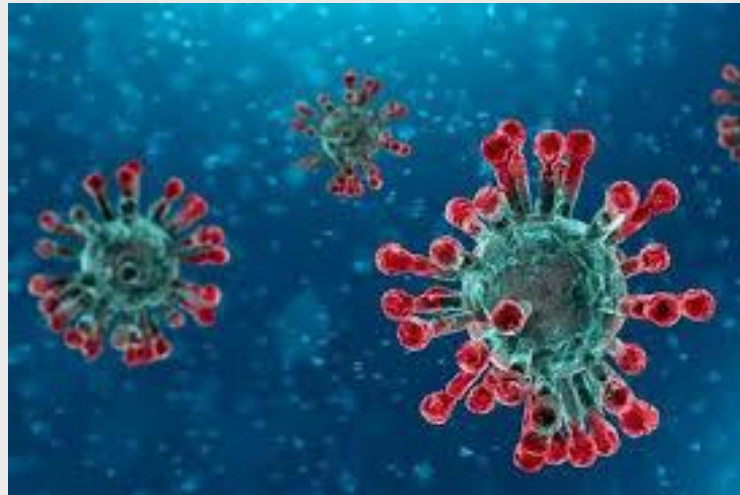


Coping with Chaos

How COVID-19 is Muddling Shrimp Production and Trade



Carson Roper

Objectives:

- Discuss research assumptions and methodology
- Define the context of the COVID-19 outbreak and pandemic
- Explore the COVID-19 pandemic in 3 major shrimp production areas
- Summary of key research results
- Summarize key take-aways

Assumptions and Methodology

Virtual GOAL 2020 COVID-19 Impact on Global Shrimp Production Survey

- Conducted in China, India, Latin America, Oceania, SE Asia and South America
- Questions were matrix/rating scale and open-ended
- Survey period was from mid-August to mid-September 2020

Special thank-you the survey participants and to the BAP Certification team especially the country coordinators

Shifting Paradigms – News Breaks:

← **Thread**

 **World Health Organization (WHO)**  @WHO · Jan 4

#China has reported to WHO a cluster of #pneumonia cases —with no deaths— in Wuhan, Hubei Province 🇨🇳 . Investigations are underway to identify the cause of this illness.

32 301 321

 **World Health Organization (WHO)**  @WHO · Jan 4

WHO is closely monitoring this event and will share more details as we have them.


WHO is working across the 3 levels (country office, regional office, HQ) to track the situation: #pneumonia #China

8 57 104

4 January 2020

<https://twitter.com/WHO/status/1213523866703814656?s=20>

Shifting Paradigms – Inaccurate Information:



World Health Organization

Home Health Topics Countries Newsroom Emergencies Data

Emergencies preparedness, response

Home

Alert and response operations

Diseases

Biorisk reduction

Disease outbreak news

Novel Coronavirus – China

Disease outbreak news : Update
12 January 2020

On 11 and 12 January 2020, WHO received further detailed information from the National Health Commission about the outbreak.

WHO is reassured of the quality of the ongoing investigations and the response measures implemented in Wuhan, and the commitment to share information regularly.

The evidence is highly suggestive that the outbreak is associated with exposures in one seafood market in Wuhan. The market was closed on 1 January 2020. At this stage, there is no infection among healthcare workers, and no clear evidence of human to human transmission. The Chinese authorities continue their work of

