

Title: **Lobster Aquaculture in Vietnam**

Author(s): Knut Heen, Le Anh Tuan

Abstract: Aquaculture in Vietnam has a long tradition. So far, this industry has been dominated by fresh water and brackish water aquaculture. Cage culture in marine waters has been developed more recently. With a coastline of 3260 km and an Exclusive Economic Zone (EEZ) of more than one million square km, Vietnam has a potential for cage aquaculture. Many areas in the coastal zone are suitable for cage culture. More than 4000 islands and many lagoons give protection against waves and wind that are particularly strong during the winter monsoon. This paper reviews the current status of lobster aquaculture in Vietnam and identifies critical factors for an economic sustainable industry in the future. Based on an empirical study of lobster farms in the Khanh Hoa province, data of operating and investments costs have been collected. These data are used for a profitability analysis of the industry. The main operating cost elements are seed, feed and labor. The user cost of capital consists of interest and depreciation on long term assets and imputed interest on the working capital. In addition to calculating the profit in absolute figures, the profit will be calculated relative to total investment (return on investment). The net present value (NPV) method will also be used in calculating the profitability of lobster farms.