. El Proyecto posee información sobre reglamentaciones para la importación, aduanas, tarifas, preferencias para los miembros de CARICOM, precios de importación, tarifas y facilidades de transporte, etc.

INFOPECSA ha facilitado el contacto entre importadores del Caribe y productores de Latino América. Aunque esta actividad continúa, ha tenido un éxito limitado. En el presente las barreras comerciales entre Latino América y el Caribe son mayores de lo que podría esperarse. Aunque son vecinos directos, las posibilidades de transporte son muy limitadas y las tarifas muy altas. El comercio regional está restringido por las conexiones tradicionales entre el Caribe, los Estados Unidos y Europa. Prácticas convencionales de comercio son todavía patrocinadas por las casas comerciales existentes, los bancos y líneas marítimas. Mas aun los sistemas de distribución de Estados Unidos y Europa, altamente desarrollados, tienen mayores posibilidades para proporcionar pequeñas cantidades de diferentes productos en empaques surtidos, lo cual es preferido por los importadores.

INFOPECSA puede solo participar en esfuerzos conjuntos para la solución de los múltiples problemas. En la sesión del Comité de Acción para productos marinos y dulceacuicolas de SELA, realizada en Agosto en Honduras, INFOPECSA propuso el establecimiento de una agencia de comercialización para el Caribe. En la misma sesión, se discutieron los planes para la creación de una compañía multi-nacional para el mercadeo de productos latinoamericanos. En cooperación con otras organizaciones regionales y mundiales, trabajando sobre aspectos similares, sería posible alcanzar avances significativos hacia una mejor integración económica del Caribe.

## INFOPESCA: OBJECTIVES, ACTIVITIES AND ACCOMPLISHMENTS

The Market Information Service for Fish Products in the Latin American Region, INFOPESCA, is a regional project financed by the United Nations Development program (UNDP) operated by the Food and Agriculture Organization of the United Nations (FAO). The government of the Republic of Panama (host country) grants office accomodation, local office staff, office supplies and operation and maintenance of equipment. Most of the Latin American countries are member countries of INFOPESCA. The governments of the member countries, the UNDP and the FAO are jointly responsible for the execution of the project.

INFOPESCA seeks to develop the Latin American fishing industry through the promotion of exports of fish products. The main objectives are: to find markets or better markets for fish products from Latin America, to assist the industry in receiving adqueate prices for its products, to encourage increased production and new investments if justified by existing demand, to advise the industry on improved product forms and packings to meet international market standards and to encourage development of inter-Latin American trade.

Primarily the project fosters interest for Latin American fish products in the main consumer areas of the world, Europe, North America, East Asia and Japan. Importers are becoming more and more aware of the huge fisheries potential of Latin America and of the already existing import possibilities. Numerous contacts have been established between importers in those regions with exporting companies in Latin America.

Every request from outside the region for offers for particular products is being followed up. The project publishes such requests and informs potential exporters who can supply the products, either directly or through the official contacts in the member countries. In turn, it follows up any particular offer made by Latin American canning factories, freezing companies or other fish processing companies with free capacities looking for markets or better markets for their products. Here again potential importers are informed about these offers. INFOPESCA monitors the world market for fish products for all firms involved in the business. For this reason, Price Reports are issued regularly twice a month with international prices for fish products in main consumer areas, as well as prices for products from Latin America. In the same Price Report, interesting news in the fisheries world related to Latin America is published. Additionally, offers from Latin American companies including FOB prices and quantities are advertised and recently requests from importers outside and inside the region for products from Latin America have been published the same way.

Further, INFOPESCA issues a monthly Bulletin about its activities. The Bulletin gives a summary of the Price Reports, scans news of fisheries developments in Latin America or with relation to the region, publishes a directory of the project's official contacts in the member countries, deals with selected fish products or product groups, their development and market trends, and keeps track of new legislations in fisheries in the member countries and, as far as relevant, in main consumer countries.

Table 1. Imports in mt of Fish Products by the Caribbean Market Area, 1977

Country	Fish frozen, chilled	Fish dried, salted, smoked	Molluscs frozen	Canned Products	Total
Antigua	43	442	7	101	593
Bahamas	304	67	255	1,117	1,743
Barbados	373	472	17	468	1,330
Bermuda	576	640	366	350	1,872
Cayman Islands	—	—	—	—	—
Cuba	37,000	14,700	1,500	9,400	62,600
Dominica	356	307	—	93	756
Dominican Rep.	100	5,300	300	3,700	9,400
Grenada	—	500	—	200	700
Guadalupe	755	1,313	114	—	2,182
Haiti	2	1,872	—	478	2,352
Jamaica	3,857	9,156	167	4,517	17,697
Martinique	1,758	2,274	182	412	4,626
Neth. Antilles	1,154	194	234	686	2,268
St. Kitts	—	200	—	100	300
St. Lucia	129	301	5	36	471
St. Vincent	6	325	3	68	402
Trinidad	100	2,000	—	1,400	3,500
Totals	46,453	40,063	3,150	23,126	112,792

Source: FAO Fisheries Statistics 1977.

Various efforts were made by the project to improve the flow of information between the islands and the project and to establish better trade connections between the importers on the islands and continental Latin American fish exporters. A greater part of the activities have been directed recently to the problems of the Caribbean. The project had invited the member countries of the Caribbean to a study tour the last week of August 1979 to familiarize our official contacts with the working scheme and the potentials of INFOPESCA.

