

# THE MARKET SHARE OF VIETNAM PANGASIU 2014-2015

## AFFECTING FACTORS



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Aug 24 2015

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## I. PANGASIU EXPORTS IN 2014

- In 2014. VN pangasius export turnover hit **US\$1.768 billion. up 0.4%** year on year.
- Top 8 largest markets of VN pangasius included EU, Asean, US, China&Hong Kong, Mexico, Brazil, Colombia, Saudi Arabia, occupying 73% of VN's total pangasius sales.
- Pangasius exports to the US downed 11% compared to the 6 percent growth of last year. Sales of the fish to EU downed 10.7% and saw no sign of recovery
- VN's pangasius exports to US is equal to EU with the proportion of 19%
- Among top 3 largest markets of VN pangasius. ASEAN is the only market reporting the growth of 9.4% in importing pangasius from VN



## PANGASIOUS EXPORTS IN 2014

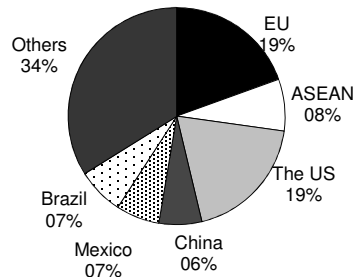
Markets	QI/2014	QII/2014	QIII/2014	QIV/2014	Compare d to QIV/2013	2014	Compare d to 2013
<b>EU</b>	<b>82.870</b>	<b>90.251</b>	<b>87.908</b>	<b>83.261</b>	<b>-17.2</b>	<b>344.290</b>	<b>-10.7</b>
<i>Spain</i>	<i>22.735</i>	<i>20.256</i>	<i>17.672</i>	<i>11.819</i>	<i>-40.8</i>	<i>72.483</i>	<i>-5.4</i>
<i>The Netherlands</i>	<i>13.232</i>	<i>17.038</i>	<i>13.804</i>	<i>14.664</i>	<i>+0.3</i>	<i>58.738</i>	<i>-2.2</i>
<i>The UK</i>	<i>7.969</i>	<i>9.684</i>	<i>12.576</i>	<i>10.648</i>	<i>+1.9</i>	<i>40.876</i>	<i>-0.1</i>
<i>Germany</i>	<i>9.593</i>	<i>10.713</i>	<i>10.060</i>	<i>9.403</i>	<i>-22.3</i>	<i>39.769</i>	<i>-11.9</i>
<b>The US</b>	<b>83.749</b>	<b>68.018</b>	<b>89.051</b>	<b>95.985</b>	<b>+4.7</b>	<b>336.803</b>	<b>-11.5</b>
<b>ASEAN</b>	<b>32.374</b>	<b>39.830</b>	<b>30.480</b>	<b>33.886</b>	<b>+1.3</b>	<b>136.570</b>	<b>9.4</b>
<i>Thailand</i>	<i>10.727</i>	<i>14.058</i>	<i>8.984</i>	<i>9.801</i>	<i>+21.5</i>	<i>43.569</i>	<i>+27.3</i>
<i>Singapore</i>	<i>8.394</i>	<i>10.545</i>	<i>9.385</i>	<i>9.718</i>	<i>-4.9</i>	<i>38.042</i>	<i>+3.5</i>
<i>Philippines</i>	<i>7.405</i>	<i>7.200</i>	<i>6.216</i>	<i>7.599</i>	<i>-0.9</i>	<i>28.419</i>	<i>+6.0</i>
<b>China</b>	<b>20.886</b>	<b>25.683</b>	<b>30.577</b>	<b>36.006</b>	<b>+40.2</b>	<b>113.152</b>	<b>+24.2</b>
<i>Hong Kong</i>	<i>8.614</i>	<i>10.533</i>	<i>9.559</i>	<i>11.824</i>	<i>+21.6</i>	<i>40.530</i>	<i>+12.4</i>
<b>Brazil</b>	<b>35.386</b>	<b>25.725</b>	<b>32.840</b>	<b>29.019</b>	<b>-31.5</b>	<b>122.970</b>	<b>+0.9</b>
<b>Mexico</b>	<b>28.530</b>	<b>23.795</b>	<b>22.320</b>	<b>40.596</b>	<b>+50.1</b>	<b>115.241</b>	<b>+17.1</b>
<b>Colombia</b>	<b>16.206</b>	<b>14.953</b>	<b>18.021</b>	<b>20.939</b>	<b>+14.1</b>	<b>70.118</b>	<b>+19.2</b>
<b>Saudi Arabia</b>	<b>13.343</b>	<b>17.190</b>	<b>11.820</b>	<b>16.718</b>	<b>+37.8</b>	<b>59.070</b>	<b>+21.0</b>
<b>Others</b>	<b>95.218</b>	<b>110.431</b>	<b>129.035</b>	<b>135.258</b>	<b>-0.5</b>	<b>469.943</b>	<b>+4.2</b>
<b>Total</b>	<b>408.563</b>	<b>415.876</b>	<b>452.051</b>	<b>491.667</b>	<b>+0.9</b>	<b>1.768.157</b>	<b>+0.4</b>



