

Seafood Industry Factsheet

Prawns and Shrimps

Market overview: prawns and shrimps

In the seafood market, prawns and shrimps include a range of species and products grouped by cold water prawns, warm water prawns, and shrimp. The limitations in the available data make it impossible to distinguish the different species or product groups along the whole supply chain.

When the data is combined, prawns and shrimps are the fourth highest volume selling seafood group in retail, with cold water prawns comprising the majority. This fact sheet summarises the UK imports and exports of prawns and shrimps and their sales in both retail and foodservice channels.

Total prawns and shrimps long term trade trends¹

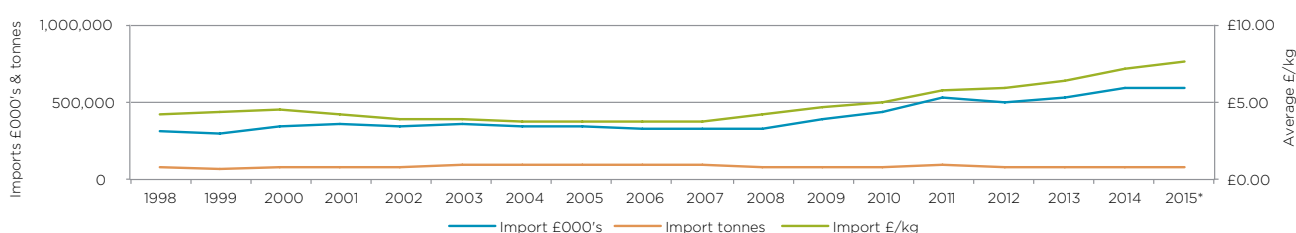
Due to changes in coding in 2013, the longer term historical analysis is based on total prawn and shrimp trade, not defined by particular species or product types.

Total imports² - total prawns and shrimps

Since 2007 the price of imported prawns and shrimps has increased 105.5% to reach a peak of £7.68 a kg in 2015. Despite this, import volumes have only fallen 12% to 77,171.6 tonnes indicating a continued strong demand for prawn and shrimp in the UK. The overall value of prawns and shrimps imports to the UK has been rising in line with inflation to a peak of £593.8m in 2014, although there was a 0.2% dip to £592.4m in 2015.

Regardless of species, the countries who imported the greatest volume of prawns and shrimps to the UK in 2015 were: Canada, India, Vietnam, Denmark and Bangladesh.

Imports to the UK - total prawns and shrimps

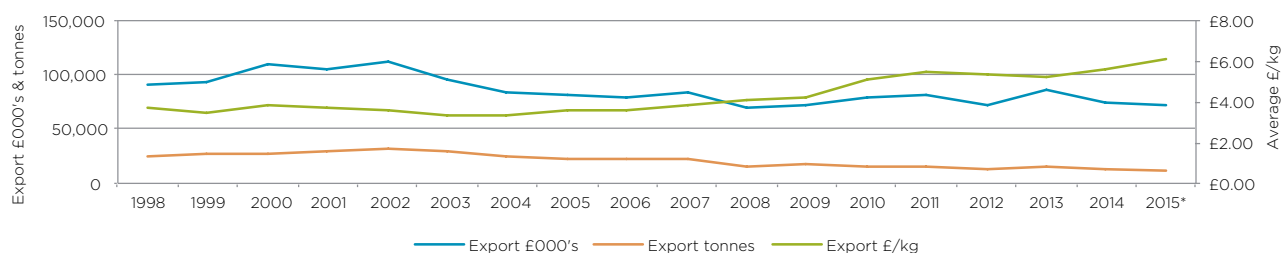


Total exports³ - total prawns and shrimps

The UK's exports of prawns and shrimps peaked in 2002 at £111.5m, 31,079.5 tonnes. Since then there has been a 70% increase in £ per kg potentially driving the 62.2% decline in volume exports and 35.7% fall in value. In 2015, 11,745.5 tonnes of prawns and shrimps were exported for a value of £71.7m and an average £6.10 per kg.

In 2015 the UK's key export destinations in terms of volume were: the Irish Republic, Germany, France, Italy, Denmark and the Netherlands.

Exports from the UK - total prawns and shrimps



Total trade summary

	2015 (PROVISIONAL)			% CHANGE V 2014		
	VALUE (000'S)	VOLUME (TONNES)	£/KG	VALUE	VOLUME	£/KG
Imports - total prawns and shrimps	£592,395.5	77,171.6	£7.68	-0.2%	-6.3%	6.4%
Exports - total prawns and shrimps	£71,663.2	11,745.5	£6.10	-5.0%	-12.8%	8.8%

*2015 Provisional data ¹Source: HMRC data via BTS ²Includes foreign vessels landings into the UK ³Includes landings by UK vessels abroad

Prawns and shrimps trade and supply trends

Since 2013 the supply data has been coded differently, providing greater detail to distinguish three product groups: warm water shrimps and prawns, cold water shrimps and prawns and prepared and preserved shrimps and prawns i.e. shrimps and prawns that have been processed. At the supply level it is useful to understand each of these groups separately as they have faced very different challenges and pressures on supply.

