

RECENT DEVELOPMENTS IN THE INTERNATIONAL ABALONE INDUSTRY

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Definitions

Abalone Fisheries: The annual commercial landing (country by country) expressed in terms of "in shell" weight. This category would include the planting of seeds in large areas of the sea wherein the sea bottom has not been prepared with man placed rocks or structures. This definition does not include the legal sport catch or any illegal catch worldwide.

Cultured abalone (expressed in terms of "in shell" weight) includes both:

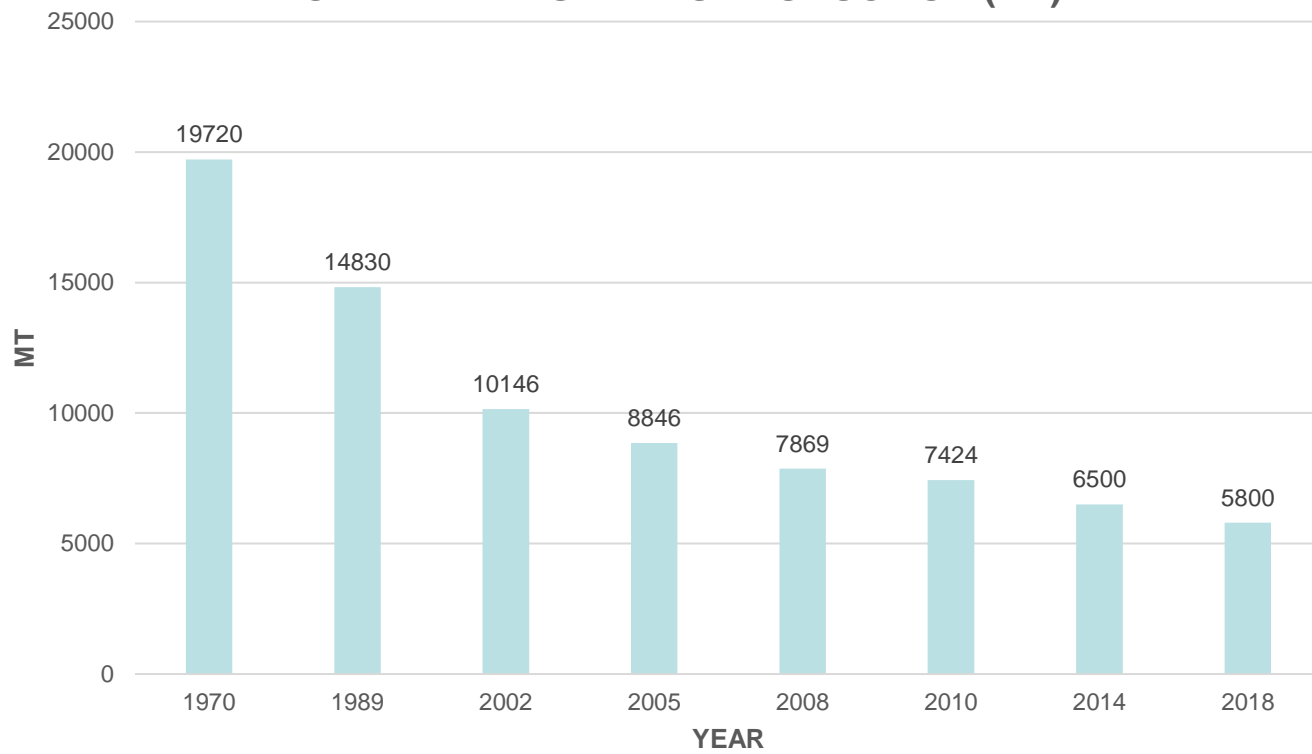
Intensive Culture: The farming of abalone on land or sea - - contained in man made tanks, nets or structures.

Extensive Culture: Sea planting of abalone seeds in artificially arranged substrate or structures, with or without adding food.

