



CANADIAN  
**LOBSTER**



Maritime Region Lobster Advisory Committee  
Lobster sector update  
September 24, 2024

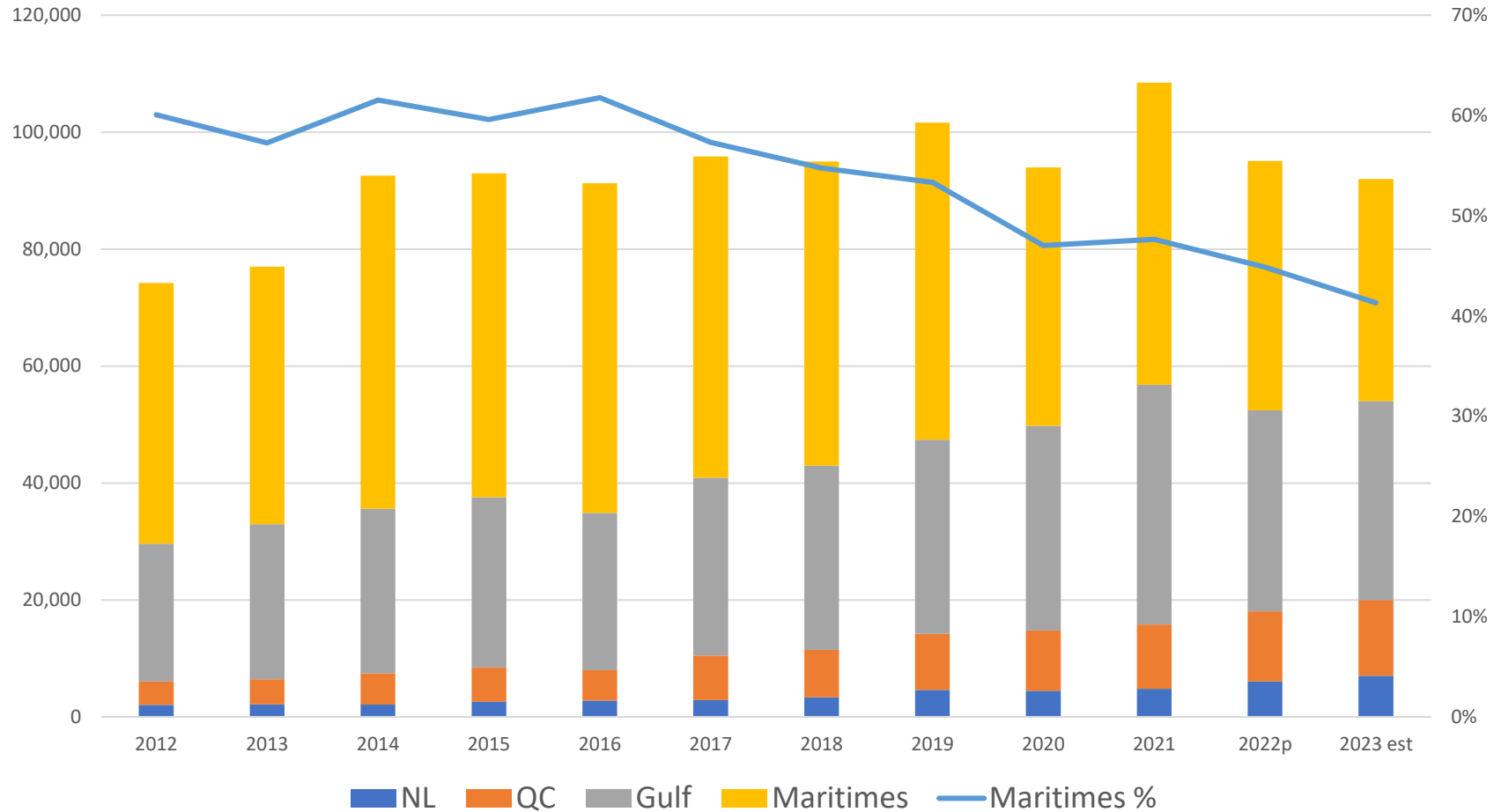
# Agenda for today

1. Canadian Lobster landings, exports and prices (shore and market)
2. Spring market review
3. Marine Stewardship Council update
4. Market access challenges
5. Fall market situation