Warm water shrimps and prawns

Warm water prawns (Penaeid species) are typically farmed in ponds in tropical marine areas in SE Asia and Central America. Though they can be sourced from wild capture fisheries, sources from aquaculture are most prevalent. Two species dominate aquaculture; the white leg prawn (*Litopenaeus vannamei* formerly *Penaeus vannamei*) and the giant tiger prawn (*Penaeus monodon*).

The overall decline in the UK's shrimp and prawn import volume and value during 2015 was largely driven by warm water shrimps and prawns which were impacted by a number of significant supply issues. The most notable of these were the disease outbreaks which impacted aquaculture production and resulted in some supply being moved from one country to another. The supply of warm water prawns was also affected by the reports of forced labour being used in the mixed trawl fisheries whose catch is processed into shrimp feed. This was widely reported as an issue although there are initiatives underway to address this within the relevant countries.

Warm water shrimp and prawn imports fell 13.6% to 34,735.8 tonnes despite a 2% fall in the price per kg to £7.48, hence import value fell 15.3% to £260m. Export experienced a 16.3% fall in volume to 6,382.9 tonnes which, compounded by a 7.5% fall in price to £6.61 per kg, reduced their value 22.6% to be worth £42.2m in 2015.

The main countries the UK traded warm water shrimps and prawns with in 2015 are detailed below:

	2015 (PROVISIONAL)			% CHANGE V 2014		
	VALUE (000'S)	VOLUME (TONNES)	£/KG	VALUE	VOLUME	£/KG
Imports - WW shrimps and prawns	£259,996.9	34,735.8	£7.48	-15.3%	-13.6%	-2.0%
India	£63,940.5	10,504.4	£6.09	-19.9%	-10.1%	-10.9%
Bangladesh	£55,235.8	5,084.3	£10.86	-1.0%	-23.9%	30.0%
Vietnam	£27,702.8	3,833.4	£7.23	-15.3%	-19.5%	5.2%
Indonesia	£19,171.4	2,265.7	£8.46	2.4%	14.3%	-10.4%
Honduras	£16,342.9	2,127.8	£7.68	26.4%	30.0%	-2.8%
All Others	£77,603.5	10,920.2	£7.11	-27.6%	-18.9%	-10.7%
Exports - WW shrimps and prawns	£42,217.1	6,382.9	£6.61	-22.6%	-16.3%	-7.5%
Irish Republic	£11,890.6	1,580.6	£7.52	2.1%	8.4%	-5.9%
France	£8,449.8	1,262.2	£6.69	-21.7%	-13.2%	-9.8%
Germany	£7,130.8	979.3	£7.28	-29.2%	-23.5%	-7.4%
Italy	£3,476.5	685.4	£5.07	-13.8%	-12.0%	-2.0%
Belgium	£2,103.5	362.3	£5.81	-41.4%	-22.4%	-24.4%
All Others	£9,165.9	1,513.1	£6.06	-36.4%	-30.9%	-8.0%

In terms of value imports, India and Bangladesh were the main importers of warm water shrimps and prawns to the UK over the last three years. Thailand was the third largest importer in 2013 and 2014 but fell to sixth position in 2015 moving both Vietnam and Indonesia up one ranking. Honduras significantly increased its value of imports to move from eighth position in 2013, to seventh in 2014 and fifth in 2015.

The top five export destinations were the same over the last three years but some rankings changed. The Irish Republic moved from third to first position in 2014 which moved Germany from first to third. France maintained second place. Italy switched ranking with Belgium in 2014 moving from fifth to fourth place.

Cold water shrimps and prawns

Cold water shrimps and prawns are from waters of the North and South Atlantic, and North Pacific. The group consists of several species mainly Northern or Pink shrimp or prawn (*Pandalus borealis*) and Common or Brown shrimp (*Crangon crangon*). The majority of cold water prawns sold in the UK come from the wild capture fisheries in the North Atlantic around Greenland and East Canada. Though the stock statuses of cold water prawns are quite variable, the capture fisheries (predominantly demersal otter trawl) operate in a stable management regime, and future supply is likely to remain reasonably stable.

Since 2010 the UK fishing fleet landings⁴ of cold water shrimps and prawns to the UK fluctuated below 1,000 tonnes and totalled 614.4 tonnes in 2014, 99.6% of which were landed into English ports. Landings by UK vessels abroad peaked in 2010 at 2,843.5 tonnes but were only 0.24 tonnes in 2014.

UK vessel landings of cold water prawn and shrimp by port location



In recent years the imports of cold water shrimps and prawns were impacted by a combination of issues. Supply was limited by long cold winters which prevented trawlers from fishing, reducing the volume available. Demand also increased due to the limited availability of warm water prawns (resulting from disease outbreaks) hence prices increased.

