

Aquaculture and fisheries industry in malaysia



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INTRODUCTION

Aquaculture industry in Malaysia nowadays has become one of engine of growth that contributes to the improvement in the economy of our country. Fisheries industry is one of the main sectors of food supply in Malaysia. At 2008, aquaculture has achieved about 20.8% contribution in fisheries industry[1]. Among various types of aquaculture activities, brackish water aquaculture is the predominant practise in the industry. Aquaculture is becoming one of ways to enhance food security and increase export revenues of Malaysia. Thus, commercialisation of aquaculture industry is the great concern give by government and private sectors to promote a better life and standard of living of people despite of increasing the economy development. I want to investigate how far the commercialisation of shrimp does contribute in the aspect of economy development and Human Developing Index.

I have the idea to do this research initially because I've seen that farmed shrimp have been demanded by people for many reasons. This research was done to investigate the effect of commercialisation of shrimp farming in aquaculture industry towards the area in Merbok, Kedah. Most of the shrimp farmers choose various type of shrimp in their farm according to demand by people. I chose to do this research in Merbok initially because it is one of important aquaculture area of in Kuala Muda, Kedah. Moreover, Kedah is poised to become a major shrimp aquaculture zone[2]. The research is significant to investigate the effect of commercialisation towards the surrounding area including farmers, households and private sectors in Merbok. The Malaysian government assists the shrimp culture industry

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through the Department of Fisheries, which provides advice and technical assistance.

In addition, aquaculture industry is become to produce high value species for domestic market as well as for the export market. About 80 percent of the Malaysian shrimp culture production is exported, mostly to Singapore, Japan, the United States, and Europe. Export market contributes mainly towards increasing revenues in economy of Malaysia. But, in this research, there is no numerical data about export of shrimp because most of farmers in Merbok do not export their products directly. Besides, this research is significant to make the community realise the steps taken by government to improve income and standard of living of poor people in Malaysia in order to reduce poverty. Most of Malaysian does not aware of it. Commercialization is the main purpose did by government to attract more people involve in this profitable sector. Furthermore, I also include the challenges faced by farmers in shrimp farming.

1. 2 RESEARCH OBJECTIVES

This study is attempted to make a further study of the effects of commercialism of tiger shrimp farming towards economy of Merbok. The objectives of study are:

To investigate on how and how far has the aquaculture industry brought to improvement in the economy development of Merbok, Kedah.

To study the demand and supply of tiger shrimp before and after commercialization.

To investigate the government intervention to improve this industry as one of important industry in Merbok, Kedah.

To investigate the role aquaculture industry in increasing the standard of living of farmers, graduates and etc.

To identify the strength, weakness, opportunity and threat of aquaculture industry in our country which affecting the economy of Merbok, Kedah.

To give recommendation on how the tiger shrimp farming activity can be commercialized over the world.

1. 3 SIGNIFICANCE OF RESEARCH

This study will need interaction with experts and management body of aquaculture industry. In this research, study will be focusing on capability of commercialization of shrimp farming in the aquaculture industry. The effect will be on:

Demand of shrimp by foreigners and local

Bulk purchase and supply and exports

Exports

Level of unemployment

Standard of living farmers and people surrounding

Government Spending

Third National Agriculture Policy (NAP3) – RMK9

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Food Security Scheme

Research and Development

1. 4 CONCEPTIONAL FRAMEWORK

EFFECT

Income earns

Standard of living

Unemployment

Economics in social

Externalities

COMMERCIALIZATION

Agriculture policy

Third National Agriculture Policy

Food Security Scheme

Research and development

Culture technology

Protection against shrimp diseases

Entrepreneurship

Improvement in training

SCOPE OF RESEARCH

1. 5. 1 Commercialization Tiger shrimp farming

Commercialization is done by an organization to get competitiveness of a country in order to explore their new economic resources. In this investigation, the commercialization will include the prospect of government spending, entrepreneurship and training in aquaculture industry, and export figure of shrimps. The research will be focusing only in area of Merbok, Kedah.

The effect on economy of Merbok

The effect of commercialization of Tiger shrimps on economy will be restricted to certain elements of economy:-

People surrounding – standard of living, job opportunities

Aquaculture industry – national income (export), level of unemployment

Environment – negative externalities

1. 6 METHODOLOGY

I have chosen four different types of method in this research:

Documentation

The data in this research is mainly collected from Department of Fisheries and District Office. Critical evaluation will be conducted by accessing reports, statistic and annual data in aquaculture industry.

Survey

This research also practices on survey method through distribution of questionnaires among shrimp farmers and people surrounding in Merbok, Kedah. The data will be used to support information in documentation.