# **LCC core activities – focus on the lobster market**

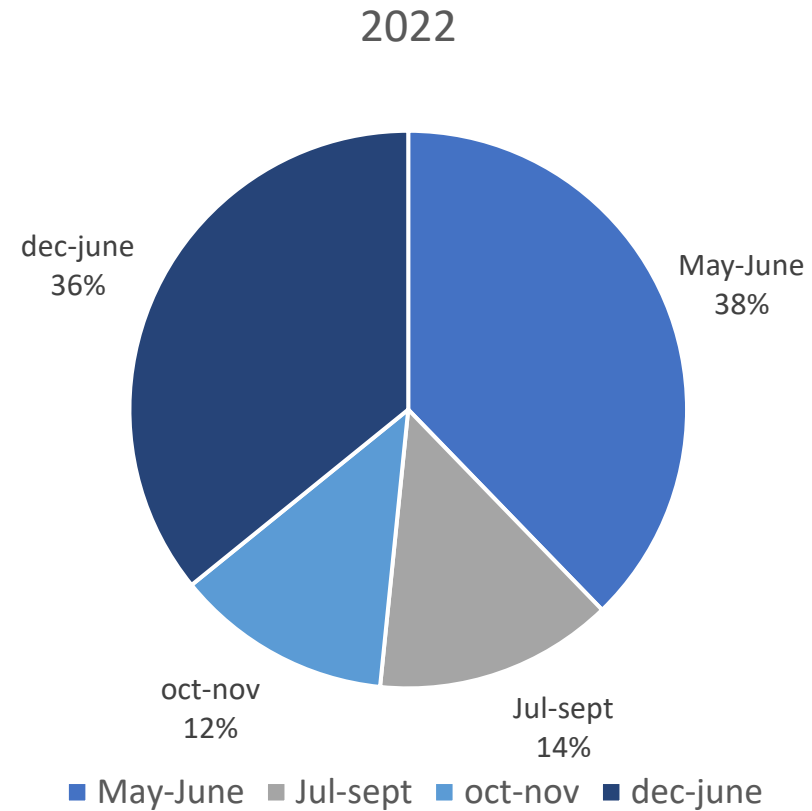
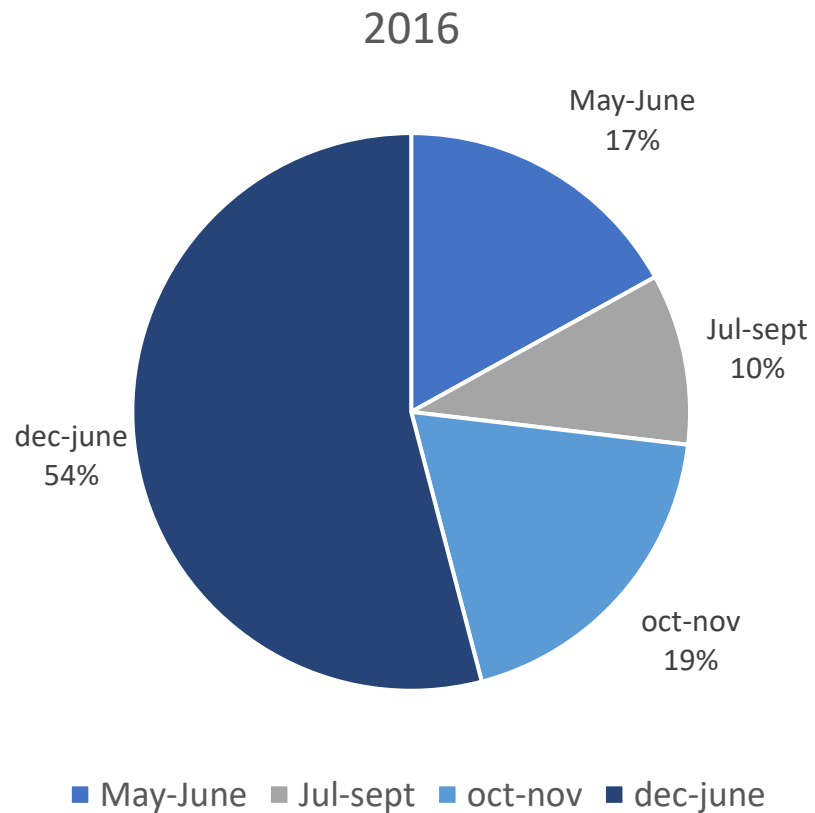
- 1. Marketing and promotion of Canadian Lobster**
- 2. Market access – advocacy and information sharing**
- 3. Market intelligence – sharing with all members**
- 4. Trade Development - programs and projects**
- 5. Media relations – consistent positive messaging**
- 6. Other key priorities of lobster sector (eco-certification)**

# Maritimes region landings declining as percent of total



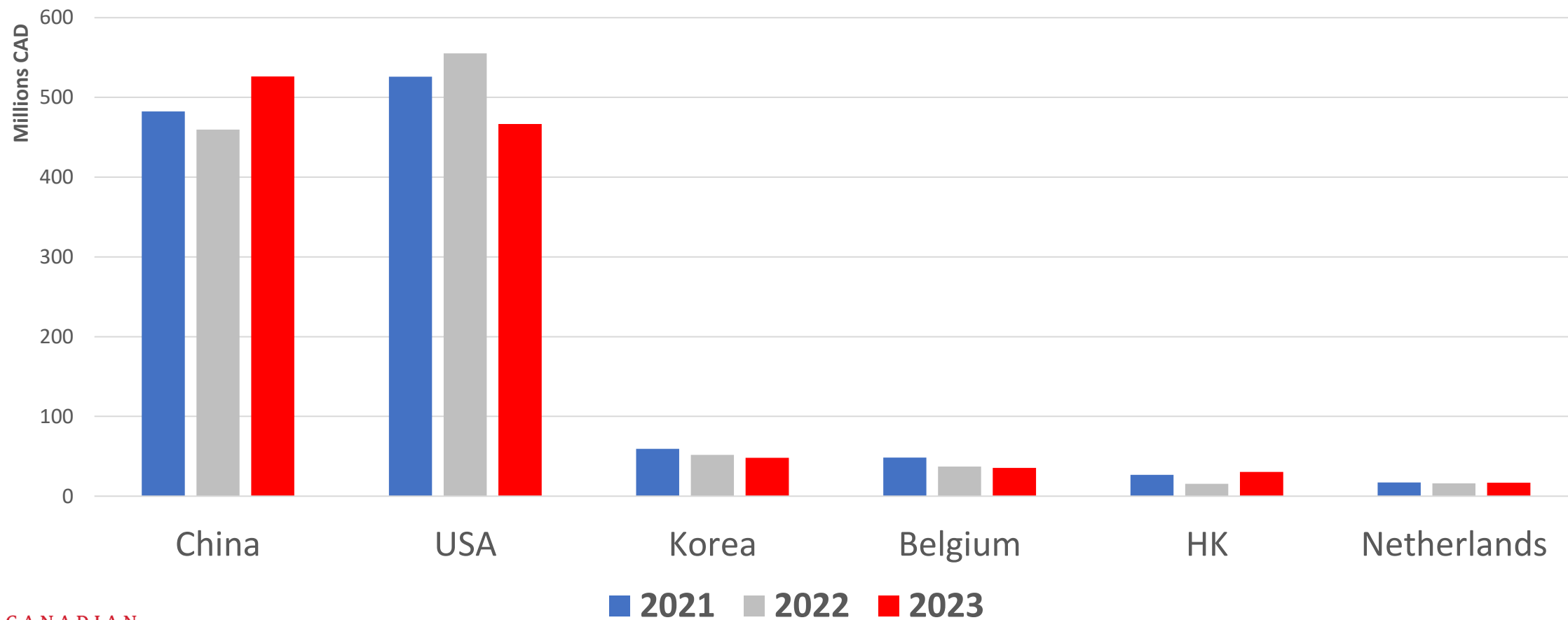
Source: Seafood Datasearch and Global Trade Tracker

