Vietnam Pangasius Industry
TOWARDS SUSTAINABLE

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(VASEP)

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Vietnam Fisheries Production
Vietnam Aquaculture

- In 2011, total aquaculture production estimated at 3.0 mill. MT, annual increase 6.19% compared to 2010
- Contributes 56.60% to fisheries production (5.3 mill. MT)
- Main species in 2011: shrimp – 490,000 MT, Pangasius – 1.3 million MT
- Standards for safe and responsible aquaculture have been initiated in 1996 and implemented from 2002
- Many farmers are applying SQF-1000, BAP, Global GAP standards, first of all for Pangasius aquaculture
- More modern farming technology applied, included biotechnologies
- National Monitoring Programs for antibiotics and chemical residues in aquaculture areas from 2003
Vietnam Aquaculture Plan to 2020

• Issued by Decision 332/QD-TTg of Prime Minister on March 3rd, 2011

• Objectives:
  - 2015: Aquaculture area: 1.1 million ha  
    Production: 3.6 million MT  
    Export: USD 3.5 – 4.0 billion  
    Labour: 3.0 million
  - 2020: Aquaculture area: 1.2 million ha  
    Production: 4.5 million MT  
    Export: USD 5.0 – 5.5 billion  
    Labour: 3.5 million
Targeted production in 2020:
- 1.5 – 2.0 mill. MT of Pangasius (+ 4.8% a year)
- 700,000 MT of shrimp (+5.76% a year)
- 400,000 MT of bivalve molluscs (+16.0% a year)
- 200,000 MT of farmed marine fishes (+ 14.9% a year)
- 150,000 MT of tilapia (+7.9% a year)
- 150,000 MT of seaweeds (+ 7.2% a year)
- 60,000 MT of *Macrobrachium rosenbergii* (+11.6% a year)
Vietnam Seafood Export

Million USD

Export value
Growth rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Export Value</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>368,456,550</td>
<td>-10%</td>
</tr>
<tr>
<td>1994</td>
<td>670,780</td>
<td>22%</td>
</tr>
<tr>
<td>1995</td>
<td>817,850</td>
<td>21%</td>
</tr>
<tr>
<td>1996</td>
<td>971,478</td>
<td>19%</td>
</tr>
<tr>
<td>1997</td>
<td>1,777</td>
<td>12.5%</td>
</tr>
<tr>
<td>1998</td>
<td>2,023</td>
<td>20%</td>
</tr>
<tr>
<td>1999</td>
<td>2,240</td>
<td>19.6%</td>
</tr>
<tr>
<td>2000</td>
<td>2,739</td>
<td>16%</td>
</tr>
<tr>
<td>2001</td>
<td>3,348</td>
<td>12.4%</td>
</tr>
<tr>
<td>2002</td>
<td>4,500</td>
<td>21%</td>
</tr>
<tr>
<td>2003</td>
<td>4,250</td>
<td>18.4%</td>
</tr>
<tr>
<td>2004</td>
<td>5,033</td>
<td>5%</td>
</tr>
<tr>
<td>2005</td>
<td>5,823</td>
<td>12.5%</td>
</tr>
<tr>
<td>2006</td>
<td>6,118</td>
<td>21%</td>
</tr>
<tr>
<td>2007</td>
<td>5,033</td>
<td>18.4%</td>
</tr>
<tr>
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<td>4,722</td>
<td>20%</td>
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<tr>
<td>2011</td>
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<td>21%</td>
</tr>
</tbody>
</table>
Export Markets Structure 2011 (By Value)

- USA: 19.3%
- Japan: 16.4%
- EU: 21.8%
- China + HK: 5.7%
- ASEAN: 5.0%
- South Korea: 7.8%
- Others: 21.4%
- Australia: 2.6%
Export Products Structure 2011 (By Value)

- Frozen shrimp: 39.8%
- Tuna: 6.3%
- Pangasius: 30.0%
- Other crustacean: 1.8%
- Other fishes: 12.1%
- Mollusks: 10.0%
- Other: 1.8%
TOWARDS A SUSTAINABLE PANGASius INDUSTRY

Pangasius hypophthalmus - Tra
Pangasius – a Fish-Cinderella?

