

The Shrimp Times

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Shrimp exceeded the barrier of \$ 5,000 million exported abroad

Ecuadorian shrimp exports grew 41% in 2021 compared to the previous year. According to the figures published by the National Chamber of Aquaculture (CNA), During 2021, Ecuador received exported a value of \$5,078 billions of shellfish and crustaceans.

In volume, the shrimp sector grew to 1,855 million pounds, this is 24% more than 2020 when 1,491 million pounds of shrimp were exported. The highest months of shipments were September, October and November.

The main factor explaining the growth in volume is the resumption of shipments to China and to The United States. The Asian giant continues to be the leading destination by absorbing 46% of Ecuador domestic sales even if China's share was 53% in 2020; while The United States reached a market share of 22%. In 2020 The United States were 17% of Ecuador's exports.

The upward trend to these destinations, as previously indicated by the CNA, is due to a greater level of shipment of shrimp to the retail sector and the resumption of demand in hotels and restaurants. In addition, to help that growth on the long term, the major player of the industry have been investing in their processes and plants (Ripeners, machinery, etc.)



Another important Asian market is South Korea, where 30 million pounds of the crustacean were exported. This destination had a growth of 34% in 2021. After that nation, South Korea is followed by Vietnam, Thailand and Japan in volume of shipments.

The European block, which captures 23% of purchases, increased its demand until December. Spain ordered 17% more than in 2020 and followed by France and Italy with 28% and 18%, respectively.

Font: El Universo Newspaper

Ecuador is 'epidemiologically at a red light'

During first week of January 2022, the World Health Organization (WHO) reported 15 million new cases of covid-19 worldwide, the highest number of infections reported in a single week since the start of the pandemic. For its part, Ecuador had 4,000 new cases during Christmas, 8,000 new cases during New Year and today, two weeks later, Ecuador registers 50,000 new cases.

Given this, a health traffic light system was established by provinces in which the provinces that are at a red light are suggested:

- Prohibition of face-to-face classes.
- Prohibition of face-to-face work for non-strategic sectors
- 30% capacity in bars, restaurants and closed places
- Vaccine booster for people over 65 years and months after the second dose.



Container crisis would not end before the end of first quarter

With the COVID-19 pandemic, a series of negative impacts occurred in the world economy, mainly due to closures of ports and factories, shortages of raw materials and consumer goods, saturation of ports, increase in shipping delays of merchandise; amongst others. Also, the shortage of containers and the exorbitant increase of costs in maritime shipping are the biggest problems that have been negatively impacting the industry

After more than a year of difficulties at the global supply chain level,

which includes maritime, land and air logistics, and which led to the so-called container crisis, by the end of 2021 the situation began to improve but its full recovery will not be achieved in the first quarter of 2022.

Space availability continues to be a general problem for all shipping companies around the world and in Ecuador, it is confirmed that shipping companies are giving spaces to clients with quarterly contracts only (with a greater variety of prices) since the equipment is becoming more and more scarce. The dry container market has improved in the last few weeks, however,

the refrigerated containers used for shrimp, shellfish and others had to be shared with other producers of perishable products such as bananas and cocoa, which represent a large amount of shipping and equipment on a weekly basis

There is no approximate date of stabilization of the freight rates in sight. Rates have risen between \$2500-\$3500 in the last 3 months to all destinations in the USA, and up to \$10000 in the rest of the world during this time