Cold water shrimps and prawns were the smallest traded group, accounting for less than 3% of total prawn and shrimp import volume and value. Import volumes fell 17.1% to 2,195.7 tonnes but 1.8% inflation has increased the average price per kg to £7.25 and slowed value decline to 15.6% making them worth £15.9m. Export volumes have only seen a slight 1.4% decrease to 1,111.8 tonnes despite 22.7% rise in the price per kg to £6.79 resulting in a 21% increase in export value to £7.5m.

⁴ Source: MMO UK Sea Fisheries Statistics 2014 live weight

The main countries the UK traded cold water shrimps and prawns with in 2015 are detailed below:

	2015 (PROVISIONAL)			% CHANGE V 2014		
	VALUE (000'S)	VOLUME (TONNES)	£/KG	VALUE	VOLUME	£/KG
Imports - CW shrimps and prawns	£15,925.8	2,195.7	£7.25	-15.6%	-17.1%	1.8%
Denmark	£9,147.8	1,239.3	£7.38	19.2%	1.6%	17.3%
Spain	£3,127.3	445.9	£7.01	1.9%	15.2%	-11.5%
Netherlands	£1,957.3	284.5	£6.88	-61.8%	-37.7%	-38.6%
France	£432.1	52.6	£8.21	-70.6%	-80.2%	48.7%
Belgium	£272.8	41.1	£6.64	-45.8%	-74.5%	112.0%
All Others	£988.5	132.3	£7.47	-4.8%	-15.7%	13.0%
Exports - CW shrimps and prawns	£7,544.7	1,111.8	£6.79	21.0%	-1.4%	22.7%
Irish Republic	£2,582.1	261.7	£9.87	-8.3%	-24.9%	22.2%
Netherlands	£1,203.9	347.9	£3.46	-29.3%	-41.4%	20.6%
Spain	£1,033.3	113.6	£9.10	27.2%	82.9%	-30.4%
Ukraine	£651.0	127.1	£5.12	443.9%	695.5%	-31.6%
Italy	£633.1	7.3	£86.56	3246.8%	853.6%	251.0%
All Others	£1,441.2	254.2	£5.67	88.3%	137.7%	-20.8%

Over the last three years Denmark was the main importer of cold water shrimps and prawns to the UK. Spain and the Netherlands returned to second and third place rankings after a brief switch in 2014. France moved up to fourth place in 2014 after being eight in 2013. Belgium also moved up to fifth place from sixth in 2014.

The Republic of Ireland became the largest destination in terms of value in 2014, switching places with the Netherlands. Spain maintained third position for the three years. The UK did not any export cold water shrimps and prawns to the Ukraine in 2013 but, in 2014 it became the fifth largest destination and moved to fourth in 2015. Trade with Italy has fluctuated, moving from sixth rank in 2013, down to twelfth in 2014 and then back to fifth in 2015.

Prepared and preserved shrimps and prawns

This group includes both warm and cold water shrimps and prawns which have been processed. According to the trade categories these will be in a range of formats including shelled, boiled, frozen, cooked, peeled and 'others'. At the level of data available the species detail is not clearly defined.

In 2015, prepared and preserved shrimps and prawns overtook warm water prawns to become the largest import group, due to a 1.9% increase in import volume to 40,240.1 tonnes and an average price inflation of 15.9% to £7.86, fuelling an 18.2% increase in import value to £316.5m. Exports experienced 65% inflation but only a 9.7% decline in export volumes to 4,250.9 tonnes hence their overall value increased 49% to £21.9m.

The main countries the UK traded prepared and preserved shrimps and prawns with in 2015 are detailed below:

	2015 (PROVISIONAL)			% CHANGE V 2014		
	VALUE (000'S)	VOLUME (TONNES)	£/KG	VALUE	VOLUME	£/KG
Imports - P&P shrimps and prawns	£316,472.8	40,240.1	£7.86	18.2%	1.9%	15.9%
Canada	£115,928.2	13,586.2	£8.53	31.1%	2.8%	27.6%
Vietnam	£47,541.8	6,215.4	£7.65	71.6%	61.1%	6.5%
Denmark	£25,714.9	4,540.6	£5.66	-7.4%	-14.9%	8.8%
Iceland	£23,502.2	2,653.7	£8.86	-14.4%	-37.8%	37.6%
Thailand	£23,018.9	2,404.9	£9.57	-23.2%	-22.8%	-0.5%
All Others	£80,766.8	10,839.4	£7.45	21.5%	12.0%	8.5%
Exports - P&P shrimps and prawns	£21,901.4	4,250.9	£5.15	49.0%	-9.7%	65.0%
Germany	£5,298.2	1,203.9	£4.40	18.6%	10.8%	7.1%
Denmark	£4,560.2	639.2	£7.13	337.5%	192.1%	49.8%
Irish Republic	£2,777.1	613.9	£4.52	1.0%	-56.3%	131.1%
Switzerland	£1,527.0	186.5	£8.19	107.0%	60.1%	29.3%
Netherlands	£1,311.5	314.7	£4.17	-13.4%	-37.4%	38.3%
All Others	£6,427.4	1,292.7	£4.97	53.7%	-6.2%	63.7%

The top five value importing counties were consistent over the last three years but, all except Denmark in third, have changed rankings. Thailand was the largest importer in 2013 but fell to second position in 2014 and fifth in 2015. Canada improved ranking one place in 2014 to become the top importer whilst Vietnam moved from fifth position in 2013, to fourth in 2014 and second in 2015. Iceland returned to fourth position in 2015 after a year in fifth in 2014.