- Pangasius is omnivorous fish, adapts very well to different feeds, can survive in very difficult conditions, with low oxygen.
- 20 years ago, Pangasius was a very normal fish, served as daily food for poor people in the Mekong Delta.
- Now Pangasius became the beautiful Princess in Vietnamese aquaculture, with harvest over 1.3 million MT, export value over US$ 1.8 billion in year 2011.
- Vietnam Government has issued a National Programme for Pangasius Production Development (2010-2020).
Vietnam Pangasius Success Story

In 12 years (2000-2011) Vietnamese Pangasius:

• Farming areas increased 5 times, reached 6,000 ha
• Annual commercial production of raw fish increased 35 times, from 37,500 MT to 1,300,000 MT
• Volume of exported Pangasius fillets jumped-up more than 40 times, from 17,000 MT to over 660,000 MT.
• Export revenue increased 45 times, from US$ 40 mill. to US$ 1,856 mill.
• Number of export markets increased from very few in Asia to more than 136 countries and territories, in all continents.
Pangasius production Mekong Delta 2011

- An Giang: 24.68%
- Đồng Tháp: 29.06%
- Kiên Giang: 0.58%
- Tiền Giang: 3.52%
- Sóc Trăng: 2.81%
- Trà Vinh: 2.59%
- Cần Thơ: 13.66%
- Bến Tre: 10.59%
- Vĩnh Long: 9.48%
- Hậu Giang: 3.03%
Estimated volume Pangasius 2012

*(Top-5 provinces in Mekong Delta)*

- **Q 1:** 247,335
- **Q 2:** 309,169
- **Q 3:** 284,435
- **Q 4:** 250,303
# Pangasius Export Volume, MT

![Graph showing出口 volume of Pangasius over the years](chart.png)

<table>
<thead>
<tr>
<th>Year</th>
<th>EU Export Volume, MT</th>
<th>Total Export Volume, MT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>33,304</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>82,962</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>140,707</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>123,212</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>286,600</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>386,870</td>
<td>640,829</td>
</tr>
<tr>
<td>2009</td>
<td>224,311</td>
<td>607,665</td>
</tr>
<tr>
<td>2010</td>
<td>221,939</td>
<td>659,397</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Pangasius Export Value, US$ million

- **EU**
- **Total**

<table>
<thead>
<tr>
<th>Year</th>
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<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>82</td>
<td>17</td>
</tr>
<tr>
<td>2004</td>
<td>83</td>
<td>139</td>
</tr>
<tr>
<td>2005</td>
<td>328</td>
<td>343</td>
</tr>
<tr>
<td>2006</td>
<td>737</td>
<td>470</td>
</tr>
<tr>
<td>2007</td>
<td>979</td>
<td>581</td>
</tr>
<tr>
<td>2008</td>
<td>1,453</td>
<td>1,343</td>
</tr>
<tr>
<td>2009</td>
<td>1,427</td>
<td>539</td>
</tr>
<tr>
<td>2010</td>
<td>511</td>
<td>511</td>
</tr>
<tr>
<td>2011</td>
<td>526</td>
<td>1,856</td>
</tr>
</tbody>
</table>
Vietnam Pangasius Markets Structure 2011
(By Value)

- USA: 18.4%
- EU: 29.1%
- China: 3.1%
- Brazil: 4.7%
- ASEAN: 6.1%
- Arab: 3.2%
- Mexico: 6.0%
- Others: 32.4%
SUSTAINABILITY

1. Ecological sustainability
2. Technical sustainability
3. Economical sustainability
Ecological sustainability: Pangasius is an omnivorous fish