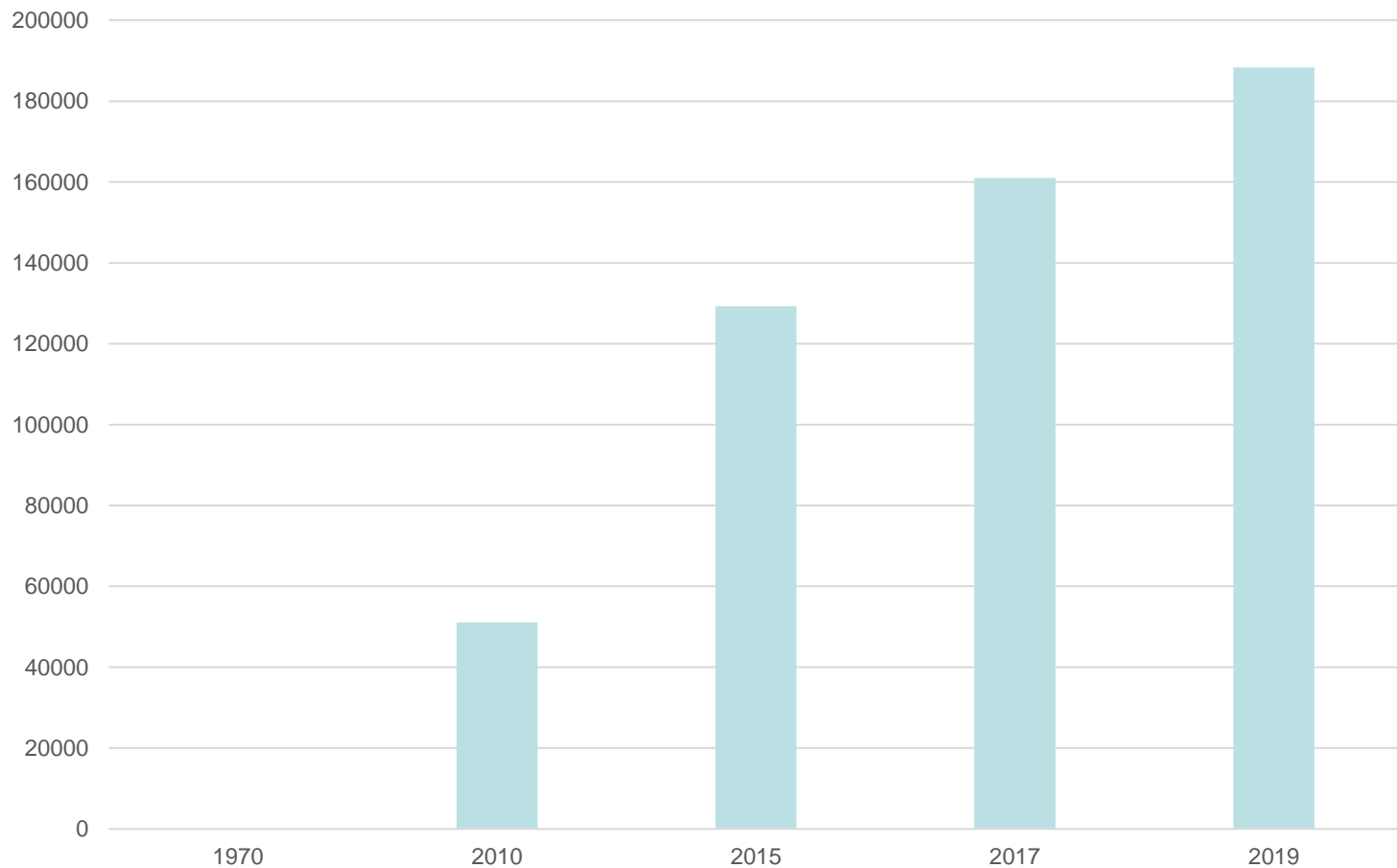
The Illegal Catch: Any taking of abalone beyond the total allowable annual landing quota.



WORLDWIDE FISHERIES PRODUCTION (MT)



Total Farm Production (mt)



**TO ESTIMATE THE TOTAL WORLDWIDE AVAILABILITY OF ABALONE WE MUST
ALSO INCLUDE THE ILLEGAL CATCH**

ABALONE PRODUCTION IN SOUTH AFRICA

	ACTUAL	ACTUAL	ACTUAL	FORECAST	FORECAST	FORECAST
Year	2020	2021	2022	2023	2024	2025
Total harvest of farmed abalone	2155	2664	2455	2757	2956	3010
Legal fishery harvest	50.5	50.5	50.5			
Estimated illegal harvest	2800	3330				
Total	5005.5	6044.5				

South Africa

An update to the estimate of poached *Haliotis midae*, 2000 – 2021

Markus Bürgener
TRAFFIC
August 2021

An estimate of illegal *Haliotis midae* (abalone) production was determined by subtracting legal production (aquaculture production plus the annual commercial TAC) from total world imports of abalone from Africa for each year (Source: UN Comtrade and national customs data for importing countries). Aquaculture production figures were obtained from DFFE. The estimated mass of poached abalone was then converted to the number

2020 (illegal) - 2 800 mt

2021 (illegal) - 3 330 mt

In support of this suggestion, a recent survey of South African dried abalone sold in Hong Kong suggested that 65% of dried abalone was illegally sourced, 33% was derived from legal aquaculture and only 2% from the legal fishery

