

An analysis of the status of Sri Lanka's ornamental fish exports in the world trade of ornamental fish

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An analysis of the status of Sri Lanka's ornamental fish exports in the world trade of ornamental fish is of paramount importance in facilitating the process of development in decision making in this sub sector. The objectives of this study were to document the major exporters and importers of ornamental fish, to analyze the market concentration of the leading exporters, to analyze the competitiveness of the major exporters and to analyze the relative position of Sri Lanka in the leading ornamental fish importing markets. This study used market shares, concentration ratio of top 3 export markets (CR3) and Herfindahl Index to identify the major exporters and to analyze their market concentration. Revealed Comparative Advantage (RCA) Index and Relative Competitiveness Index (RC) were calculated to analyze the competitiveness of the ornamental fish exporters. The Harmonized System (HS) records trade data for ornamental fish under the product codes of HS 030110, HS 030111 and HS 030119 and data were retrieved from International Trade Centre, for the period 2001 to 2012.

The results showed that the major exporters of ornamental fish are Singapore, Spain and Japan. Sri Lanka remains among the top 15 exporters though the market share has declined substantially from 2004 to 2012. Singapore and Japan are among the top 5 exporters as well as importers, indicating the existence of a potential re-export trade. European Union (EU) accounts for more than 40% of the total value of imports while USA accounts for over 15% of ornamental fish imports of the world, followed by Japan and Singapore. Singapore, Thailand and Indonesia are well diversified over export destinations while Spain concentrated in EU, recording a high CR3 value (93). Japan, Malaysia, Indonesia, Czech Republic and Netherland are too concentrated in their regions. Sri Lanka has a considerably high market concentration than Singapore, Thailand, and Indonesia. RC index value for Singapore, Spain, Japan, Indonesia, Netherland, Israel and Sri Lanka is positive, revealing their competitiveness while Thailand, Malaysia, and Czech Republic are not competitive in the world market. Sri Lanka has a comparative advantage in ornamental fish exports in USA and EU

markets while it remains among the top 10 suppliers of ornamental fish to these markets. The results indicate that Sri Lanka's success in the ornamental fish exports lies in enhancing its market share by exploiting the competitiveness achieved in the world market.

Keywords: ornamental fish, market concentration, relative competitiveness, revealed competitiveness

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