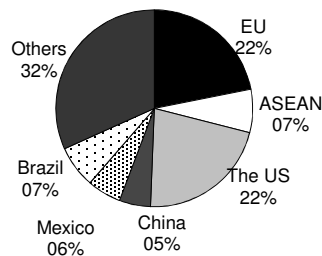
## PANGASIOUS EXPORTS IN 2014

Pangasius exports shifted to small markets from traditional markets.  
The market share of VN pangasius in EU reduced to 19% from 22%

The structure of importers of VN pangasius in 2014 (Value)



The structure of importers of VN pangasius in 2013 (Value)



## FACTORS AFFECTING TO PANGASIOUS PRODUCTION & EXPORTS IN 2014

### EXPORTS IN 2014

- On Apr 16, 2014, the Prime Minister signed to issue Decision No. 540/QĐ-TTg on credit policies applied to shrimp farmers and pangasius farmers

- On Apr 29 2014, the Government issued the Decree No. 36/2014/ND-CP on pangasius farming, processing and exporting which was applied since June 20. The decree has affected significantly to pangasius farmers and exporters.

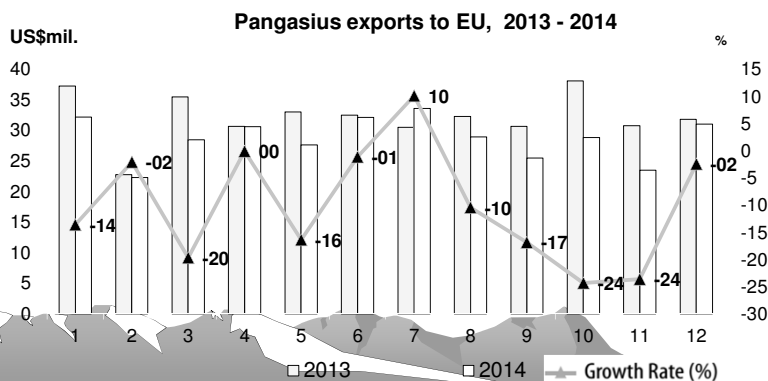
-- On Dec 31 2014, the Government issued Resolution No. 101/NQ-CP on delay applying rules in point b & c, provision 3, article 6 of the Decree No. 36/2014/ND-CP

- Sharp decline in purchasing power from the US and EU due to economic depression.

## II. PANGASIOUS EXPORTS TO EU IN 2014:

**All 2014** • Downed nearly 11%

**Monthly** • July up 10%  
• The others downed 2 – 24%





## PANGASIUS EXPORTS TO EU IN 2014

- Pangasius exports to EU hit **US\$344.3 million, down 10.7%** year on year.

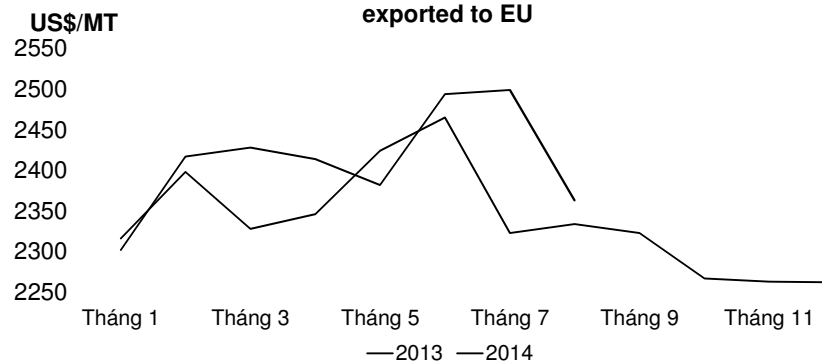
- Export value to 4 single markets posted year-on-year decline:

+ Spain:	US\$72.48 million (-5.4%)
+ The Netherlands:	US\$58.73 million (-2.2%)
+ The UK:	US\$40.87 million (-0.1%)
+ Germany:	US\$39.76 million (-11.9%)



## PANGASIUS EXPORTS TO EU IN 2014: MARKETS, OPPORTUNITIES & CHALLENGES

The average price of VN's frozen pangasius fillet exported to EU





## EU MARKETS IN 2014

Top 15 catfish suppliers to EU 28 in Jan-Aug 2014 - Value (US\$ thousand)				
No.	Suppliers	Jan-Aug 2013	Jan-Aug 2014	% change
	The world	291.301	275.789	-5.3%
<b>1</b>	Viet Nam	<b>227.456</b>	<b>217.630</b>	<b>-4.3%</b>
2	The Netherlands	25.228	23.367	-7.4%
3	Belgium	5.739	6.875	19.8%
4	Germany	10.355	6.844	-33.9%
5	Denmark	3.308	4.254	28.6%
6	France	915	2.051	124.2%
7	Italy	1.798	1.607	-10.6%
8	Portugal	1.495	1.437	-3.9%
9	Spain	2.852	1.424	-50.1%
10	Poland	2.212	1.365	-38.3%
11	The UK	1.212	1.336	10.2%
12	Sweeden	1.756	1.160	-33.9%
<b>13</b>	Indonesia	<b>641</b>	<b>1.058</b>	<b>65.1%</b>
14	Sec	1.243	833	-33.0%
15	Iceland	416	604	45.2%



## EU MARKETS IN 2014

- In 2014, EU imported 553.4 thousand MT of frozen pangasius;

- In 2014, imports of frozen pangasius fillet from VN into large markets in the block reported a year-on-year decline: Netherlands(-7%); Germany (-20%); Italy (-6%); Belgium (-3%); Poland (-22%); France (-19%); Portugal (-25%)...

- Pangasius imports into some European countries saw the growth: The UK (+4%); Greece (+2%); Hungary (+7%); Croatia (+21%)...

### III. PANGASIOUS EXPORTS IN JAN-JUN 2015

- VN's pangasius was exported to **128 markets**, 9 market lower than the same period of last year.
- Pangasius exports hit **US\$749.9 million**, down 9% year on year.
- Top 8 largest markets included the US, EU, China, ASEAN, Mexico, Colombia. Canada and Australia made up 72.15% of total export value.
- Pangasius exports to some markets posted slight rise: the US (+4.8%); China(+50.7%); Canada (+2.9%).
- Pangasius exports to some markets posted the year-on-year reduction: EU (-17.6%), ASEAN (-4.1%); Mexico (-25.9%). Colombia (-13.2%).



### PANGASIOUS EXPORTS TO MARKETS, JAN-JUN 2015

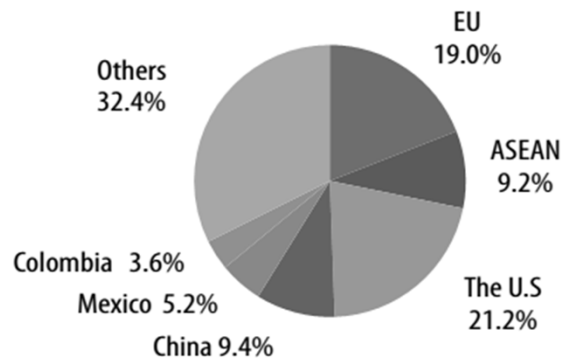
Markets	QI/2015	Apr 2015	May 2015	Jun 2015	QII/2015	Variation (%)	Jan-Jun 2015	Compared to 2014 (%)
The US	78.001	29.452	27.206	24.389	81.048	+19.2	159.049	+4.8
EU	68.226	25.649	25.081	23.642	74.372	-17.6	142.598	-17.6
The Netherlands	13.016	5.051	5.288	4.637	14.975	-12.1	27.991	-7.5
The UK	12.342	4.238	4.066	4.258	12.561	+29.7	24.903	+41.1
Spain	10.379	4.358	4.654	3.161	12.173	-39.9	22.552	-47.5
Germany	7.610	2.199	2.506	2.520	7.226	-32.5	14.836	-26.9
China	30.042	11.862	13.094	15.202	40.157	+56.4	70.199	+50.7
Hong Kong	7.303	2.666	3.346	2.895	8.907	-15.4	16.211	-15.3
ASEAN	33.603	11.936	12.419	11.311	35.666	-10.5	69.268	-4.1
Thailand	10.727	4.331	5.124	4.149	13.603	-3.2	24.331	-1.8
Singapore	8.975	2.837	3.012	2.532	8.381	-20.5	17.356	-8.4
Philippines	7.653	2.184	2.308	2.427	6.919	-3.9	14.572	-0.2
Mexico	26.820	3.698	3.788	4.474	11.961	-49.7	38.781	-25.9
Colombia	17.265	2.828	3.263	3.704	9.796	-34.5	27.061	-13.2
Canada	8.763	3.397	3.191	2.898	9.487	-10.5	18.249	+2.9
Australia	8.067	2.552	2.459	2.854	7.866	-22.2	15.933	-15.1
Others	86.064	34.380	43.466	44.948	122.794	-7.4	208.858	-19.9
<b>Total</b>	<b>356.851</b>	<b>125.755</b>	<b>133.968</b>	<b>133.423</b>	<b>393.146</b>	<b>-5.5</b>	<b>749.997</b>	<b>-9.0</b>