OTHER COUNTRIES WHERE ILLEGAL HARVEST TAKES PLACE

AUSTRALIA

NEW ZEALAND

USA (CALIFORNIA)

MEXICO

Based on various international sources, it is estimated that current worldwide total of illegal abalone entering the world market is at least 7000mt per year

PREVIOUSLY ESTIMATED FARM PRODUCTION IN VARIOUS REGIONS (mt)

Note: this is an outdated table that was used previously but will be updated after individual country presentations

Region	2015 PRODUCTION	2016/17 PRODUCTION	2018/19 PRODUCTION	2020/21 PRODUCTION
CHINA	115 397	139 697	163 000	
KOREA	9 400	12 343	12 400	
SOUTH AFRICA	1 400	1 685	1 522	
CHILE	950	1 400	1 350	
AUSTRALIA	815	971	1 149	
TAIWAN	171	300	300	
JAPAN (seeds only)	200	200	200	
USA (including Hawaii)	362	175	175	
NEW ZEALAND	60	60	70	
MEXICO	30	48	45	
EUROPE +50mt fished	10	10	10	
THAILAND	8	8	8	
PHILIPINES	4	5	5	
TOTAL	127 397	156 892	180 224	

I will now ask representatives from various regions to present their production figures

Peter Britz & Rowan Yearsley (South Africa)

Nick Savva (Australia)

Tom McCowan (New Zealand)

Ricardo Searcy-Bernal (Mexico)

Gercende Courtois de Vicose (Europe)

Laura Rogers-Bennett (USA)

Wei Wei You (China)

ESTIMATED FARM PRODUCTION IN VARIOUS REGIONS (mt)

Region	2015 PRODUCTION	2016/17 PRODUCTION	2018/19 PRODUCTION	2020/21 PRODUCTION
CHINA	127 967	139 697	163 169	217 431
KOREA	9 400	12 343	12 400	20 053
SOUTH AFRICA	1 400	1 685	1 522	2 664
CHILE	950	1 400	1 350	1 120
AUSTRALIA	815	971	1 149	1 429
TAIWAN	171	300	300	300
JAPAN (seeds only)	200	200	200	200
USA (including Hawaii)	362	175	175	154
NEW ZEALAND	60	60	70	60-70
MEXICO	20	22	30	50
EUROPE +50mt fished	9	9	10	10
THAILAND	8	8	8	8
PHILIPINES	4	5	5	5
TOTAL	141 366	156 875	180 388	243 489

