

## Thai and Indonesian imports trigger market turmoil for Malaysian prawn breeders

10 July 2023 | News

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After stricter biosecurity laws were implemented overseas, Malaysian prawns are losing out to those from Indonesia and Thailand, according to Malaysian Prawn Industry Association chairman Syed Omar Syed Jaafar. As per the Chairman's recent statement to the national journal, over 3,000 prawn breeders in Malaysia have been affected by the sale of prawns from Thailand and Indonesia.

In the Malaysian prawn market, the current operating costs significantly differ from selling price. Breeders are now suffering losses of 40% more than two months ago. Malaysia, produced about 48,000 metric tones of prawns, with the local demand at only around 36,000 metric tones.

“Two months ago, local prawns were still being sold at RM26 per kg but now, the market price has dropped to RM15 per kg. This is due to the influx of imported shrimps in the local market, especially from Thailand and Indonesia, which has caused the supply to exceed existing demand” explains the Chairman.

“We export the rest to the international market. However, problems arose when the biosecurity laws of these countries, including Thailand, became stricter, making it difficult and time-consuming to obtain approval for entry, thus lowering the price of our shrimps” he adds.

Chairman highlights that at the same time, Malaysia's biosecurity law facilitates the entry of these imported prawns to the extent that it affects local prices, causing entrepreneurs to suffer losses. According to statements and reports, before 2000, the industry did not face any problem because Malaysian prawns fulfilled around 50% of the demand for prawns in Thailand. However, since the stricter enforcement of the biosecurity law, the industry has started to be affected

Chairman Syed Omar urged the Malaysia government to tighten the country's national biosecurity laws involving shrimps to be equivalent to those implemented by other countries.

### **Statement by the Agriculture and Food Security Ministry**

A statement issued by the Agriculture and Food Security Ministry indicates it is prepared to assist prawn breeders after reports that sales have dropped more than 40 percent over the past two months as a result of the abundance of imported prawns.

Minister made the statement at the Penang Fama Fest 2023, at the Bukit Jambul Complex on 9 July. Its Deputy Minister Chan Foong Hin said the Fisheries Department and the Fisheries Development Authority of Malaysia (LKIM) ensured to help affected farmers in terms of marketing. They emphasized on improving competitiveness in local prawn breeders and to streamline sales mechanism

Chan said the abundance of prawns from Thailand and Indonesia is an advantage to consumers because it allows them to buy prawns at a reasonable price because the supply exceeds demand. He said the government does not have any policies that prevent imported food supplies from entering the country since it practices free trade with regards to food supplies.