# Between 2016 and 2022 major changes in seasonality



Source: Seafood Datasearch

# Canadian Live Lobster Exports 2021 - 2023

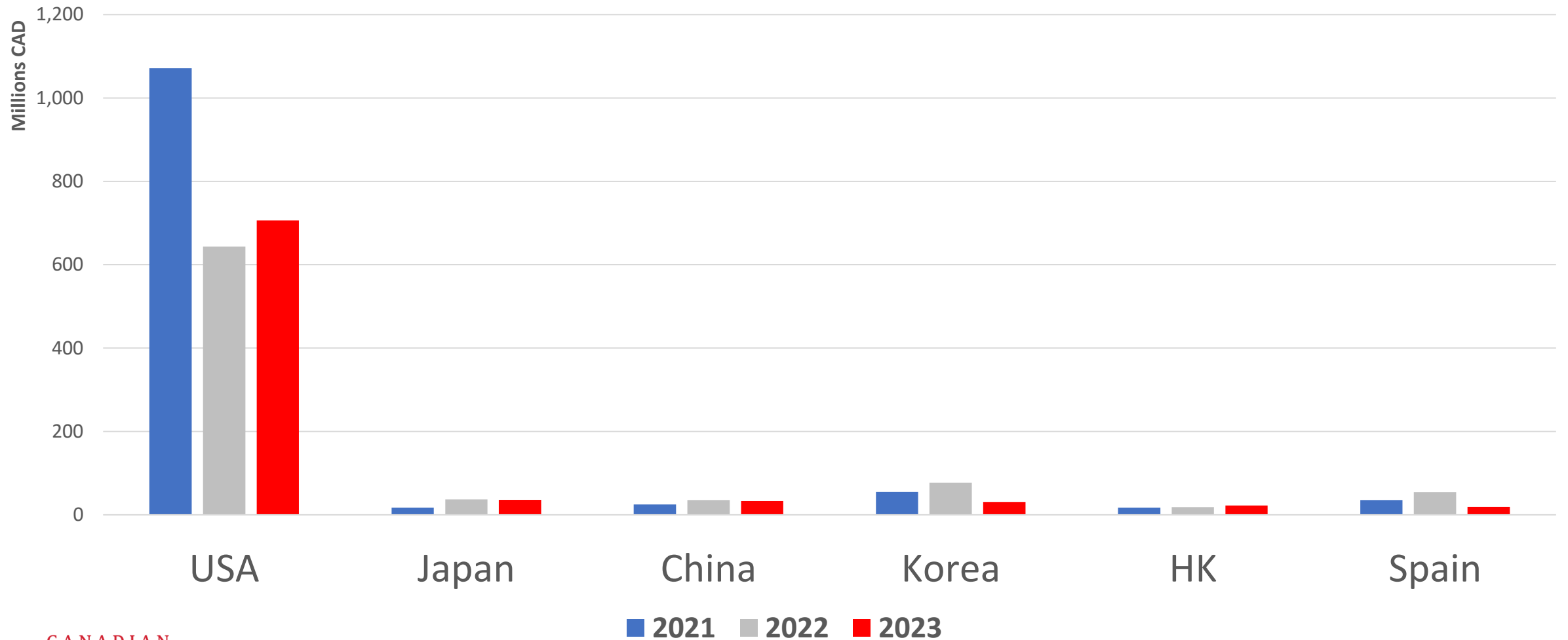




## Live Lobster Export Value to end July 2024

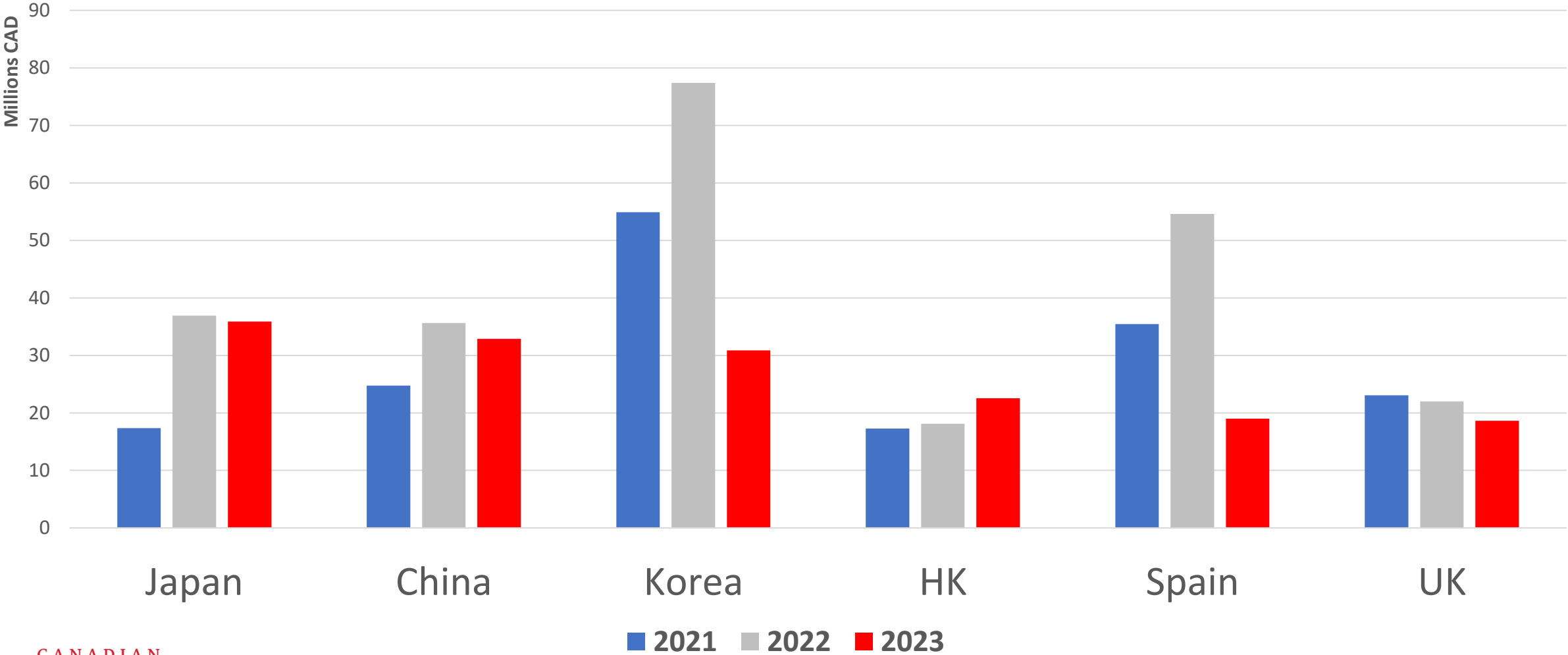
	2022	2023	2024 to end July
U.S.A.	\$545,046,467.00	\$460,772,354.00	\$374,380,135.00
China	\$459,672,651.00	\$526,338,946.00	\$311,423,837.00
Korea, South	\$51,842,304.00	\$48,022,069.00	\$26,741,226.00
Belgium	\$37,122,915.00	\$35,302,953.00	\$14,699,880.00
Hong Kong	\$15,537,232.00	\$30,461,215.00	\$13,987,675.00
Taiwan	\$11,894,627.00	\$12,091,751.00	\$10,653,471.00
France	\$22,016,767.00	\$14,732,922.00	\$10,020,860.00
Spain	\$20,034,113.00	\$16,043,861.00	\$8,974,183.00
Netherlands	\$16,042,334.00	\$17,033,722.00	\$8,495,685.00
Italy	\$17,228,181.00	\$14,318,657.00	\$8,494,680.00
<b>Total</b>	<b>\$1,252,632,998.00</b>	<b>\$1,222,967,527.00</b>	<b>\$814,307,606.00</b>