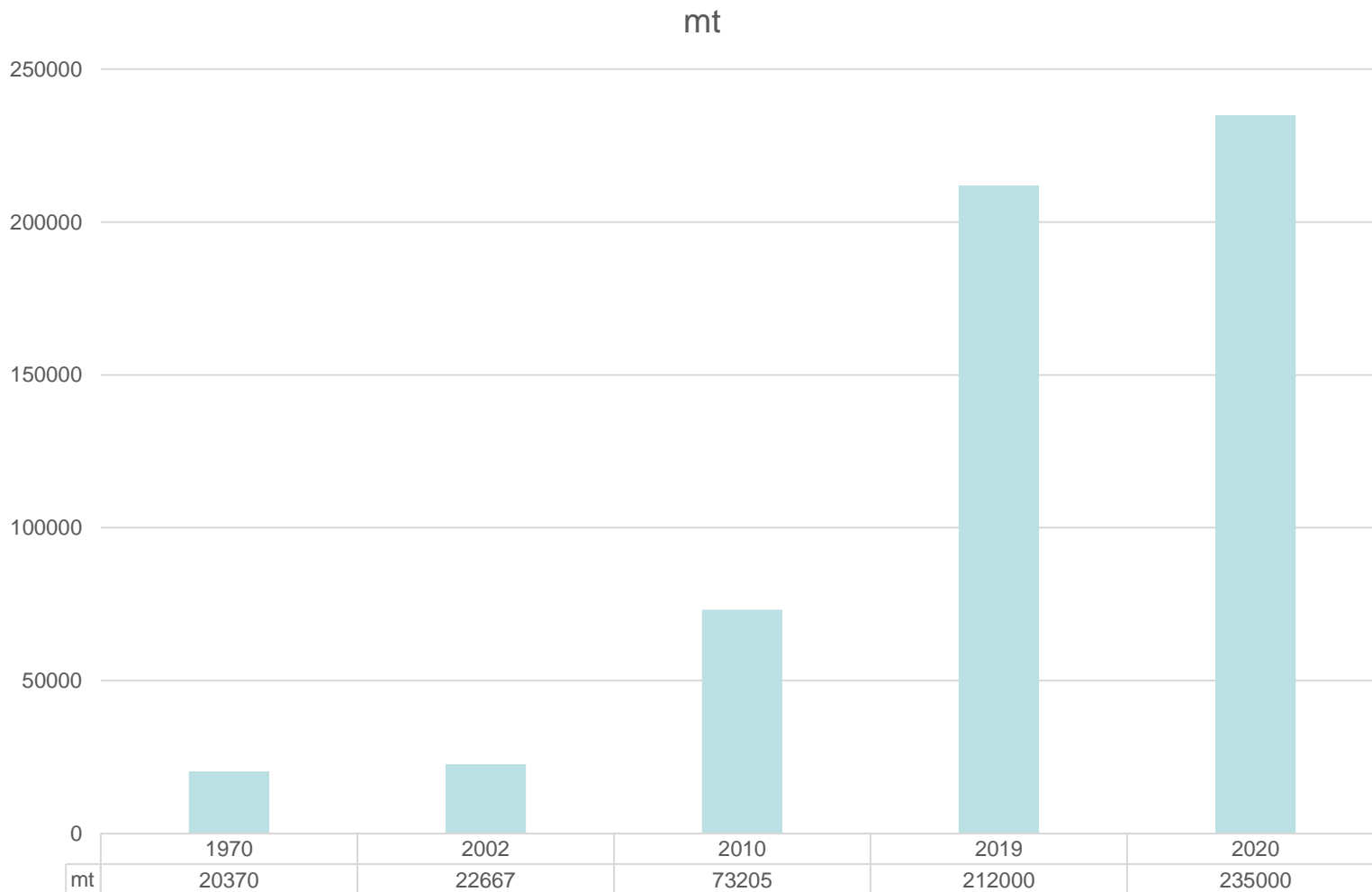
Note: figures in red are estimates

INDONESIA – small production of *Haliotis squamata*

OMAN – small production of *Haliotis mariae*

KOREA – (2022) – 2549 Farms, 3095 hectares under cage cultivation, Wholesale price (2023) – US\$26.4 to US\$28.7

Global supply of abalone from all sources: fisheries, farming and illegal





What are the likely implications of this huge increase in farm production ?

What can farms do to maintain a market share ?



Chinese abalone production from farms

(metric tonnes)

2010	56 511
2011	76 786
2012	90 694
2019	180 267
2020	203 485
2021	217 431

The huge increase in production, in China, has not, in itself, affected the rest of the world market as much as one might expect.

Why ? – Because to some extent Chinese production and the Chinese market is a fairly “closed system” – production in China being geared to market demand in China

PRICES

In China, the price for the standard market size (50g/individual) is high in Sep. to Nov, (e.g. 170-200 RMB/KILO) but a lot lower at other times of the year (e.g. 130-150RMB/KILO).

Chinese farmed abalone prices depend partly on size

Pieces per kilogram	Wholesale price ratio per kilogram
Source: Yongtaifeng	
10	146
12	126
14	104
16	102
18	94
20	92
24	90
30	76
36	66
42	62

I HAVE SEEN VERY LARGE ABALONE IN A CHINESE MARKET SELLING FOR US\$100/Kg

China's growing economy, rising incomes, and an increase in farmed abalone production have made the specialty more affordable.

Captain Jiang, one of China's largest abalone farmers and processors, sells canned abalone amongst other abalone products. A 140-gram can containing five abalone marinated in sauce costs CNY 39.90, or US\$5.66.



December 2019 (Source: UnderCurrent News)

Abalone price crash in China opens market opportunities



More Chinese people can sample abalone after prices of abalone fell

The crash in prices has been blamed on increased output of farmed abalone

Australian farmed abalone production ('1000t) and price (A\$/Kg)


Actual

Estimated

2016 **2017** **2018** **2019** **2020** **2021** **2022** **2023** **2024** **2025**

815 971 1,149 1,172 1,161 1,429 1,366 1,991 2,249 2,510


\$35.00 \$35.00 \$40.00 \$40.00 \$38.00 \$38.00 \$38.00 \$40.00 \$41.00 \$42.00



What can farms do to maintain a market share ?

Answer – DIFFERENTIATE !

1. By product diversification
2. By creating differentiation in the market place



More and more customers, worldwide, are demanding products that bear a logo declaring that the products have been obtained from sustainable fisheries, or from farms that comply with international standards

In Conclusion:

The world market for abalone is very complex, with different prices being paid for different species, different sizes and different types of products

Farms that wish to succeed in this complex market need to

1. Improve production efficiency
2. Diversify their product range
3. Differentiate their product in the market place





Thank you



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