



USAID
FROM THE AMERICAN PEOPLE

GREATER ACCESS TO TRADE EXPANSION (GATE)

**“A PRO POOR ANALYSIS OF THE SHRIMP VALUE
CHAIN IN BANGLADESH”**

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THE GATE PROJECT

- A 5 year, \$6.2 million activity funded by the USAID Women In Development Office, ending 9/30/09.
- Supports USAID missions to integrate the needs of the poor, and particularly poor women, into their trade and economic growth activities.
- Performs gendered economic assessments of country programs and activities; conducts research on the gender implications, roles, and opportunities in various commodity and industry areas; provides gender and economic growth training to Missions or partners.
- Currently working in 6 countries: Bangladesh, South Africa, Dominican Republic, Peru, Nigeria and Albania.

A PRO POOR ANALYSIS OF THE SHRIMP VALUE CHAIN IN BANGLADESH

- Greater Access to Trade Expansion (GATE) Project for USAID Bangladesh to explore the nature of production and the terms and conditions of employment along the shrimp value chain in Bangladesh.
- The primary objective of the report is to identify opportunities to improve market outcomes, raise productivity and wages, and to foster pro-poor growth in the sector.

METHODOLOGY

- Gendered value chain analysis—highlighting the different positions and contributions of men and women across the value chain.
- A gendered value chain analysis addresses three distinct components:
 - Segmentation Analysis
 - Power and Governance
 - Entitlements and Capabilities

DATA COLLECTION

- A series of key informant interviews using a structured questionnaire to elicit information about wages, prices, profits, productivity, cost structure and returns along the value chain.
- Focus groups to address power and governance.

TYOLOGY OF SHRIMP AND PRAWN PRODUCTION IN BANGLADESH

	Traditional	Modified Traditional	Semi-Intensive
Average Pond Size	1.3 hectares	2.5	3.0
Stocking Density Post Larvae/m²	3.5-7.5	0.6	5.0
Water Management	Mostly tidal	Mostly tidal with some pumping and aeration	Pumping and aeration
Fry Sources	Wild and hatchery	Wild and hatchery	Wild and hatchery
Feeding¹	Natural feeding with occasional fertilization	Fertilization with supplementary feed	Fertilization with supplementary feed
Survival rates	15-30	45-70	80+
Production kg/ha/yr	100-350	600	2000
Cost (BDT/Ha/yr)	30,000-60,500	93,000	320,000
Cost (BDT/Kg)²	300-173	155	160
Returns (BDT/Ha/yr)³	5,000-62,000	117,000	380,000

FRY CATCHING



SHRIMP FARMING



SHRIMP PROCESSING



SEGMENTATION ANALYSIS

- Men and women clearly have very gender-defined tasks, roles and responsibilities in along the shrimp value chain.
- They cluster in different segments of the chain and realize markedly different wages and earnings: 70-80% of men's wages.
- Women are disproportionately temporary or casual workers: 70% of all temporary workers in processing.