INFOPESCA consultant Tore Wessel Daae visited the Cayman Islands, Bahamas, Barbados and Trinidad in July to improve the cooperation between the project and the member countries in this area, and to study the possibilities of increasing inter-Latin American trade with the Caribbean. In September 1979 the marketing expert of the project visited the Netherland Antilles, Trinidad and Tobago, Surinam and Guyana to inform the official contacts about the results of the study tour in August and to find a way to air-freight fresh fish or frozen fish from Guyana to Curacao. Particular efforts

were made to include the Caribbean islands as customers and importers for continental South American fish products. The existence of a large consumer market with the demand of more than 100,000 tons of fish products a year was advertised in the exporting countries of Latin America. All importers known to the project were contacted in the Caribbean countries that are project members and advised of the opportunity to buy fish products from Latin America, possibly more cheaply and conveniently. The exporting companies in continental America were asked to submit their offers to the importers in the Caribbean. Direct contact between importers and exporters could be established. The success of the endeavors, however, was limited. The project could contribute to a better awareness of the existing problem, it could encourage the willingness and the readiness to develop the inter-American trade and it could clear the facts. Demands of the importers in the Caribbean were published on one side and also the offers from continental Latin American exporters on the other. The project could state that all or nearly all the products consumed in the Caribbean could be made available by Latin American suppliers. It could also compile data of shipping facilities and freight rates from some of the Latin American countries to some destinations in the Caribbean. Problems could be discussed with a number of involved possible partners, such as exporters from Latin America, shipping agencies and importers in the Caribbean.

#### Limits

Findings from such discussions were that considerable obstacles to trade exist between continental Latin America and the Caribbean islands. The best intentions to cooperate are often blocked by simple commercial reasons. A glance through the tables of freight rates in the appendix and the comparison of the freight costs, let's say, from Argentina to any destination of the world and from Argentina to some of the Caribbean islands shows that it is cheaper to transport products from Argentina to Tokyo than from Argentina to any of the islands in the Caribbean. The same picture is repeated by many of the countries. The only way to transport fish products at reasonable freight rates from Latin America to the islands is from Colombia and from Panama. These countries, however, have only a few products to offer and could not supply the whole assortment wanted.

Freight cost is only one of the difficulties hampering trade between Latin America and the islands. The relatively small quantities needed of each product by the importers on the islands is another. Therefore it is more convenient for the importer to order assorted container loads of various goods, not only fish. Hardly one country on the continent of Latin America can provide all the products wanted in one container for frozen goods and another for non-frozen goods. The infrequent transport service from continental Latin American countries to the Caribbean is another reason for complaints. On top of this, transport facilities are not always reliable. The chance to assemble a load in a continental port for one destination is low, so the transport may arrive in time, but may as well not. This kind of unreliability of arrival dates is a situation none of the importers on the islands

can cope with. These are significant reasons why inter-South American trade with the Caribbean is still poor.

On the other hand, between the former motherlands of the Caribbean islands in Europe and between the United States and the islands exist old, well-established trade channels. The good relations between buyers and suppliers are still fostered by trading houses, banks and shipping lines from the old countries on the island, and there are many personal and family ties which may weigh occasionally heavier than even small advantages in prices. Furthermore, Miami or other US American or European ports are doubtless able to supply and deliver even the most sophisticated orders of the customers. They can put together products of many countries of the world, small or large quantities, into one container load. They can normally guarantee the time of arrival of the shipment. Between old trade partners there is no trouble in financing and normally no argument about product quality and packing. Anyone in the trade knows how difficult it is to break into old traditional trade connections. How much more difficult must it be to enter a new business from the far end of the world with a product or a brand which is new, or much less known than others, with unfavorable freight conditions, high freight costs and with unknown partners.

INFOPESCA is quite aware of those barriers. But it is the aim and the main objective of the project to develop trade from Latin America to any possible destination and to develop the inter-South American trade. It will continue to work towards this end.

#### Outlook

The improvement of the inter-Latin American trade is difficult. It certainly needs time and the cooperation of all parties involved. An organization like INFOPESCA, formed as a market information service, can by its very nature only do part of it. Future favorable economic development of the Latin American countries would result also in expanding trade, improved trade connections, better and more frequent transport, efficient trading houses, transshipment and storage facilities at several places and the like. This really would bring the Caribbean much closer to the Latin American business centers. The Caribbean itself could contribute by making better use of its agriculture and fishing resources, and most by exploiting its tremendous resources for the tourist industry. Meanwhile, attempts to improve the inter-Latin American trade are being made by various organizations like BLADEX, ALICA, the Caribbean Development Bank, CARICOM and others.

At the first Technical Consultation Meeting of INFOPESCA's member countries in Panama in January 1979, the idea for a multinational fish trading company for Latin America was born and possible further steps were discussed by the representatives of the present member countries. INFOPESCA proposed at this meeting, among other things, a trading house for the Caribbean to be set up in Panama for intermediate storage, transshipments and collective shipments. It can be hoped that the discussions and planning will soon result in workable decisions and appropriate activities to improve the supply of South American goods in the Caribbean as well as to improve the total complex of Latin American fisheries trade.