Viet Nam Pangasius Success Story

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Vietnam Association of Seafood Exporters and Producers (VASEP)
Trend in World Aquaculture

Source: FAO - Fishstat Plus
Import of Freshwater Fish

Source: FAO - Fishstat Plus
Species of farmed *Pangasius*

*Pangasius bocourti* - Basa

*Pangasius hypophthalmus* - Tra
Pangasius – a Fish-Cinderella?

• 20 year ago, *Pangasius* was very common fish, served as daily food for poor people in Mekong Delta.

• It is omnivorous fish, adapts well to different feed, can survive in very difficult conditions, with low oxygen.

• In the past, *Pangasius* farming is a traditional activity of farmers in the South of Vietnam, only for themselves.

• Now *Pangasius* became the beautiful Princess in Vietnamese aquaculture, with harvest exceeded 1 mill. MT, value close to US$ 1 billion annually.

• *Pangasius* is intensively farmed in 3 ways: ponds, floating cages and net-pen enclosure.
Vietnam Pangasius Success Story

In 10 years 1997-2007, Vietnam Pangasius:

- Farming areas increased only 8 times, reached 9,000 ha
- Annual commercial production of raw fish increased 45 times, from 22,500 MT to more than 1,000,000 MT
- Volume of exported Pangasius fillets jumped-up more than 55 times, from 7,000 MT to 386,870 MT.
- Export revenue increased 50 times, from US$ 19.7 mill. to US$ 979,036 mil.
- Number of export markets increased to more than 80 countries and territories, in all continents.
- In 6 months 2008, exported 262,950 MT fillets (+53.3%), valued at US$ 608 mill. (+34%), to 103 markets
Stocking Density & Yield

Floating cages: 100-150 fish/m³ 100-120 kg/m³
Pond: 30-40 fish/m² 250-300 MT/ha
Net-pen enclosure: 40-60 fish/m² 300-350 MT/ha
Feeding and FCR

Two main kinds of feeds:

Home-made fresh feed & Pellets

FCR for fresh home-made feed is 2.8-3.0

FCR for pelleted feed is 1.5-1.8
Pangasius Farming Area & Commercial Annual Harvest

- Farming areas (green)
- Production (red)


- Farming Area & Commercial Annual Harvest
  - 1997: 1,000 ha
  - 2006: 9,000 ha

- Production:
  - 1997: 0 MT
  - 2006: 9,000 MT
Average Productivity

Tons/ha

1997 1999 2001 2003 2004 2005 2006

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Advanced Farms Standards

- **SQF 1000** of SQF Institute (USA)
- EurepGAP of European Retailers Group
- BAP of Global Aquaculture Alliance (USA)

SQF: “SAFE & QUALITY FOOD”

GAP: “GOOD AQUACULTURE PRACTICE”

BAP: “BEST AQUACULTURE PRACTICE”
Responsible Farming Models

- Agriculture & Rural Development Dept. in An Giang, SGS & VASEP has developed a SQF1000 & 2000 standards for Pangasius in 2005

- Agifish Pure Pangasius Union (APPU) consisting of 5 kinds of stakeholders of the whole production chain: processor, farmers, hatchery owners, feed producer & medicine producer.

- The Panga Trace Program of Vinh Hoan Co., Ltd. in cooperation with Anova

- First Organic Pangasius production of Binca & NTACO, certified by IMO to meet Naturland standards
Pangasius Processing Industry

- More than 80 existing Pangasius factories, with capacity to process total 3,500 MT raw fish a day
- Many modern factories are set up (e.g. factory with 300 MT raw fish a day can be built up in 6 months!)
- International standards for safety assurance implemented & certified by 3-party bodies
- Fish has tested in residues before harvest allowed
- Improvement of vertical integration - traceability is step-by-step implementation
- Mandatory standards to treat waste water before discharge into the environment
Product Diversification

- Basa skewers
- Basa strips
- Basa breaded
- Basa ring
**Pangasius Export 2001-2007**

The graph shows the volume and value of Pangasius exports from 2001 to 2007. The volume is represented by red bars, and the value is represented by green diamonds. The graph demonstrates a significant increase in both volume and value over the years, with a sharp rise in 2007.
Trend of Market Shares
(in volume term)

%
Pangasius Market Structure 2007 (in value)

- EU: 48.0%
- ASEAN: 7.9%
- The U.S: 6.9%
- China & Hongkong: 4.0%
- Russia: 9.2%
- Australia: 3.9%
- Others: 20.1%
Top importing countries in 2006

- Rusia: 14.9%
- Poland: 9.5%
- Spain: 8.8%
- USA: 8.5%
- Netherland: 7.7%
- China: 6.2%
- Germany: 5.7%
- Singapore: 4.0%
- Belgium: 3.9%
- Australia: 3.5%

Data of 2006
EU Frozen Freshwater Fillets Suppliers

EU Import Market Share (%)

Vietnam
Netherlands
Tanzania
Germany
Russia
Kazakhstan
China
Denmark
Uganda
Belgium

Source: Eurostat – Frozen Fillet Freshwater Fish 03042019
Top Frozen Fillets Catfish Suppliers of USA

Vietnam, China, Thailand, Malaysia, Others

Source: NMFS

2006 Kilos vs 2005 Kilos

1,000 MT
Vietnam *Pangasius* Strategy

- Sustainable & responsible development
- Environmental-friendly farming and processing
- Natural pharmaceutics & probiotics use
- Technology & infrastructure modernization
- Vertical integration improvement
- Community-based safety and quality management
- Market diversification and value-added products
- 4-Parties Strategic Alliance Set-up
- Branding & country image building
Better *Pangasius* Farming

- Use floating pellets instead of “freshly made” wet feed.
- International standards for safety assurance implemented at farms & certified by 3-party bodies
- Planning of farms development, based on loading capacity of waterbodies in Mekong Delta
- Improvement of vertical integration - traceability implementation
- Mandatory national standards for farms to treat the waste water before discharge into the water-bodies
New Standard: VietnamGAP

- VietnamGAP will be voluntarily implemented for responsible & sustainable *Pangasius* farming
- VietnamGAP is designed to be equivalent to EurepGAP & BAP-ACC standards
- VietnamGAP will set standards for:
  - Design & construction of farms
  - Good Farming Practices
  - Traceability of product
  - Proper fish health management
  - Environmental monitoring & management
  - Social responsibility
  - Food safety & quality assurance
Trade issues and solutions

- Trade name confusion: Basa, Tra, Pangasius
- US anti-dumping duties: Review & sunset review
- Anti-biotic residues: National programme
- Over-use of polyphosphates and over-glazing: VFFA Declaration
- Traceability: VASEP&Trace Tracker Project
- Environmental and Social responsibility: VietnamGAP implementation
- Top and Stable Quality: Grade A product standards