# Canadian Frozen Lobster – (In-shell) exports 2020 - 2023





# Canadian Frozen In-shell Lobster exports – Non-USA 2021 - 2023



## Frozen in shell (tails and whole) Lobster Export Value to end July

	<b>2022</b>	<b>2023</b>	<b>2024 to end July</b>
<b>U.S.A.</b>	\$604,998,018.00	\$645,561,231.00	\$425,868,547.00
<b>South Korea</b>	\$70,230,447.00	\$26,536,663.00	\$36,453,360.00
<b>China</b>	\$19,310,183.00	\$18,535,769.00	\$16,601,549.00
<b>Spain</b>	\$37,608,895.00	\$9,289,830.00	\$14,670,642.00
<b>Japan</b>	\$35,764,679.00	\$20,184,552.00	\$13,588,171.00
<b>United Kingdom</b>	\$19,472,459.00	\$14,863,251.00	\$11,366,601.00
<b>Hong Kong</b>	\$13,577,730.00	\$17,966,300.00	\$10,194,077.00
<b>Belgium</b>	\$17,304,120.00	\$12,417,861.00	\$8,593,240.00
<b>France</b>	\$13,007,665.00	\$12,211,510.00	\$6,622,121.00
<b>Netherlands</b>	\$18,903,712.00	\$3,546,906.00	\$2,513,849.00
<b>Total</b>	<b>\$912,946,078.00</b>	<b>\$812,975,657.00</b>	<b>\$562,878,715.00</b>