12 January 2020

<https://www.who.int/csr/don/12-january-2020-novel-coronavirus-china/en>

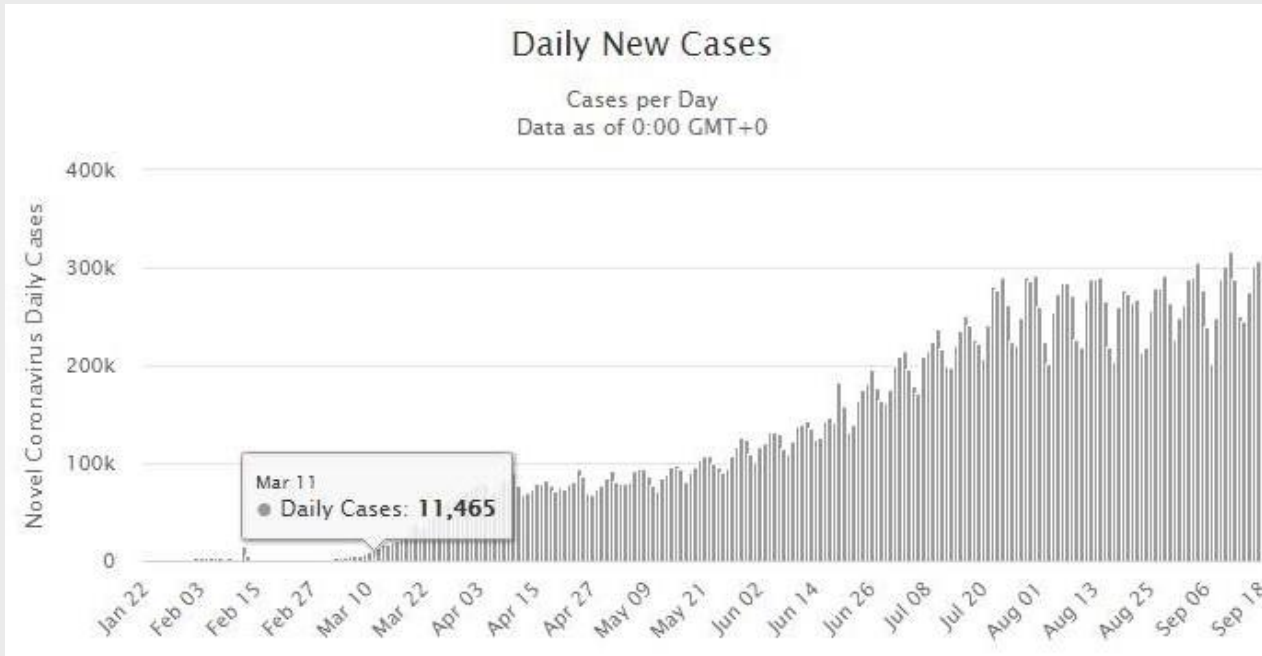
Shifting Paradigms – Size & Scope:



11 March 2020

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/events-as-they-happen>

Daily New Cases – Global:



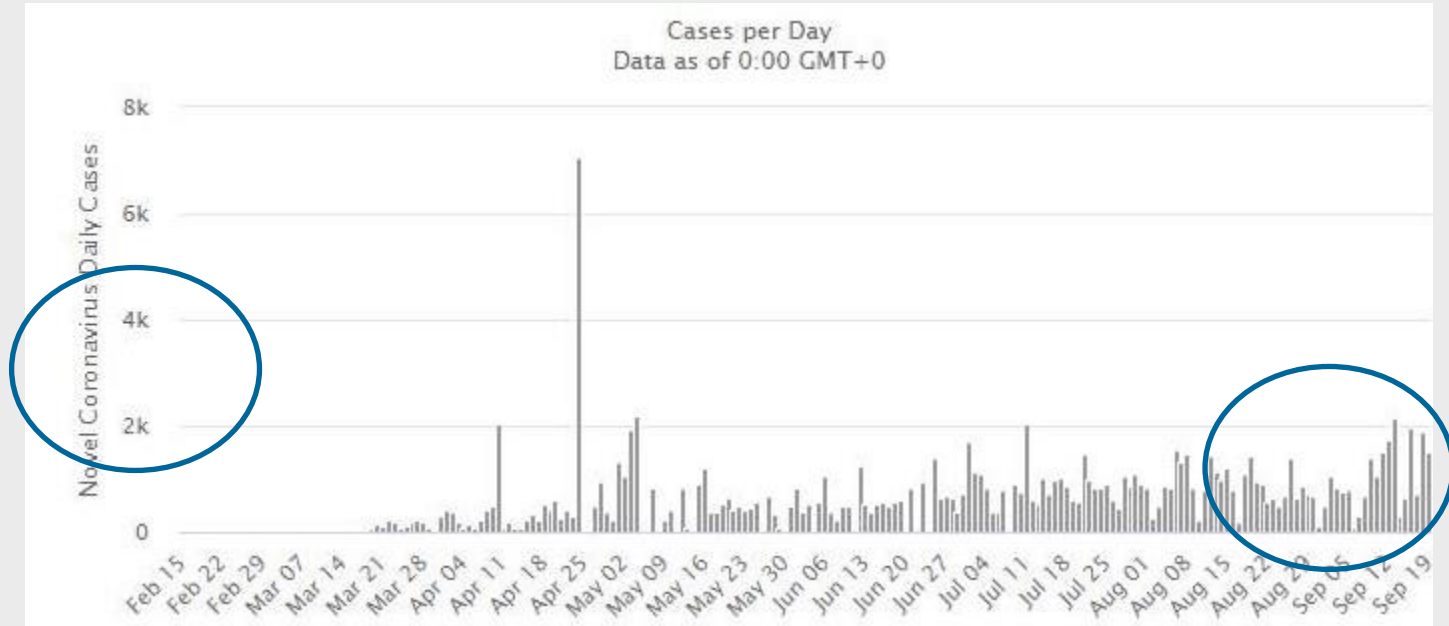
**The curve
has not
been
flattened**

USA: death
per million
617 (22/09/20)

<https://www.worldometers.info/coronavirus/>

Daily New Cases – Ecuador:

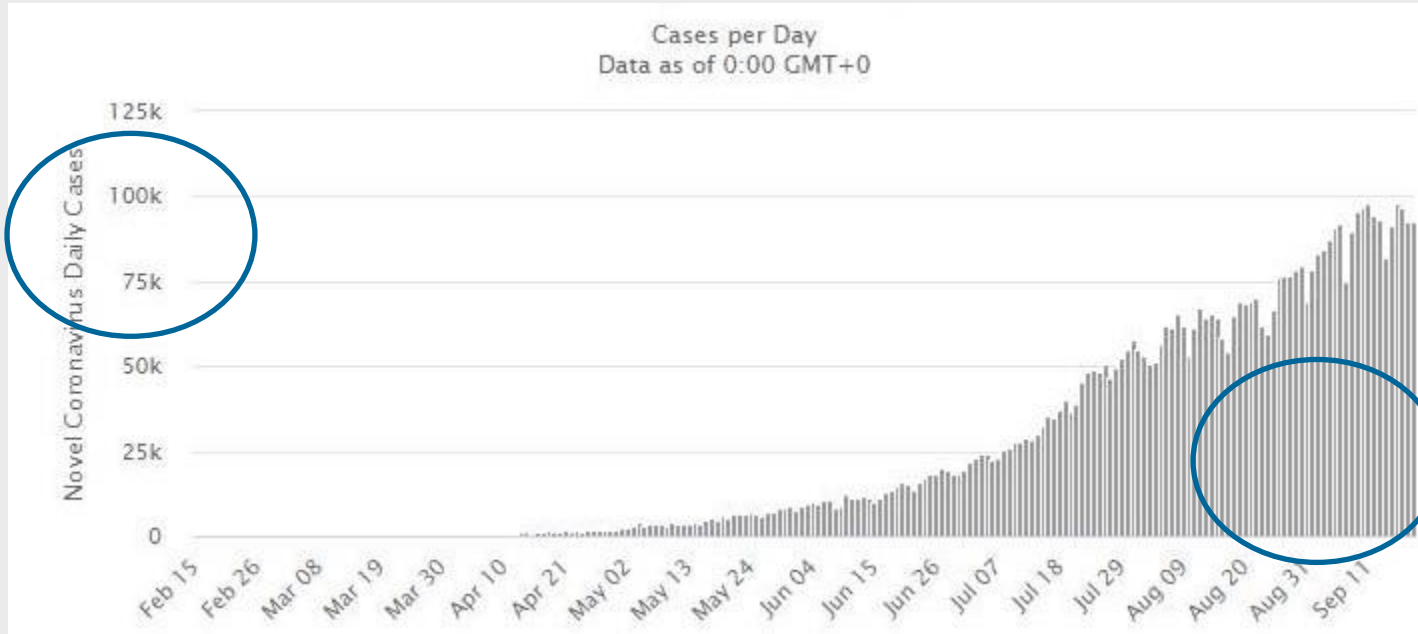
Death per Million: 627
22/09/20



<https://www.worldometers.info/coronavirus/>

Daily New Cases – India:

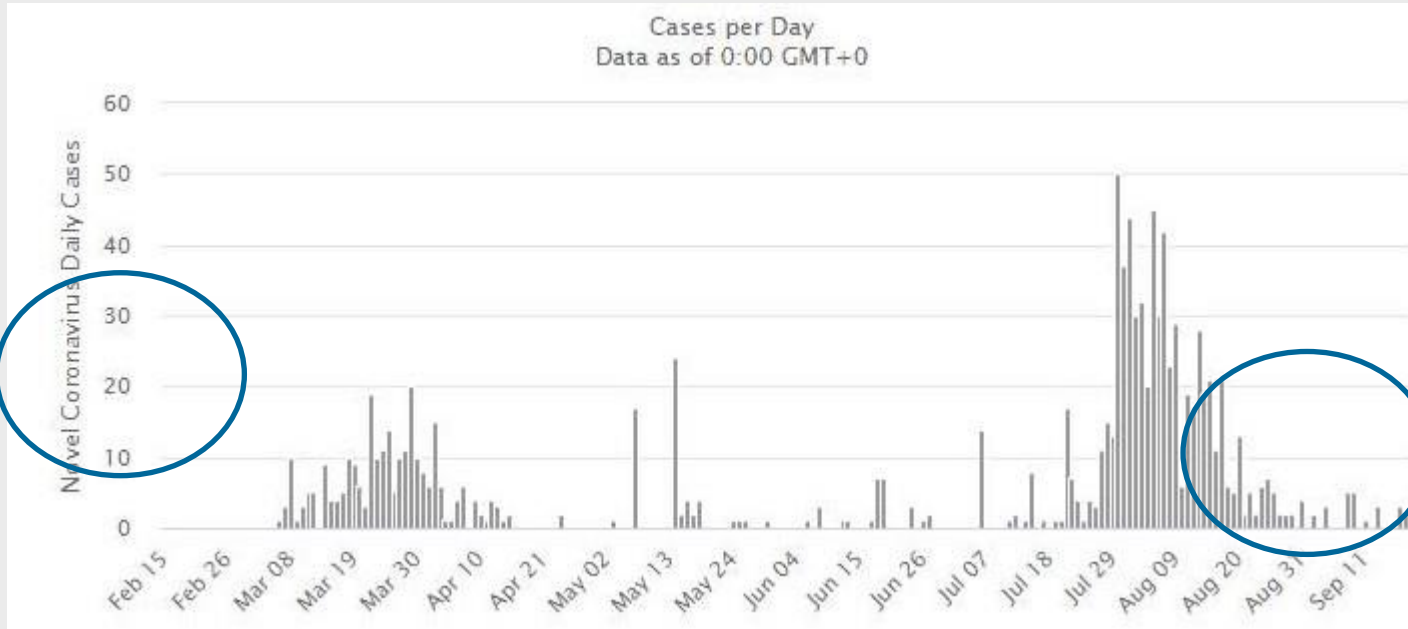
Death per Million: 64
22/09/200



<https://www.worldometers.info/coronavirus/>

Daily New Cases – Viet Nam:

Deaths per Million: 0.4
22/09/200



<https://www.worldometers.info/coronavirus/>

COVID-19 Questionnaire

Impact in your country

- Governments overall were swift to include the shrimp sector in essential services

However

- Government support of the shrimp sector was perceived as minimal

Additionally

- Low level of optimism at the country level – 87% (a small to some degree)
- Uncertainty played a significant role at the country level

Not at all A small degree Some degree Great degree Very great degree

COVID-19 Questionnaire

Impact on farming

- Financing – 50% Great degree
- Labor – 38% (combined Great degree and 31% Some degree)
- Lack of Market Demand – 92% (combined Some degree to Very great degree)
- Low pricing – 77% (combined Some degree to Very great degree)

Not at all A small degree Some degree Great degree Very great degree

COVID-19 Questionnaire

Impact on stocking and harvest

- Increased concern over stocking levels during pandemic compared to pre-pandemic
- Production cycle – 57 % skipped one or more
- Stocking density – 71% reduced the stocking density to some degree
- Harvest frequency – no clear-cut correlation, some increased some decreased

Not at all A small degree Some degree Great degree Very great degree

COVID-19 Questionnaire

Impact on processing

- Labor – 80% experienced a degree of labor shortage
- Social distancing in processing facilities – 67% no impact at all
- Raw materials – 73% experienced a degree of supply shortage and 87% encouraged contracted farms to continue seeding
- New market development – 53% responded to a Great degree and 20% to a Very great degree
- Uncertainty – 93% responded to a degree “so focused on the present it is difficult to plan ahead”