Germany held the top export destination for the last three years. Denmark were fourth until 2015 when it moved to second, thus moving the Irish Republic to third. Switzerland moved from tenth place in 2013, to sixth in 2014 and fourth in 2015. The Netherlands held third position but moved to fifth in 2015.

Key highlights on sales to UK consumers

In retail, WWP had a good year, increasing volume sales on the previous year by nearly 7%. CWP didn't fare so well, with a decline of 8%. Shrimps outperformed both with a huge increase in volume sales of 163%.

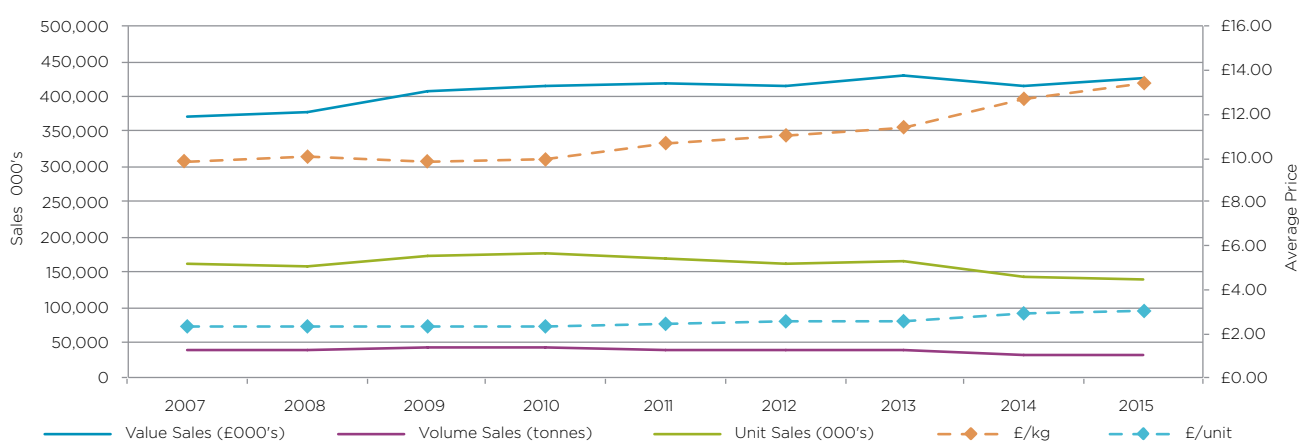
The contrast with foodservice is interesting; the number of prawn servings declined nearly 5%, a likely result of higher prices and reduced menu listings.

Prawn and shrimp performance in multiple retailers⁵

In retail, product categories are warm water prawn, cold water prawn, and shrimp.

Total sales value, volume and units experienced decline in 2014, however, sales value recovered 3.2% growth in 2015 resulting in £426.9m worth of sales. Sales volume and units continued to decline but at a much slower rate; in 2015 32,004.7 tonnes of prawns and shrimps were sold in 138.6m units. Since 2010, total prawns and shrimps experienced inflation driving their average price to a peak of £13.34 per kg and £3.08 per unit in 2015.

Total prawn and shrimp retail performance summary



In terms of retail sales, prawn and shrimp products performed differently in 2015.

