STUDY FOR ASSESSING MUD CRAB (SCYLLA SERRATA, FORSKAL, 1755) MARKET CHAIN AND VALUE-ADDED PRODUCTS DEVELOPMENT IN BANGLADESH

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Abstract: Scylla serrata (Forskal, 1755) is playing an alternative to shrimp culture where 0.3 million people are directly involved in crab value chain. A study was carried out in the south-west and south-east coastal regions and Dhaka to assess mud crab market chain and value-added products development activities in Bangladesh. About 70% of mud crab come from Khulna and the rest from Chattogram, Barishal, and Noakhali region for export. Mud crabs were collected from nature, shrimp farm, coastal pen, and cage. The crabs value chain comprises farms/nature-collectors-small depot, large depot and exporters. Peak trading season was June to December and off-peak was January to March. In 2015-16 about 88% of crabs were exported to China which fulfilled 20-30% of buyer’s demands. Four types of crab products were exported, of which 78% were live crabs. About 20% exporters produced crab meat and leg. Crab export has significantly increased (p<0.05) from 2009 to 2016.

Key words: Scylla serrata, mud crab, value chain, value-added product, grading

INTRODUCTION

Mud crab (Scylla serrata, Forskal, 1755) is one of the most important coastal aquatic crustacean species among 12 marine/brackish water species in Bangladesh. The mud crab plays an important role in the national economy by earning from export (Joarder 2014). The contribution of crabs is 0.34% into the total fish production of Bangladesh in 2015-16 (DoF-2017). Juliette (2010) reported that in the Philippines the mud crab represents between 20 and 30% of the value of the production against 20 - 50% for the shrimp (Salam et al. 2002). Crab fattening is widely practiced in Thailand, Taiwan, Malaysia, Singapore, India, Indonesia and Bangladesh (Begum 2009). According to Sudhakar (2009) and Yousuf et al. (2017) mud crab has been well-accepted as a good source of protein and antioxidant properties, scrumptious and demandable crustacean in the world.

Live crab marketing is a profitable business. China, USA, Japan, South Korea and Thailand are the top five consumers. In recent years, crab business has been increasing due to buyers demand (Kamata et al. 2013). About 2.5 - 3.00 lakh people are directly involved in crab value chain (Jahan and Islam 2016a,b). Bangladesh started exporting crab in 1977 and earned US $2,000
(Jahan and Islam 2016a,b) and in 2015-16 earned US $23.82 million by exporting live and frozen crabs to 17 countries. China is the single largest crab importer.

In the southwest coastal belt of Bangladesh, millions of poor fishers, traders, and transporters are directly or indirectly dependent on live crab catching and collection. In Bangladesh, about 19,408 hectare water bodies have been used to produce crab and in 2015-16 produced 13,160 MT crabs (DoF 2017). The production of mud crab has attracted several private sectors into this emerging and profitable sector.

In order to know the market system, value chain and value adding of crabs, it was necessary to conduct a study with an objective to (i) assess the local Mud Crab value chain in Khulna region; (ii) analyze the mud crab market dynamics (includes - supply, demand trend, policy barriers, expectation of exporter, importers); and (iii) recommend for future actionable strategies and examine the value addition, processing potentials of mud crab in the local and international market.

**MATERIAL AND METHODS**

Following activities were done to achieve the objectives of the study. Primary Data Collection Questionnaire Survey: The data were collected during 16 June to 31 August 2017 from the south-western and south-eastern parts (coastal areas) of Bangladesh through a structured questionnaire survey. About 20 major questions along with another 22 sub-questions were asked to collect the primary data. Some of the open-ended questions were asked to know their strengths, weaknesses, recommendations, marketing strategies, and policy barriers.

*Personal interviews and meetings:* Interviewed 17 pre-selected respondents in government, NGOs, foreign buyers, processors, and researchers to collect data.

*Focus group discussion:* There were three FGDs conducted to validate the data. Online interview were conducted with the crab fatteners, farmers, depot holders, regulatory authorities to validate the data.

*Secondary data collection:* Secondary data were collected from some published reports, papers and some official documents and web-based information.

*Literature review:* Collected and reviewed the available literature on crab marketing, value chain, fattening, production, value addition, crab business, etc on Bangladeshi crab market.
Data entry and analysis: Data were entered into MS Excel spreadsheet and analyzed using MS Excel Data Analysis Tool Kit. At each stage of the survey, data were checked, edited and coded in the field.

RESULTS AND DISCUSSION

In Bangladesh, about 19,408 hectare water bodies were used to produce crab and in 2015-16 produced 13,160 MT crabs (DoF 2017). Interviews showed that mud crabs were collected from sources like nature, shrimp gher, coastal pen, cage, soft shell crab farms. Survey results revealed that most of the exporters established direct link with farmers from 2014. According to Fig. 1, about 70% of mud crab were landed from the Khulna region which supported by Chandra et al. (2012). The survey showed that about 60% of mud crabs were landed from Khulna, 30% from Satkhira and 10% from Bagerha. A total of 1811 depots (685 in Khulna, 367 in Satkhira and 759 in Bagerhat) were identified those were responsible to collect crabs from different farms and nature (Joarder 2014).

