ABSTRACT

ONO JUARNO. Competitiveness and Export Strategy of Indonesian Shrimp in the International Market (RINA OKTAVIANI as a Chairperson, AKHMAD FAUZI, and NUNUNG NURYARTONO as Members of the Advisory Committee).

This research attempts to analyze the competitiveness of Indonesian shrimp export to Japan, the US (United States), and the EU-27 (European Union) in the three categories of products namely fresh, frozen, and prepared shrimp, compared to Thailand. Revealed Comparative Advantage (RCA) Index and Constant Market Share Analysis (CMSA) are used as indicators to provide insights into export performance. Using state data for 1989 to 2008 from Comtrade, this study has developed a simultaneous equations model that links between shrimp production and trade. The results show that Indonesia has a comparative advantage in exporting frozen and prepared shrimp products relative to fresh shrimp products. Moreover, the comparative advantage in exporting shrimp to Japan in the three categories of products has fallen after changing cultivation from *Penaeus monodon* (udang windu) to *Penaeus vaname* (udang vaname). Using CMSA model indicates that distribution effect and composition effect are still weak and Indonesian shrimp competitiveness is mainly because of specific competitiveness effect in exporting frozen shrimp to Japan and the US. Disease outbreaks, feed cost, and difficulties in fulfilling shrimp quality requirement especially from the EU-27 are the factors that affecting Indonesian shrimp competitiveness. To increase shrimp export competitiveness, the Indonesian government should revitalize *Penaeus monodon*, do more research on diseases, feed, seed, and broodstock, invest more on human development and irrigation, and differentiate its product to more value added products.

Keywords: Indonesian Shrimp, Competitiveness, Total Factor Productivity, Export, International Market