# Maritime region ex vessel prices 2022 and 2023

	2022			2023	
1	LFA 32	\$9.95	1	LFA 33	\$10.09
2	LFA 31b	\$9.87	2	LFA 34	\$10.03
3	LFA 33	\$9.82	3	LFA 36	\$9.78
4	LFA 31a	\$9.68	4	LFA 38	\$9.75
5	LFA 29	\$9.57	5	GZ	\$9.58
6	LFA 28	\$9.56	6	LFA 32	\$9.38
7	LFA 34	\$9.43	7	LFA 35	\$9.11
8	LFA 38	\$9.18	7	LFA 31b	\$9.11
9	GZ	\$9.15	8	LFA 30	\$8.52
10	LFA 30	\$8.99	9	LFA 27	\$8.50
11	LFA 27	\$8.43	10	LFA 29	\$8.35
12	LFA 36	\$8.28	11	LFA 31a	\$8.28
13	LFA 35	\$7.65	12	LFA 28	\$8.18

# Live lobster from N.S. – Export value by month 2024

Date	World Value	U.S. Value	China Value
January	\$114,050,340.00	\$32,101,178.00	\$65,015,648.00
February	\$103,315,840.00	\$37,116,597.00	\$47,704,669.00
March	\$74,248,989.00	\$32,167,903.00	\$27,732,920.00
April	\$73,895,453.00	\$35,816,275.00	\$26,186,048.00
May	\$132,074,182.00	\$68,267,246.00	\$42,426,100.00
June	\$130,104,296.00	\$57,053,072.00	\$50,049,484.00
July	\$75,227,533.00	\$18,828,608.00	\$34,576,710.00

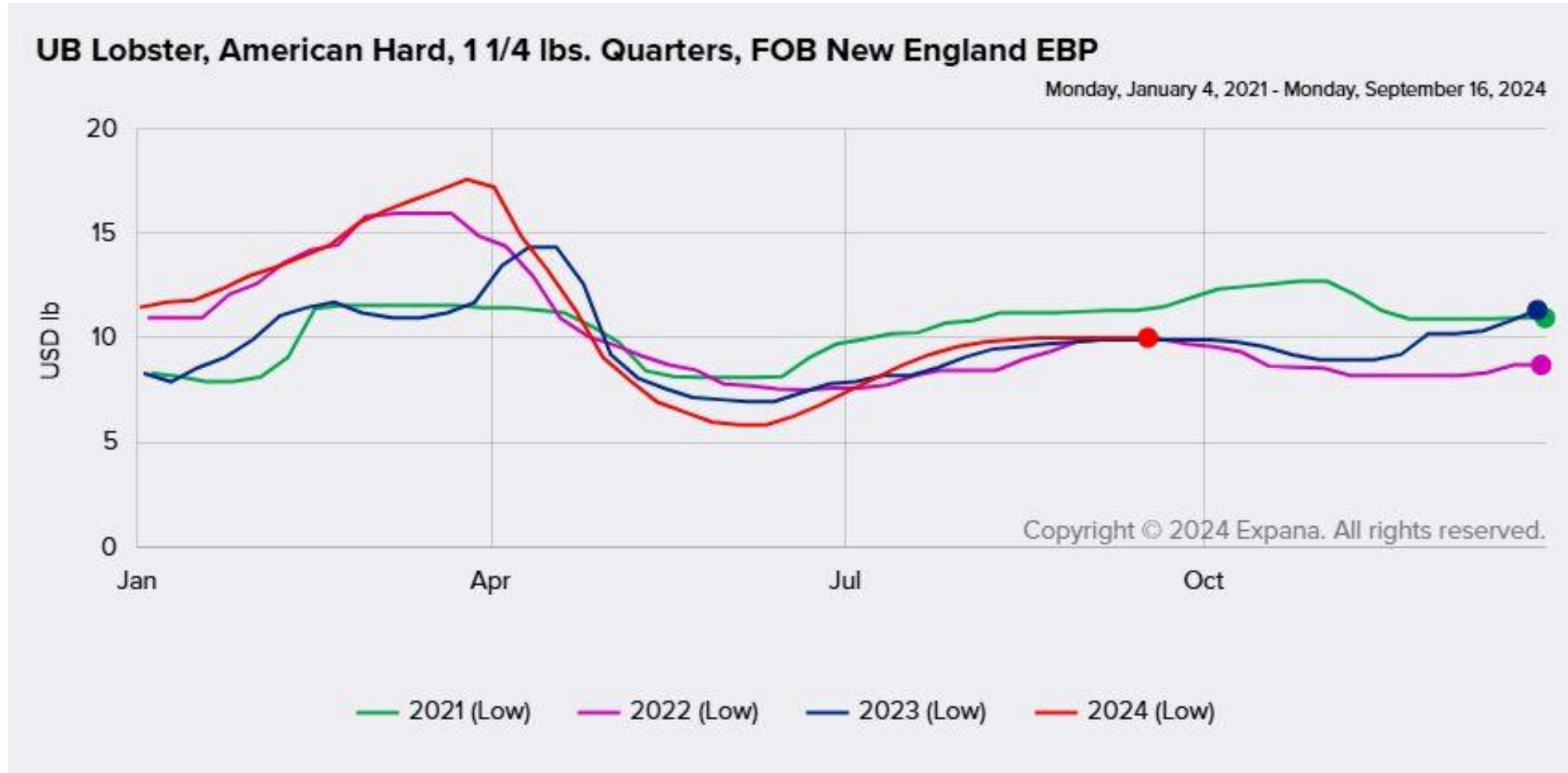
# Live Lobster from N.S. – Export prices 2024