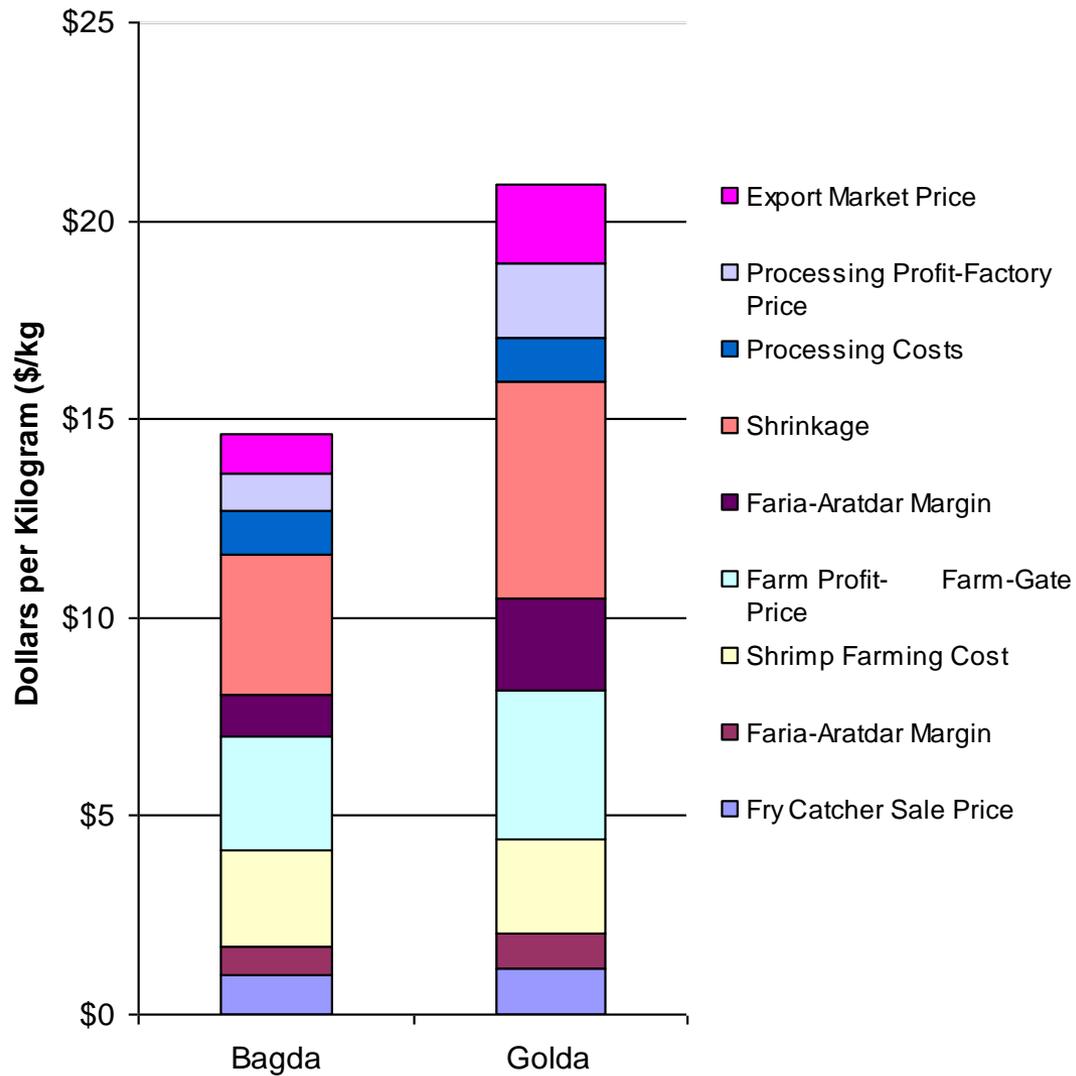
POWER AND GOVERNANCE IN THE CHAIN

- Buyer-driven chain
 - Final market regulations dictate quality of product
 - Indebtedness and sub-optimal contracting along the chain
 - Debt bind agents to particular lenders/buyers and confers monopsony power on the buyers.
- “A contract is made so that those who are given loan must give fries to the loan giver. They are bound to follow the agreement and price is set at 50 BDT less per thousand [fry]. If anybody violates the conditions [of the loan] then he is judged by the *samity* and if necessary physical torture is done.” Fry faria, Cox’s Bazar, November 2005.

ENTITLEMENTS AND CAPABILITIES

- Social proscriptions limit women's ability to engage in markets.
- Pronounced gender inequalities underpin labor market segmentation: education, health, investment in human capital.
- Highly unequal access to productive resources.

COSTS AND RETURNS



INCREASE INCOME AND ASSETS FOR THOSE LOWER DOWN THE VALUE CHAIN

- Promote adoption of modified traditional practices: reduced stocking density feeding, fertilization.
- Increase cultivation of prawn: less virus prone; earns consistently higher prices; cultivated in smaller household ponds; greater involvement of women.
- Increase polyculture: mixed production with carp, tilapia, milkfish, mullet, clams.
- Add nurseries to reduce loss rates and shift to two phase production in grow-out ponds.

INCREASE INCOME AND ASSETS FOR THOSE LOWER DOWN THE VALUE CHAIN

- Develop a welfare fund for workers in the sector taxing revenues in the sector.
- Support projects that guarantee and uphold property rights. A more secure system of tenure is essential for improvements within the existing system.

IMPROVE THE TERMS OF TRADE AND EXCHANGE

- Foster and expand spot markets and auctions.
- Break the cycle of indebtedness. Providing flexible credit to enable small producers and intermediaries to invest, upgrade and adopt better management practices would alleviate debt burdens and free agents to seek better contracting arrangements.
- Introducing low-cost and appropriate technology traceability measures could increase the price at which fry and shrimp are sold.

CREATE A FAVORABLE POLICY AND LEGAL ENVIRONMENT

- Develop a series of environmental guidelines and protocols that are consonant with existing environmental laws and regulations.
- Fry catching should be gradually phased out and incentives developed to absorb displaced fry catchers in other economic activities.
- Promote seed certification

CONCLUSION

THANK YOU!

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seminar presentations and papers

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