

Tilapia production in Europe

29 December 2013, by Øystein Falch of Inocap, Norway, and member of the Seafood Consultants Network.

Inocap estimates the European tilapia production to be 2.000 ton, which is about 0,05% of the global tilapia production.

Apparently there is no single data source from which a complete picture of tilapia production in the European Union (EU) can be drawn. Based on information from several parties, Inocap estimates the production in the EU to be about 2.000 ton. The largest farm produces about 1.000 ton and the second largest about 150 ton.

Because of the cool climate, all the farms are closed containment recirculation systems, frequently referred to as RAS, where the fish swim in tanks and about 95 % of the water is recirculated on a daily basis. Previously, flow through farms utilized warm water from the cooling systems of nuclear power plants.



Flow through tilapia farm by nuclear power plant

Historically most of the tilapia production in Europe has taken place in the Netherlands and Belgium. The first tilapia farms came into operation in the early 1980's, and there have been many attempts and failures since then. The largest initiative was in Belgium in 2007 when a RAS farm with a capacity of 3.000 ton was built. It reached a production of about 1.000 ton before the operation ceased in 2009. In the Netherlands a company consisting of several farms of 100 to 750 ton each was producing 1.500 ton tilapia annually over a period of five years, but they are no longer operating.

At present, the largest farm is located in Poland with a capacity of 1.300 ton and an anticipated production of about 1.000 ton in 2013. The second largest grower is in the UK and it produces 150 ton. For the time being, the UK seems to be the country with the largest number of farms with something like 4 – 6 small farms operating, although it has recently been announced that the largest grower will mothball one site as the company re-focuses on marketing.

Investment levels are roughly indicated to have been about USD 5,50 – 7,00 per kilogram of production/harvest capacity for RAS, and about USD 4,75 per kilogram for flow through systems.

The sales price for round fish farm gate in Belgium was about USD 3,60 per kilogram in 2009. In 2013 it is expected that a RAS farm in Europe needs to sell at a price of USD 3,60 - USD 4,00 per kilogram for round tilapia at farm gate in order to make a decent return on investment. Assuming a fillet yield of 33 %, this gives a sales price of USD 10,80 – 12,00 per kilogram at farm gate.

Tilapia farmed in Europe has not been able to compete on price with imported tilapia, but the cost disadvantage could come down as recirculation technology is in rapid development.

Tilapia produced in RAS can be of high quality, safe and sustainable, and receives the best recommendations by environment NGOs.

As a species tilapia has low market recognition in the EU, and is by many perceived to be closely similar to the cheap fish Pangasius. This, in combination defrosted fish sold by retailers as fresh, makes it difficult to avoid price competition.