Interview

The study will also have to be done by interviewing with the managements and administrator that run the aquaculture sectors.

Field research

An additional method to be carried is by observation; visit the site of samples that had chosen. Questionnaires are distributed to people surrounding during this field research.

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2. 1 LITERATURE REVIEW

After financial crisis in 1997, the agriculture food production in Malaysia has become a growth mechanism to raise the national income of our economy. Aquaculture is one of the sectors that contribute for food supply in agriculture. “ In 2007, about 39. 6% of our food supply is from fisheries sector”[3]. Fisheries sector has the potential to increase our export revenue and food security commodity by large-scale food production. Aquaculture industry in Malaysia developed rapidly to be an important activity to increase the economy growth. In 8th Malaysian Plan, approximately 20 percent of household expenditure was on fish production. Malaysia is commonly practise on brackish water, fresh water and marine aquaculture. According to <https://assignbuster.com/aquaculture-and-fisheries-industry-in-malaysia/>

FAO (Food and Agriculture Organization of the United Nation), brackish water is a predominant practise in Malaysia. In this research, the study will focus on shrimp farming in brackish water aquaculture activity. Some of the brackish water shrimp farming is tiger shrimp, black tiger shrimp, white shrimp, lobster and others.

There are many agriculture policies done by government to enhance the production of food security. These are the summary of the policies that related with this research.

2. 1. 1 Third National Agricultural Policy (1998-2010)[4]

NAP3 has planned a way to develop agricultural sector towards 2010 to ensure that the agriculture able to give rise in national development. In overall, NAP3 is formulated through optimal exploitation of resources in agriculture to maximize the income based on these specific objectives:-

Enhance food security

Increase productivity and competitiveness of the sector

Deepen linkages with other sector

Creates sources of growth for the sector

Conserve and utilize natural resources on a sustainable basis

The significance task was given to fisheries sector in terms of its importance and potential towards future growth of agriculture sector. This will be done by increasing its production through deep sea fishing and aquaculture on a commercial and integrated basis. Government is putting their interest in

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shrimp aquaculture industry which is promotes large scale commercial shrimp farms as an effort to increase the food production. In order to commercialize this sector, it involves training, research and development in aquaculture activity.

Ninth Malaysia Plan[5]

Ninth Malaysia Plan (NMP) is Malaysian development for time period from 2006 to 2010. NMP aimed to encourage development in agriculture sector as third growth engine mechanism. Government provided huge allocation to implement agricultural project. Agricultural Development Scheme under NMP was enacted in order to transform our agricultural sector to modern agriculture trend and competitive.

The agricultural policies in Ninth Malaysia Plan are:-

Increasing agricultural production including new source of growth exploration with larger private sector participation;

Expand agriculture-based processing activity and product diversification

Strengthen global marketing and network;

Increase income of small farmers, farmer and fisherman; and

Improve service delivery system.

During implementation of the policies within five years, government focuses on new agriculture development. Government concerns to increase farmer group involvement, modern fisherman and commercial agro entrepreneur's agriculture sector would be achieved.

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Food Security Policy (2008)[6]

Global food crisis on 2008 happened due to increasing demand of food, protectionism on export of food product, use of land for bio fuel plant and climate changes. The government apply Food Security Policy to challenge the crisis. The policy was introduced to maintain food supply and stabilize food price. The main focuses of the policy are paddy production, aquaculture and farming sector. About RM4 billion spent by government for agriculture development under Food Security Policy in 2008 and 2009. The objectives of Food Security Policy are:-

To increase the production and productivity of agro-based food to accomplish standard of living.

To ensure the farmers get an appropriate income and to maintain the food source production.

To ensure enough food supply, with an approved quality and safety.

This policy is corresponding to my research in prospects effect on commercialization of shrimp farming effect to surrounding area. One of the purposes of commercialization is to produce large scale production of food supply in aquaculture industry.

Instead of those policies, there are also programmes and projects done by government to achieve the improvement in aquaculture industry.

National Fishery Consortium Limited (NFCL)[7]

In National Fishery Consortium Limited project, the government put high efforts to attract private sector to participate in the development of fisheries

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sector. This project goes under National Agriculture Policy III that aimed; enhance food security, increasing productivity, encourage investment of private sector in agriculture, enhance exports and conservation, with sustainable use of natural resources. The objectives of NFCL project are;-

Develop improved and sustainable catching methods;

Increase national fish production and quality of fishes;

Generate attractive returns to the fisheries industry players;

Create local employment opportunities;

Promote development of new products and business enterprises in the fisheries industry; and

Develop and improve fishing port facilities to support fisheries operations, including improvements in handling and hygiene.

One of the objectives (create local employment opportunities), is significant with the objectives of this research.