

# The world shrimp production



### **Background of Global Shrimp Market**

The world shrimp production has rapidly expanded over the last decades. The expansion is mainly attributed to technological breakthrough from innovation (Ling, Leung, & Shang, 1999; Shang, Leung, & Ling, 1998) and vast consumption in the global market (Oosterveer, 2006; Shang, et al., 1998). The introduction of new production technologies such as antibiotics, antimicrobial and gene transformation are able to prevent infection of diseases and reduce mortality rate. Advanced production technologies also lowers the operating costs and increases the profits of shrimp producers. However, extensive usage of antibiotics in shrimp production has raised health concerns and has resulted in the banning of imported shrimps by major European importers. Imported shrimps from China has been banned by European Council (EC) in 2002 due to the over presence of antibiotics in the products. Another issue of advanced aquaculture technology is the introduction of new species into the wild population. For instance, gene transformation creates new species of shrimp for commercial purposes but if the new species escapes into the wild population, it could be predator for certain sea creatures and destroy the ecosystem balance.

Large global demand on shrimp is mainly due to high consumption in developed countries such as.... (Describe the statistics). The increase in demand in these economy is not only due to satisfy material needs but also to related to the consumption trend in that social, culture, and political term. For instance, Japanese consumption of high quantity of seafood in daily life is one of the Japanese cultures, and policies of European Union encourage the consumer to consume high quality seafood. Moreover, in the study of (Uddin,

2009) has been mentioned about once shrimp was considered as luxury foodstuff by many people.

Hence, high demand in the international provides job opportunities to the people in developing countries; and due to the currency exchange rate, exporting the local products to developed countries would bring the producer higher revenue. From these points we could explain the perception of people in Bangladesh take shrimp production activity as a tendency of quick money-making as mentioned in (Deb, 1998). This statement supported by (Ali, 2006), the author outlined that Bangladesh shrimp export revenue has grown from US\$4. 0 million to US\$360 million, the net profit from this activity is 12 times than that of high yielding variety rice. Henceforth, they dramatically shift their production from rice paddy to shrimp farming in order to obtain the opportunity of gaining higher revenue.

China is the biggest shrimp producer since 1988 until 1992 and contributed about a million metric ton of the world shrimp production in 2000 (Biao & Kaijin, 2007). The recent biggest shrimp producing nation is Thailand. Since 1991, Thailand has taken over China in world shrimp production, becoming leading producer and exporter by exporting up to 90% of his production (Huitric, Folke, & Kautsky, 2002; Shang, et al., 1998). The other major shrimp producing countries are Indonesia, India, Bangladesh, and Ecuador by producing between 300, 000 to 400, 000 tons metric each (World Shrimp Market, 2004). Henceforth, those four major shrimp producing countries contributed more than 50 per cent of total world shrimp supply; in other words, Asia has competitive advantage in producing shrimp and competes in global market.

## **Overview of Asia Shrimp Production**

Asia is the world's most populous and largest continent; consist of 31, 880, 000 km<sup>2</sup> and with approximately four billion people or sixty per cent of world human population. (More information)

Asia is the major contributor in world shrimp market. In 1990s, Asia produced approximately 78% of world shrimp and the rest (22%) were produced by western countries(Shang, Leung et al. 1998; Ling, Leung et al. 1999). Asian cultured shrimp production mainly produces *Penaeus Monodon*, followed by *Penaeus Vannamei*, to international market (Shang, Leung et al. 1998).

Thailand is a leading producer and exporter; other major shrimp producing countries are China, Vietnam, India, Indonesia, Bangladesh, Taiwan, Sri Lanka, the Philippines, and Malaysia. Besides that, Japan is the world second largest in shrimp consumption.

The improvement of hatchery operation have reduced the price of hatchery-produced shrimp fry to competitive level is one of the main reasons of rapid expansion of shrimp production in Asia (Shang, Leung et al. 1998); whereas, with lower cost of fry, labor cost, and land (input), the shrimp producers are able to produce shrimp (output) to global market with lower prices. Now a day, the producer widely relies on the seed stock from shrimp hatcheries instead of wild seed stock is because of wild fry have proven limited and unreliable in supporting a rapidly expanding shrimp industry.

### **Reference:**

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