

Project title: COVID-19 - The impact on Norwegian seafood trade and coastal communities

Duration: January 2021 – September 2025

Client: The Research Council of Norway

Project leader: Hans-Martin Straume

### **Project description**

The seafood industry is important for Norway and its coastal communities. In 2017, the seafood industry contributed almost 94 billion NOK to the Norwegian GDP, employing around 58 000 person-hours divided between the industry itself and the associated supplier and services industries. International trade is crucial for the industry as more than 90% of production is exported, and therefore also for employment and the general well-being of the coastal communities that depend on the industry.

The recent COVID-19 pandemic has led to disruptions and increased uncertainty in international trade. This has also affected seafood trade. Just as during the 2008/09 international trade collapse, aggregate Norwegian seafood trade appear less affected than other exporting sectors to the trade shock. However, the aggregate hides much heterogeneity across different products, firms and markets.

To understand how the sector and communities are affected it is necessary to understand how seafood trade responds to crisis. This includes abilities to re-direct trade flows in times of crisis, find new trade partners and markets, and adjust product forms and supply chains to changing market conditions.

This project will address these points using firm level non-anonymous customs declarations data organized in collaboration with the Norwegian Toll Directorate. The analysis will be founded on the rapidly developing trade literature using firm-level customs data. Customs data will be combined with additional data from Statistics Norway that provide more specific firm level information (balance sheets, ownership nationality, industry codes, and location) and data that provides information on regional seafood sector employment and wages. This will provide a unique opportunity to trace the trade impacts of the pandemic through the exporting firms and to the local communities where the fish is produced. Real time access to the customs data allow us to trace out longer term persistent impacts.