Not at all A small degree Some degree Great degree Very great degree

COVID-19 Questionnaire

Impact on market demand year-over-year

- Fall 2020 – low level of confidence
- Christmas/New Year holiday season – low to moderate level of confidence (bell curve leaning left)
- Chinese New Year 2021– moderate level of confidence
- Lent 2021 – moderate level of confidence
- Foodservice rebound – low confidence
- Currently experiencing increased retail demand – 47% to a Great degree

Not at all A small degree Some degree Great degree Very great degree

COVID-19 Questionnaire

Experiencing a market rebound:

- China 40%, Japan/Korea 20%, USA 60% and Europe 40%

Anticipate market contraction/recession:

- China 27%, Japan/Korea 40%, USA 67% and Europe 47%

Not at all A small degree Some degree Great degree Very great degree

Key take-away 1: Frog in a Pot



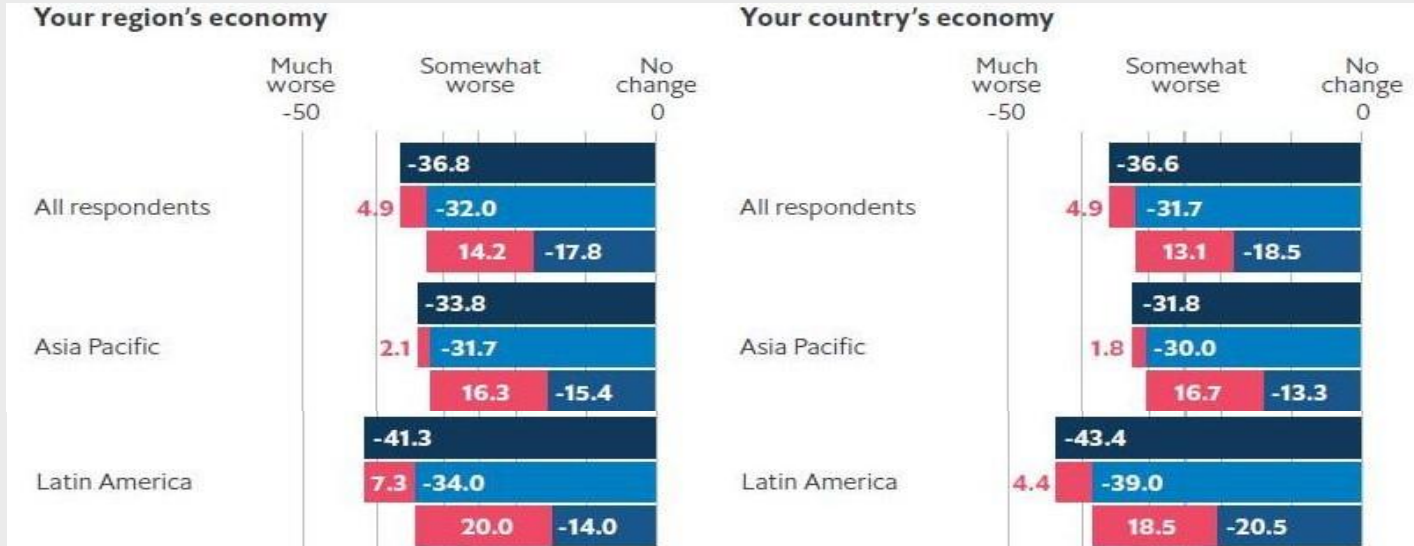
SARS-CoV-2

Conflicting and lack of information

Lack of adequate time to prepare for
lockdowns

Need to collect and apply lessons learned

Key take-away 2: Uncertainty reigns



Economist
Global
Business
Barometer
3 month
outlook

Survive Adapt Recover

<https://globalbusinessbarometer.economist.com/wp-content/uploads/2020/03/GBB-Survive-Adapt-Recover.pdf> p. 2

Key take-away 3: How are we making decisions?



Imports arriving today were ordered x months prior to delivery.
 Processed $x+y$ months prior to delivery and seeded $x+y+z$ months prior to delivery.

<https://www.facebook.com/icfsolutionsinc/photos/you-cant-drive-your-car-looking-in-the-rear-view-mirror/1919989674794156/>

Key take-away 4: **Communication is critical**