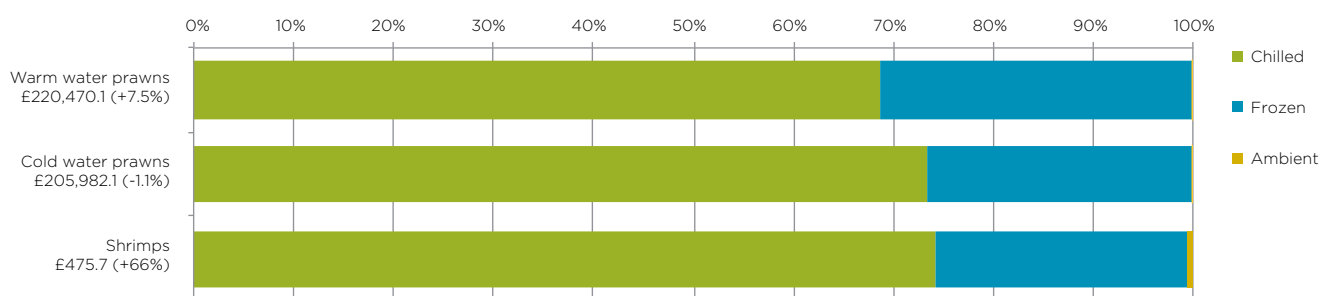
	VALUE SALES ('000)		VOLUME SALES (TONNES)		UNIT SALES ('000)		PRICE PER KG		PRICE PER UNIT	
	2015	% CHG	2015	% CHG	2015	% CHG	2015	% CHG	2015	% CHG
Total prawn and shrimp	£426,928	3.2	32,005	-2.1	138,581	-3.0	£13.34	5.4	£3.08	6.4
Warm water prawns	£220,470	7.5	13,395	6.9	65,687	5.9	£16.46	0.5	£3.36	1.5
Cold water prawns	£205,982	-1.1	18,587	-7.8	72,747	-9.9	£11.08	7.2	£2.83	9.8
Shrimps	£476	66.0	23	163.2	147	112.6	£20.29	-36.9	£3.24	-21.9

⁵ Source: AC Nielsen ScanTrack MAT 02.01.16, BrandView MenuMonitor year ending 28/12/15

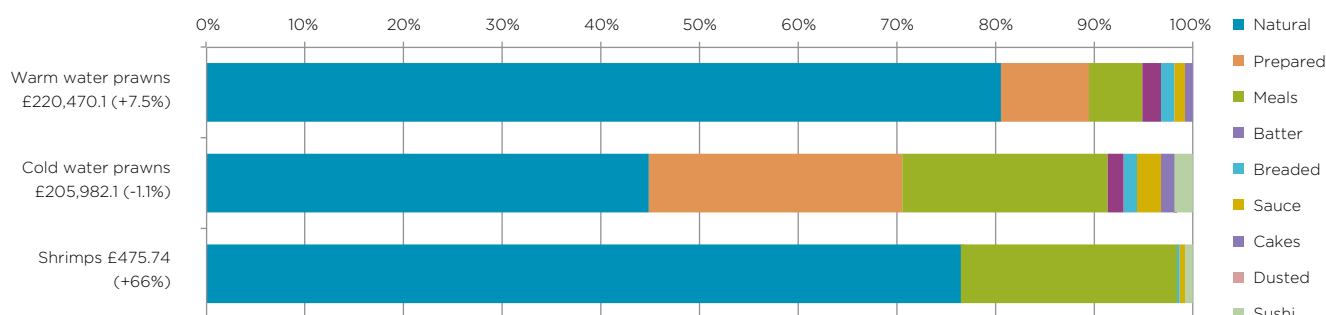
Warm water prawns accounted for 52% of prawn and shrimp retail sales value after experiencing 7.5% growth to £220.5m. The increased import costs of warm water prawns were not immediately reflected in the retail market as prices only increased 0.5% per kg and 1.5% per unit. These increases did not have a negative impact on volume sales which increased 6.9% to 13,394.6 tonnes with 65.7m units sold, 5.9% more than in 2014. The majority of warm water prawn sales were chilled and whilst the sector increased in value 6.9%, it lost share to frozen ranges which experienced 8.9% growth in value. In 2015, £94k warm water prawns were ambient and this was the only sector to experience decline. All product segments saw growth, with the exception of prepared and sushi. Cold water prawn sales volume fell 7.8% to 18,586.7 tonnes and unit sales fell 9.9% to 72.7m. Since 2014, their sales value fell 1.1% to £206m on the back of 7.2% higher price per kg and 9.8% higher price per unit. This decline in performance impacted all sectors (chilled, frozen and ambient) and the natural, prepared, sushi and cakes segments.

Shrimps were the smallest group and experienced significant growth driven by chilled sales. Sales volume increased 163.2% and units 112.6% however deflation restrained value growth to 66% making them worth £475.7k. The shrimp segments that experienced growth were meals and natural.