	U.S. Value	World Value	China Value
January	\$13.72	\$13.09	\$13.31
February	\$15.23	\$14.94	\$14.63
March	\$12.74	\$14.86	\$17.42
April	\$15.11	\$15.33	\$15.80
May	\$10.02	\$10.60	\$11.31
June	\$8.95	\$10.32	\$12.31
July	\$10.80	\$11.55	\$11.69

# Evaluating the Spring pricing dynamic

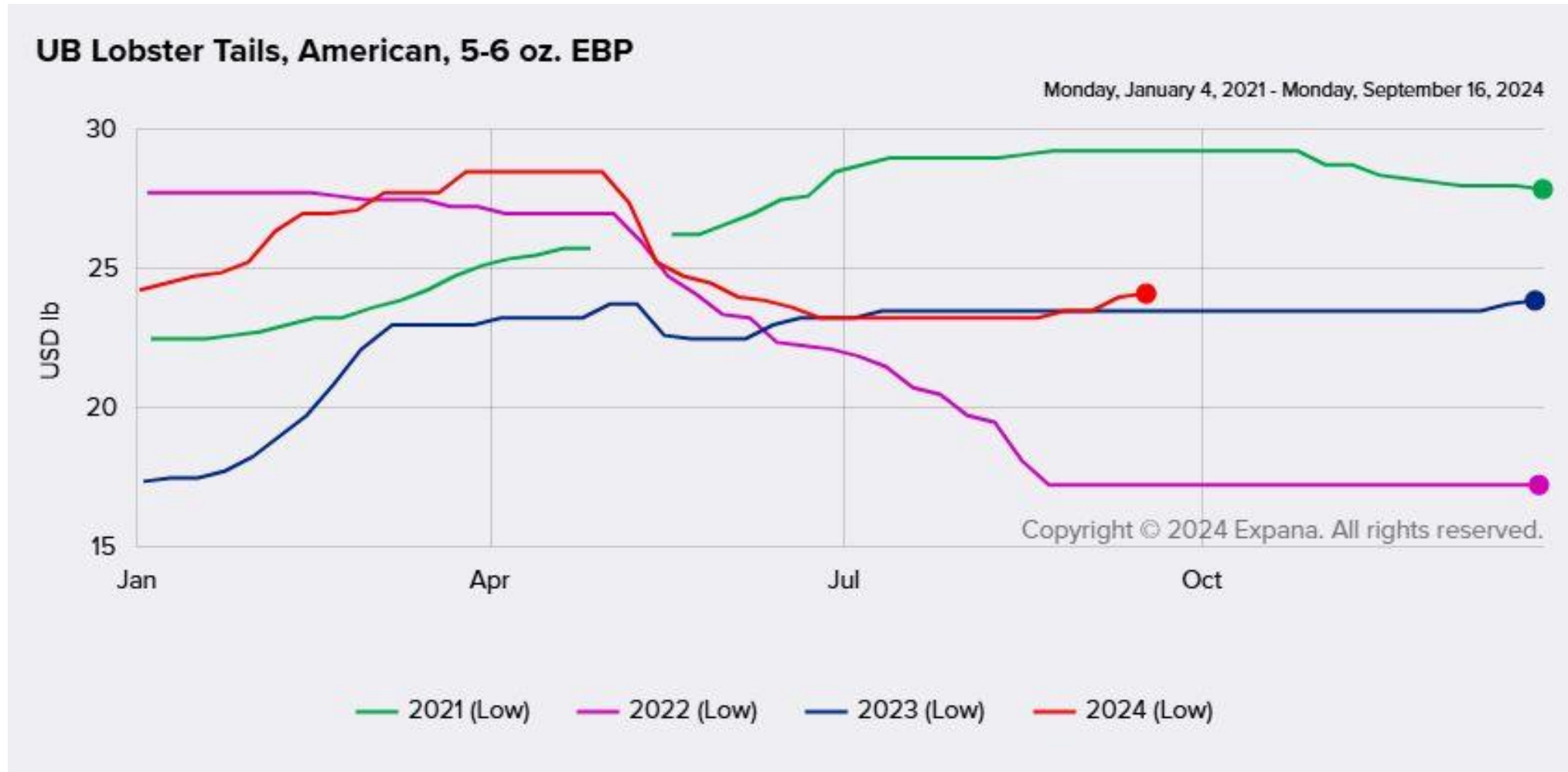
- Landings have become **Spring loaded** - less lobster in Fall/Winter
- Strong demand from **China and USA** for live lobster in Q 1/2
- **Processors** left out until prices moderated in Spring
- Spring landings and production strong – **prices moderated quickly** (\$20 to \$8 in five weeks)
- Price moderation **helped some** (processors, some live shippers) and **hurt others** (some harvesters, traders with inventory)
- Many **expect same situation in 2025** – high Spring landings and high demand on May 1

