

# **Domestic and International Market Expansion for Milkfish Sales**

Min-Hsien Yang, Professor, Feng Chia University, Taiwan

I Han, Assistant Professor, Feng Chia University, Taiwan

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## **Background**

Milkfish is the major farmed fish in the aquaculture industry in Taiwan. The annual output of milkfish is about 60,000 metric tons, including 80% sales to the domestic market. On the other hand, the annual exporting volume of milkfish is averaged 10,000 metric tons, mainly to the US and the Middle East countries. After the agreement of ECFA (Cross-Straits Economic Cooperation Framework Agreement), China becomes the third largest exporting destination of milkfish produced in Taiwan, amounting US\$2 million in 2014 at a 2,693% growth rate since 2010 at US\$47 million. In addition to milkfish, the overall aquatic products for exporting to China achieved US\$259 million in 2014, as a triple size of growth by adding another US\$199 million to the export value. Meanwhile, the importing aquatic products from China also valued US\$188 million. It shows that the regular cross-strait trade under ECFA effectively promotes aquatic products value to and from China, particularly beneficial to the fish in the early-bird list of ECFA (including rockfish , Pacific saury , milkfish , *Polydactylus sexfilis*, turtle eggs, and etc.).

## **Fisheries Agency (FA) committed to domestic and international market expansion upon globalization trend**

According to FA, the annual output of aquatic products is around 1.2 million metric tons, with more than its 50% for export. Given that the current important international market is China, the government authorities should assist to promote and expand all possible overseas markets without a difference. Because of the globalization trend following the free trade guiding by WTO, FA wishes to commit resources in re-adjusting the industry structure to meet the new consumer taste preferring a combination of industry culture and market channel in favor of localizing consumption on the local production. In addition, FA encourages the industry players to actively participate in international exhibitions on aquatic productions in order to raise our exposure in the global market. Consequently, the aquatic products exported at the level of 610,000 metric tons in 2010 soon grew by 30%, to 800,000 metric tons in 2014. Furthermore, FA encourages aquatic product firms to participate in exhibitions targeting at China markets by taking advantages of ECFA new potential business opportunities. FA also promotes to develop aquatic

processing products specifically for consumer preferences in China market, such as milkfish floss, fishball, and milkfish dumplings. The impact from consumer reputations seems to be massive. For examples, one of the winners in the annual “Seafood Banquet” competition, Sabafish Biotech Company, sells its milkfish boutique products successfully because of well-known reputations in China. The company located in Tainan becomes one major destination for tourists from China. In addition, the premium products such as milkfish crisps products are among the most popular souvenirs to buy.

### **Upgrade the industry value chain by promoting refined and branded aquatic products**

Lastly, FA announced that the improvement of trade terms by ECFA can effectively promote aquatic exporting market to China. The government will continue to assist the industry to upgrade production capacity and quality by a market-oriented attitude. By doing so, the industry competitiveness can be further enhanced. Moreover, the government wishes to raise the income of fishermen by aggressively promoting domestic and international market via several specific events and exhibitions, such as annually held evaluation events like “Seafood Bouquet”, “Taiwan Top-ten Karasumi”, and “Taiwan Premier Grouper”. Throughout these activities, the industry participants have been educated how to raise the level of processing technology and how to commercialize branded products. It is very important to add more value to the products and upgrade the industry value chain in order to move towards a sustainable fishery industry in Taiwan.

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