Prawn and shrimp sectors; share of retail sales £k



Prawn and shrimp segments; share of retail sales £k



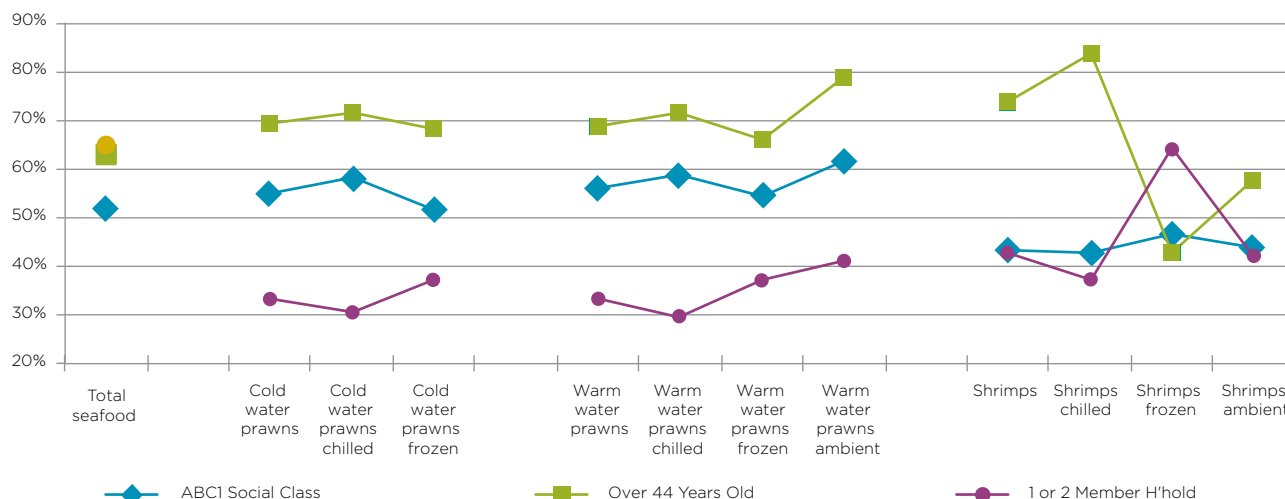
Over the whole of 2015, multiple retailers offered 417 prawn and shrimp products for sale. The majority of products were chilled and included 157 warm water prawn products, 117 with cold water prawns and only 9 shrimp products. Frozen ranges were dominated by 72 cold water prawn products, 57 products contained warm water prawns and 2 contained shrimps. Only 3 products were available in the ambient sector, 2 of which were shrimp based and the third contained warm water prawns.

Prawn and shrimp retail shopping households⁶

The average household which bought seafood, prawn and shrimp purchases were mainly by older, larger households. With regards social class, prawn shoppers were slightly more affluent than overall seafood, in contrast with those who bought shrimps, who were from less affluent households.

⁶ Source: AC Nielsen HomeScan MAT 02.01.16

Prawn and shrimp retail shopper profile

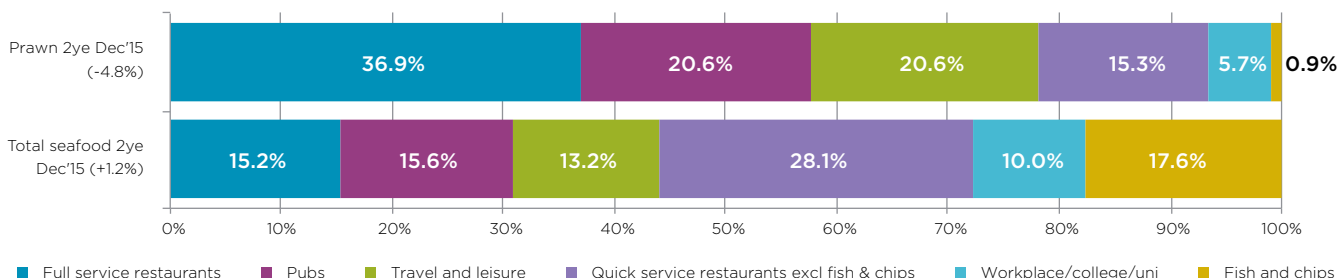


Prawn foodservice performance⁷

In foodservice it is impossible to differentiate between different prawn and shrimp types so this section refers to total prawns.

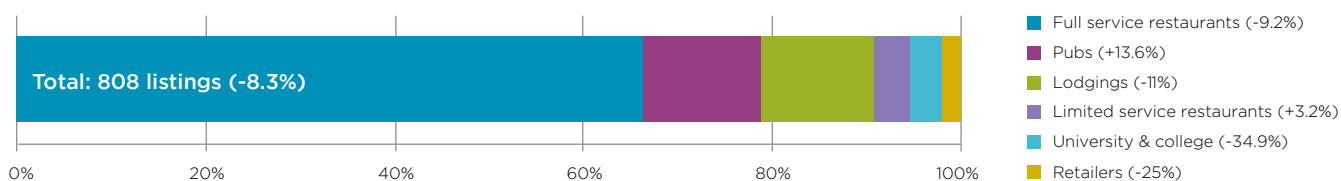
Whilst total seafood experienced challenging times in 2015, the number of servings sold increased 1.2%. In contrast however, the number of servings that contained prawn fell 4.8% potentially driven by increased cost. Prawn servings over trade in the full service restaurants, pubs, and travel and leisure channels. However growth was only experienced within travel and leisure outlets.

Prawn servings by foodservice channel



The number of menu listings for prawns and shrimps reduced 8.3% to 808 dishes due to delists in all channels except pubs and limited service restaurants where the offer increased.