Fig. 1. Region-wise crab production in Bangladesh.

Grading: Exporters reported that they had collected mud crab with mixed composition and grading starts in large depot and separate male and female crabs, tighten the legs and transport through the bamboo basket (Shelley 2011). The survey showed that about 3% crabs were wastes due to broken of legs, bad packing, transportation, and mishandling (Shelley and Alessandro 2011). Female crab with minimum weight at 120 gm and male with 200 gm were considered for export. Table 1 showed that the grading system for the domestic
market which varies from the grading system for the international market showed in Table 2. Usually, male crab with hard carapace and full of meat was considered for export, while for female crab with hard carapace with eggs was considered for export.

**Table 1. Grading of male and female live crabs**

<table>
<thead>
<tr>
<th>Grade: Female</th>
<th>Grade: Male</th>
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<tbody>
<tr>
<td>Grade</td>
<td>Weight</td>
</tr>
<tr>
<td>F1</td>
<td>&gt;180g</td>
</tr>
<tr>
<td>F2</td>
<td>&gt;150g</td>
</tr>
<tr>
<td>F3</td>
<td>&gt;120g</td>
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</tbody>
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**Table 2. Grading system of mud crab by sex and weight in international markets**

<table>
<thead>
<tr>
<th>Grade: Female</th>
<th>Grade: Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade</td>
<td>Weight (gm)</td>
</tr>
<tr>
<td>FF1</td>
<td>&gt;200</td>
</tr>
<tr>
<td>F1</td>
<td>&gt;180</td>
</tr>
<tr>
<td>KS1</td>
<td>&gt;180</td>
</tr>
<tr>
<td>F2</td>
<td>&gt;150/100</td>
</tr>
<tr>
<td>F3</td>
<td>&gt;120</td>
</tr>
<tr>
<td>KS3</td>
<td>&gt;120</td>
</tr>
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</table>

*Crab trading seasons:* The results showed that the mud crab trading season started in June and end of March. The peak trading season was June to December and January to March was the off-peak season. About 90% crabs were landed in peak season and 15% in off-peak season. During January to February the exporters bought about 40% crabs from shrimp gher and about 60% from nature (Sundarbans, estuary, sea, etc). Results showed that during June to December the exporters bought about 75% crabs from shrimp gher and 25% from nature.

*Transportation and post harvest management:* The survey showed that primarily live crabs were carried using bamboo baskets to the local depot by wooden boats, bicycle, rickshaw van, etc. During export in the winter season, about 90% crabs were carried using styrofoam box and 10% using net plastic box. Shelly (2013) suggested that for export markets involving air freight, wax-lined cardboard boxes, with ventilation holes at each end of the box were very effective and for domestic markets, mud crabs can be packed in plastic crates or
containers (FAO 2013). Survey showed that all collected crabs from different small and local depots were transported to Dhaka by truck or pick up van usually at night. During the transportation, they sprayed water into the box to increase humidity for reducing mortality which was supported by the statement of Ferdoushi et al. (2010) and Dagoon (1997). Betel-nut leaf was placed in the bottom to prevent dehydration and to keep the temperature low. The results showed that during the summer season about 40% styrofoam boxes were used and 40% net plastic boxes were used to export live crab. Ferdoushi (2013) reported that sometimes mud crab keep a long tube, made of bamboo, in the center of the plastic boxes to prolong the shelf life of the exported crabs. Mud crabs can survive in air for about 4 to 5 days in good condition (Ferdoushi et al. 2010). To reduce mortality during transportation, harvested crabs were tied with coarse twin (Shelley and Alessandro 2011) and keep 95% humidity by sparing water (Dagoon 1997).

**Mud crab value chain**: There were five types of value chain actors who played the main role in crab business from 2014. Before 2014 crabs value chain were more complex and eight types of actors were operating the main business (IFAD 2010). Fig. 2 showed the present crab value chain developed based on the findings of the survey.

**Export market**: Fig. 3 showed that the major crab exporting countries were China, Singapore, Malaysia, Taiwan, Thailand, and South Korea. The top five mud crab consumers of the world were China, USA, Japan, South Korea and Thailand. Most of the exporters have their own crab farms and depot. They have
contact farmers who received money in advance to fattening the crabs. Most of
the exporters were living in Dhaka. Joarder (2014) reported that about 30% of
the exporters were running the business by joint ownership. About 80% reported that they exported only live crabs. The mortality was about 5% during
transportation from farm to export depot and 7% mortality was during export.
Fig. 2 showed that about 88% crab were exported to China. Buyers reported that
they were getting only 20 - 30% of their demand. A Singapore buyer demands
5,000 MT crabs meat and legs/year but Bangladeshi exporters were not able to
supply this amount. Individual interviews revealed that there was a huge
demand for Bangladeshi crabs due to its taste, size, and nature. Female crabs
were popular in Japan, Taiwan, Hong Kong, Singapore and crab meats were
popular in the USA and Canada (Farhana et al. 2015). About 20% of crab
exporters had produced crab meat and leg by the 3% by-products (dead and
defective) and sold to Singapore.