# U.S. wholesale prices – Live Quarters

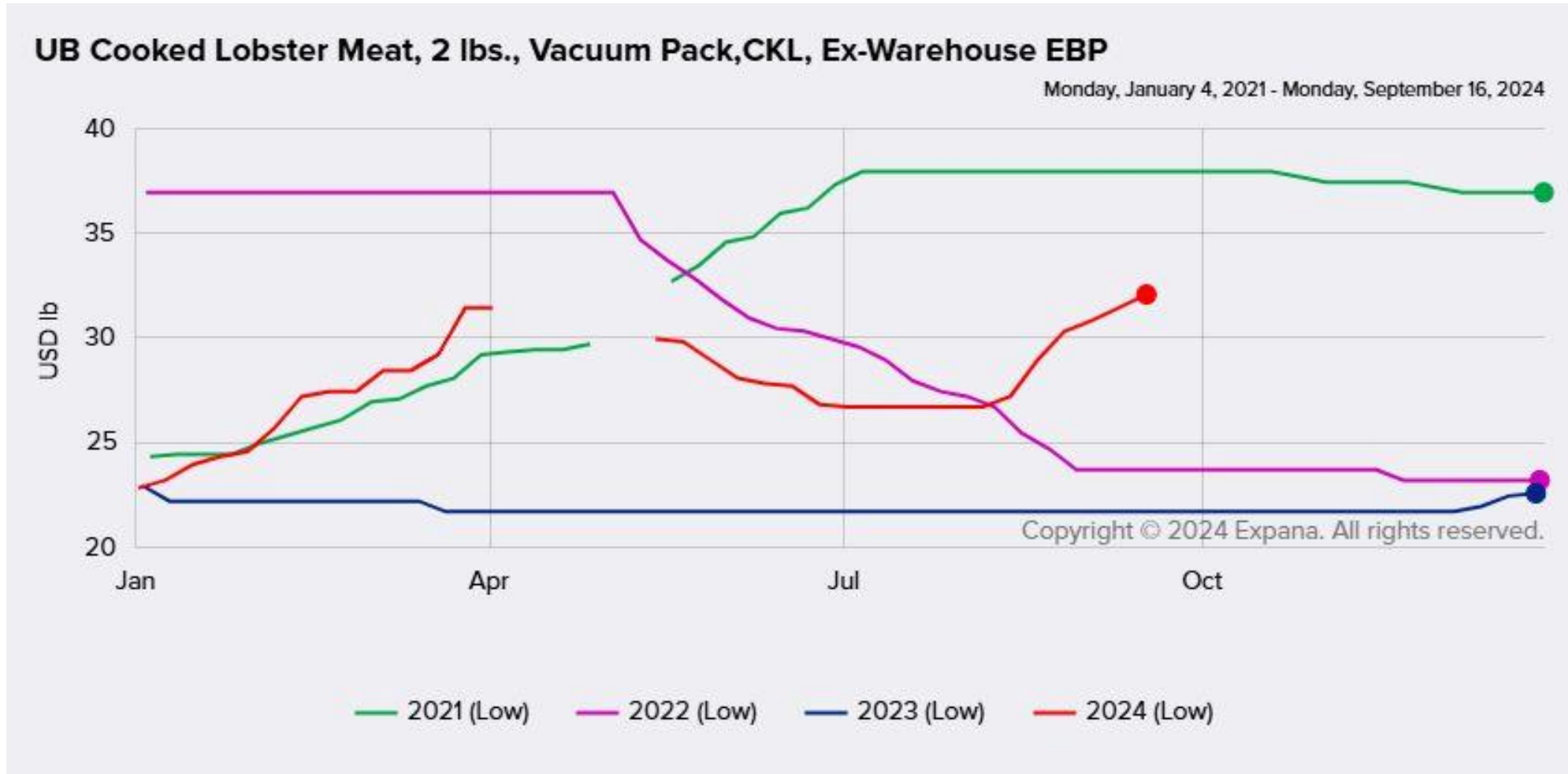




# U.S. wholesale prices – 5-6 oz Tails



# U.S. wholesale prices – Lobster meat



# Marine Stewardship Council – the good part

- Inshore PEI/NB/NS is MSC certified - “**Maritime Canada Inshore Lobster**”
- There are **176 companies or harvester groups in the client group** – the largest ever
- **Key parts of the lobster market still require 3<sup>rd</sup> party sustainability certification** – popsicle packs for Europe, whole cooks for parts of Asia, tails for certain retailers in North America, live for some retail markets
- **3<sup>rd</sup> surveillance audit** completed in June – all conditions closed
- But then...