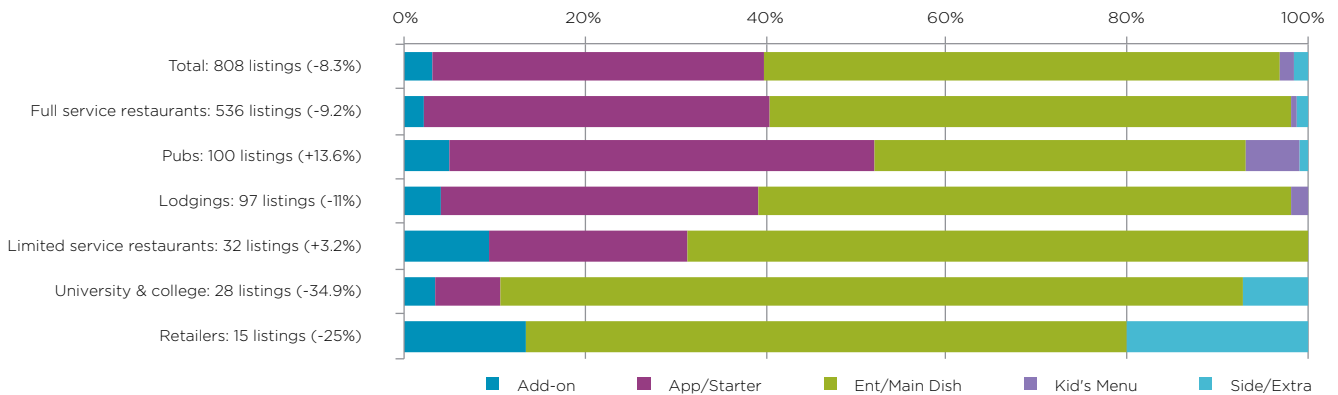
Number of menu listings for prawns and shrimps



⁷ Source: NPD Crest 2 YE Dec'15, Technomic MenuMonitor Q1 201 to Q4 2015

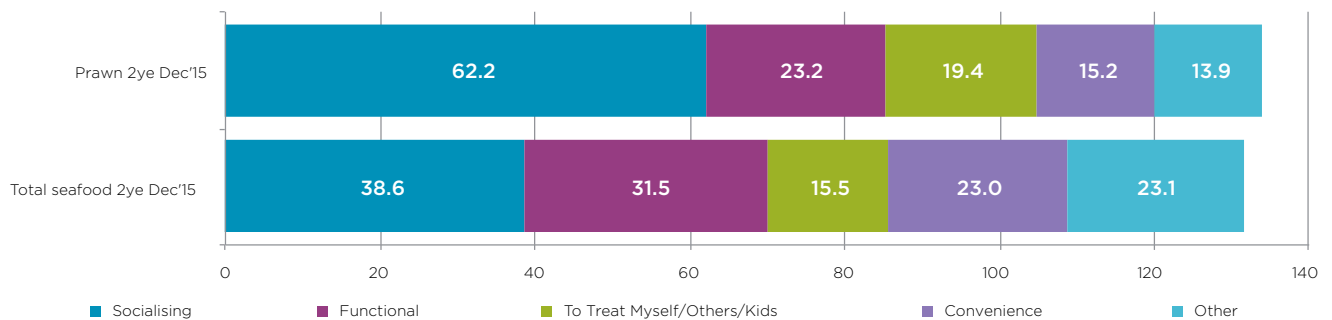
The majority of prawn and shrimp meals were offered as a main dish, except by the pub channel which focused on appetiser/starter dishes. Pubs also offered more kids menu dishes than other channels.

Prawn and shrimp menu listings by meal part by channel



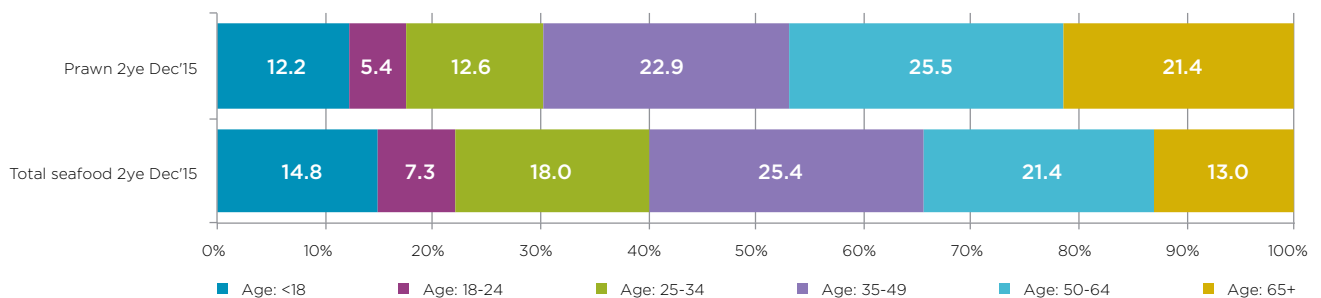
The majority of prawn meals were chosen when diners were socialising; this motivation was a significant area of over performance but experienced annual decline along with purchases made for convenience. In contrast, purchases made for treating and functional motivations increased.