0.4 kg/kg

Omnivorous Pangasius

4 – 30 kg/kg Carnivorous
Quantity of wild fish (QWF) necessary to feed and produce 1 kg farmed fish

- Pangasius: 1 Kg
- Salmon and most fishes: 1 Kg
- Tuna: 1 Kg

Environmental impact (negative)
Integrated *Pangasius* farming

- Ratio of integrated *Pangasius* farming areas: 65%
- Ratio of integrated *Pangasius* farming areas in top-5 provinces.
  - + Ben Tre: 90.0 %
  - + Đồng Tháp: 61.9 %
  - + An Giang: 58.0 %
  - + Vĩnh Long: 46.5%
  - + Cần Thơ: 23.0,0%
- In first 3 months of 2012, export from farmed integrated *Pangasius* took 63,8% volume (102.977 T)
Steps to *Pangasius* Sustainable Production

- **1996**: First National Responsible Aquaculture Workshop
- **2000**: Trainings on responsible aquaculture by MOFI, VASEP, DANIDA
- **2003-2005**: SGS & VASEP developed and implemented the SQF1000 for *Pangasius* in 3 Mekong Delta provinces
- **2005**: *Agifish Pure Pangasius Union* established by 5 stakeholders: processor, farmers, hatchery owners, feed & medicine producer.
- **2006**: *Panga Trace Program* of Vinh Hoan Co., Ltd. in cooperation with Anova
- **2007**: First *Organic Pangasius* of NTACO, certified by IMO
- **2009-2010**: Boom of GlobalGAP certified *Pangasius* farms and processing companies
WWF Cooperation for ASC Pangasius

- **2008-2010**: *Pangasius* Aquaculture Dialogue (PAD)
- **2010**: Draft and discussion of *Pangasius* ASC Standard
- **2010**: 4-Parties Cooperation Agreement (VASEP-VINAFIS-WWF Vietnam-WWF International) signed for sustainable *Pangasius* production towards the ASC standard
- **2011**: Vietnam delegation visits WWF, ASC, IDH, GlobalGAP
- **2011**: First WWF-Vietnam Workshop on Pangasius ASC
- **2011**: Started implementation of *Aquaculture Improvement Programme* (AIP) for Vietnam *Pangasius* supported by WWF
- **2012**: IDH joins 4-Parties Cooperation Agreement
Status of ASC Pangasius industry

- **49** Pangasius processing companies have been/are being certified by GlobalG.A.P standard (45% total number of Pangasius factories) by 6/2011

- **103** Pangasius farms with **2,805 ha** have been or are being certified by different sustainable standards (about 40% of total Pangasius farming area) by 6/2011

- WWF ASC partner farms taking steps towards ASC compliance represent **27,600 MT fillet** (4.6% of total export) in 2011. Target for 2012 is **10%**. Now 10-15 other farms are moving towards ASC compliance

- **First 05** Pangasius farms owned by processing companies are now waiting for accreditation and certification by **ASC**

- **IDH** target **100,000 MT** of fish **ASC certified by 2013**
Issues to Economically Sustainable Pangasius in the markets

1. Not yet guaranteed buying price difference between certified and non-certified products
2. Weak cooperation between producers and importers
3. Export price lowering by exporters competition
4. Anti-dumping case in the U.S.
5. More products diversified and value-added
6. Sustainable certification jungle
Sustainable Certification Jungle
Challenge

Too many certification and rating systems exist, but limited transparency on systems’ performance.

Results:
- Confusion and mismatch between producers and key markets
- Unnecessary costs for certification (duplication and conflicting requirements)
- Opportunities for “green-washing” schemes
- Reduced consumer confidence due to inconsistent messaging

Proposal:
Global Sustainable Seafood Initiative (GSSI)
Pangasius, an excellent food!
Pangasius, an excellent food!
Thank You and Looking To Work Together!

Vietnam Association of Seafood Exporters & Producers (VASEP)

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