# Marine Stewardship Council – the surprise (or was it?)

- August - advised that an **expedited audit has been** called - new information about the NARW “Argo” entangled in lobster gear from LFA 33 in 2023
- “Argo” has been rated as a “**critical injury**” by NOAA – was found out during an audit on Quebec Snow Crab this summer
- Expedited audit will take place in October and focus exclusively on NARW measures – **focus will be on Unit of Assessment # 3 (LFA 27-33)**
- **Best case scenario** – new condition(s) on NARW
- **Worst case scenario** – we fail the audit and have to withdraw from the program

# Marine Stewardship Council – the future challenge

- Provided we survive the expedited audit we will go into **re-assessment in Spring 2025**
- MSC has just released **revised and updated fishery standard, v. 3.1**
- We do not have to move to 3.1 until 2030 so plan to **re-assess under the current standard**
- We plan to do what we can to **stay in the MSC program** as long as possible
- **Other schemes are being studied** as options
- Working with dozens of other client groups in the **Association of Sustainable Fisheries** umbrella group

# Market access challenges

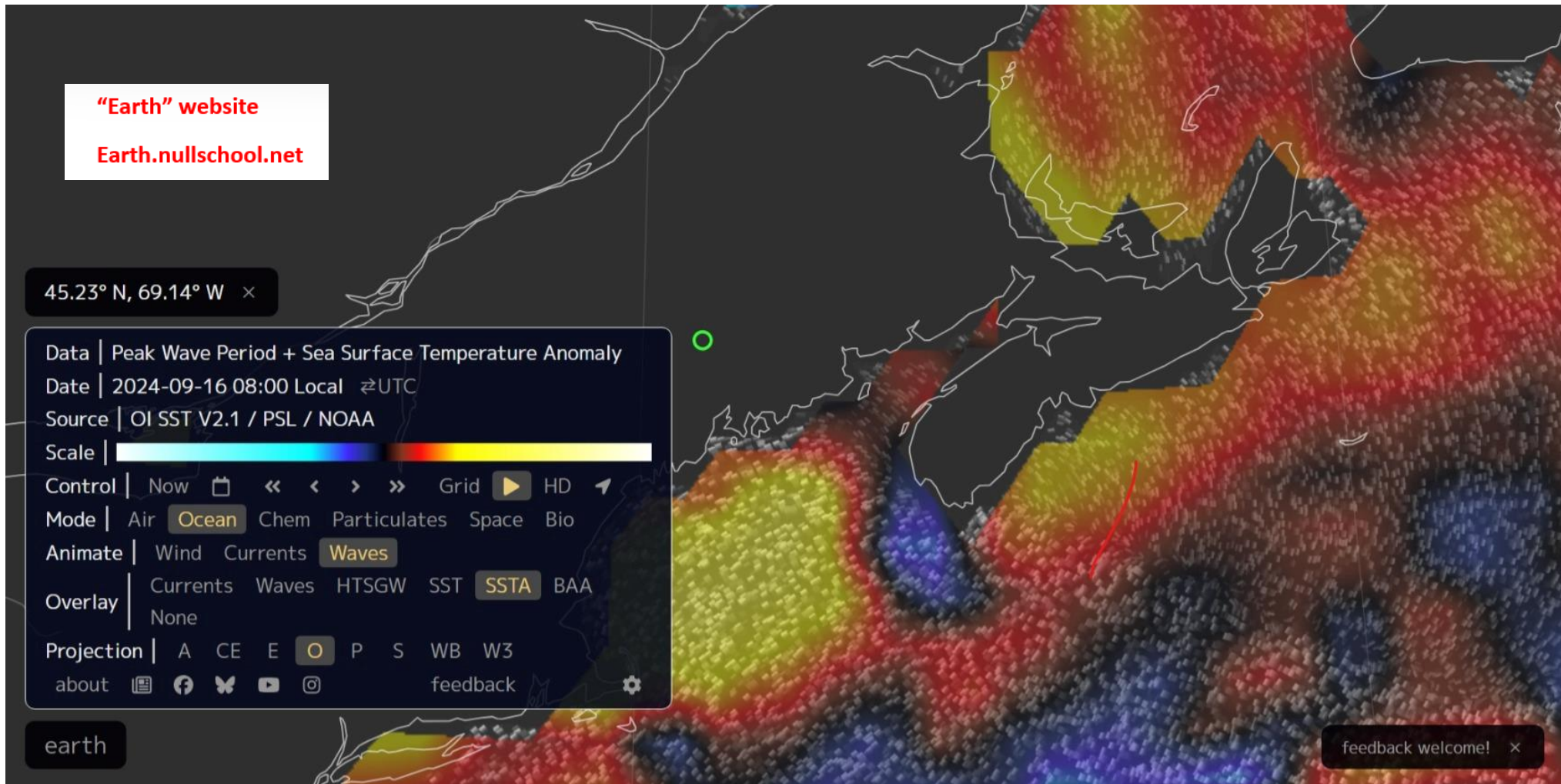
- **North Atlantic Right Whales** - ongoing challenge
- **Traceability** - U.S. Food Safety Modernization Act (FSMA)
- **Eco-Certification – MSC** – expedited audit and new standard 3.1 will be challenging
- **United States** - Gauge increase in 2025 and 2027
- **China** - China Customs approval for lobster processors
- **Europe** – EU animal transport regulations, U.K. animal welfare guidance

# Lobster market situation – Fall 2024

- **Climate change** clearly impacting the lobster sector – storms and water temperature changing production areas, seasonality
- **Summer/Fall landings down** in LFA 25 and Maine, will water temperature impact Bay of Fundy/SWNS/NB?
- **Processed lobster** – prices for meat and tails rising after heavy Spring production and market adjustment – whole in shell not as strong
- **Live lobster** – prices rose through summer but now flat going into the Fall. Chinese demand change to smaller lobster, U.S. demand strong with low Maine landings
- **Shore price setting mechanism in NL and QC** impacted market in Spring
- **Concerns going into Fall** – Chinese economy, U.S. election/potential tariff impact, U.S. gauge increase



# Monitoring water temperatures







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Thank You  
Questions?