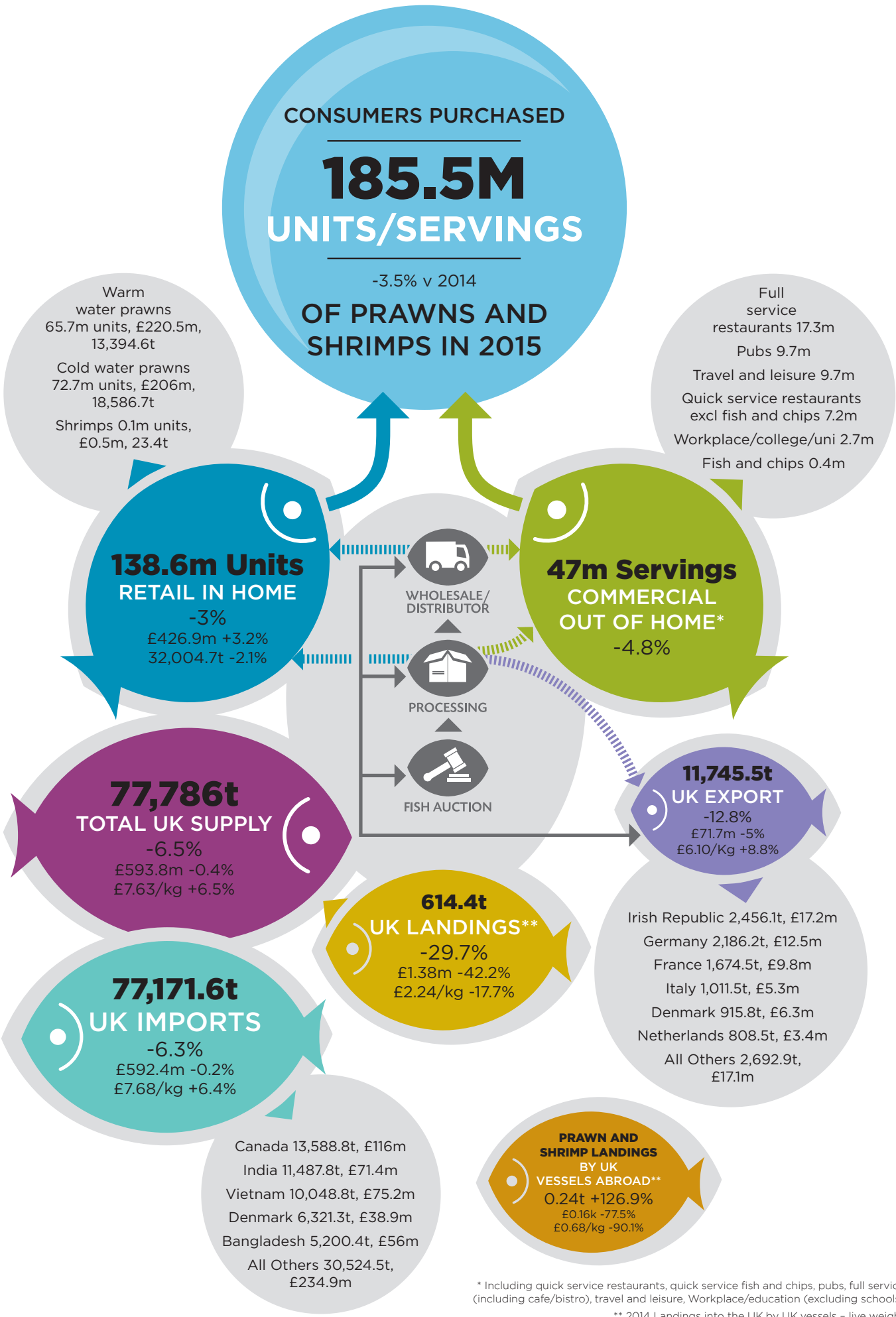
% servings by motivation



In comparison to total seafood, a greater proportion of servings were bought by over 50 year old consumers however, the share of servings bought by those who were 50-64 years old is in decline. The diners who increased their share of servings were the under 18's, 35-49 and over 65 year olds.

% Servings by age





* Including quick service restaurants, quick service fish and chips, pubs, full service (including cafe/bistro), travel and leisure, Workplace/education (excluding schools)
 ** 2014 Landings into the UK by UK vessels - live weight

Data sources:

- Retail: A.C Nielsen ScanTrack and HomeScan, BrandView
- Foodservice: NPD Crest, Technomic Menu Monitor
- Trade: HMRC via British Trade Statistics
- Landings: Marine Management Organisation (MMO)

For more information, contact the Market Insight team

Julia Brooks

Market Analyst

t: 01472 252 358

e: julia.brooks@seafish.co.uk

Richard Watson

Market Analyst

t: 01472 252 331

e: richard.watson@seafish.co.uk