![Fig. 3. Country wise crab export % in 2015-16.](image)

According to Joarder (2014) Bangladesh had no crabmeat processing
industry but there was a huge scope for developing crab meat processing
industry. About four types of value-added products developed from crabs which
shown in Fig. 4. Crab shell was used as an ingredient of poultry feed. The
interview showed that an entrepreneur started to construct a processing plant
for making canned industry where they would produce canned crabmeat. Zafar
(2014) stated that the increasing demand of mud crab in the local and
international markets helped gain price supported by Aldon and Dagoon 1997).
They reported that the export mortality was high due to delayed shipment. Results showed that there was no warehouse at the airport to store live crab before shipment. The weather was hot into cargo areas of the airport where the crabs stored before shipment. Data revealed that there were insufficient scanning machines in the warehouse, no facilities for exporting live products, no air-conditioned facilities and very less priority for shipment of live products. Survey showed that the required shipment time was 12 hrs to reach the products in buyers store but it took 24 hrs. That why the mortality was increased. Fig. 5 showed that the demand, supply, and export increased dramatically from 2009 to 2015 with little fluctuation in 2013-14.

In 2015, about 12,850 MT crabs were exported and earned USD 23.85 million. The income was increased 1732% in 2015 than that of 2009. Jahan and Islam (2016a,b) stated that the mud crab business in Bangladesh was highly profitable. Joarder (2014) reported that the export volume had increased to 38 per cent in the last 15 years. Results showed that the following factors, seasonal demand and supply, abundance, occasions (Chinese New Year, Christ-mass), type and sources, and influence of agent are influencing the crab price (Chandra et al. 2012). Price variation was found according to grade in a different season (Joarder 2014). Crab project of DOF reported that some of the crab consignments were rejected due to the presence of nail.

*Crab business related association:* Survey showed that there was a registered association namely Bangladesh Live and Chilled Food Exporters Association, located at Uttara, Dhaka. They were responsible to collect and export live crab.
but about 20% members of BLCFEA reported that they were also exporting crab meat and leg. BLCFEA reported that about 160 crab exporters were presently doing this business, of which 153 were their members (Ferdoushii 2013).

![Fig. 5. Crab export trend from 2008 to 2016.](image)

**Policy barriers and problems associate with crab business:** The survey showed that the Ministry of Forest and Environment, Ministry of Commerce and Ministry of Fisheries were directly involved in monitoring, assisting and transferring technology of crab business. Department of Forest was responsible to give the license for harvesting hard shell crabs whereas Department of Fisheries (DoF) was responsible to give permission for installing soft shell crab farm (DoF 2017) and issued the health certificate for export. Results showed that the Export Promotion Bureau was responsible to give permission to open L/C for export.

About 70% of the respondents reported that the factors like bad communication between collection points and the depots, insufficient market information, weak registration process of the government, inadequate marketing facilities, lack of credit, influence of middleman, grading fraudulence, inadequate space, high mortality rate due to mishandling and poor transport system, inconsistency and the low survival rates of the larvae accelerate the growth of the crab industry Joarder (2014).
CONCLUSION

The findings of this study show that the live mud crabs business is playing a major role in the economy of Bangladesh. Value addition of crabs is also promising business. There are four types of crab based value-added products in Bangladesh. It has a huge potentiality to be a part of major exporting products of the fisheries sector. The crab value chain has become simpler than previous value chain. June to December is the main trading season for crab and about 70% crabs come from Khulna region. China is the major importing country of crabs and the export is increasing significantly. Some policy changes may help to sustain this business.

Following are the recommendations to augment this business in Bangladesh supported by Joarder (2014), Zafar (2014), Jahan and Islam (2016), Karim et al. (2015) and Ferdoushi (2013).

1. Installation of Crab Hatchery.
2. Develop live product export facilities and equipment in airport.
3. Accelerate shipment time as priority basis and the shipment should be completed within 12 hours.
4. Develop crab farming, transportation, export and hatchery operation policy.
5. Ensure loan/credit facilities to the stakeholders to enhance business.
6. All intermediate players in crab trading should be brought under a single apex body like the Department of Fisheries.
7. Use Styrofoam box during transportation of live crab from the farm during export till it reaches buyers hand.
8. Grading has to be done immediately after catching.
9. Develop value-added products and production facilities.
10. Undertake a detailed socio-economic study to determine the importance of mud crab farming to coastal communities and to demonstrate the growing value of mud crab farming.

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