\*Value: US\$ mil.

## THE STRUCTURE OF PANGASIOUS EXPORTS, JAN-JUN 2015



### Main importing markets for pangasius, Jan - Jun 2015 (Value)



## IV. PANGASIOUS EXPORTS TO EU 2015

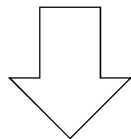


❖ In Jan-Jun 2015, pangasius exports to EU hit **US\$142.6 million**, occupying 19% of total export value and falling 17.6% year on year.

- 4 biggest single markets in EU block:



UK: +41%



Netherland: - 7,5%

Spain: -47,5%

Germany: - 27%

❖ Pangasius exports since the early 2015 have been affected by the devaluation of EUR that fell to the record low against USD in the past decade.

## PANGASIOUS EXPORTS TO EU, JAN-JUN 2015



### \* Exports to the UK up 41%

- Pangasius exports to the UK hit US\$25 million, up 41% year on year
- In QI&II/2015, exports to the market reported the positive growth in which exports posted the sharpest growth of 97.8% year on year in Jan 2015. From February to May 2015, exports rose 12-60.5% year on year.
- The UK is the 4<sup>th</sup> largest importer of pangasius and catfish among EU block behind Spain, the Netherlands and Germany.



## PANGASIOUS EXPORTS TO EU, JAN-JUN 2015



### \* The Netherlands – the largest importer among EU block

- Pangasius exports to the Netherlands hit nearly US\$27.99 million, down 7.5% year on year.
- VN's pangasius & catfish exports to the market in QIV/2014 down 23 percent from QIII/2014 and continued to drop 6% in QI/2015. This is the sharpest drop in the recent 3 years.
- VN's pangasius sales made up 82.6% among Netherlands' total import value. The Netherlands also imports pangasius from some European countries such as Belgium, the UK, Germany and even from Indonesia.

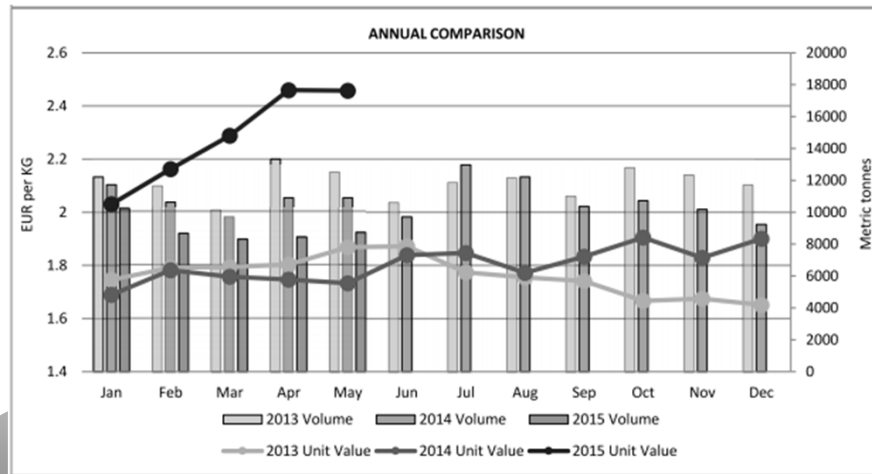




## PANGASIUS & CATFISH IMPORTS INTO EU



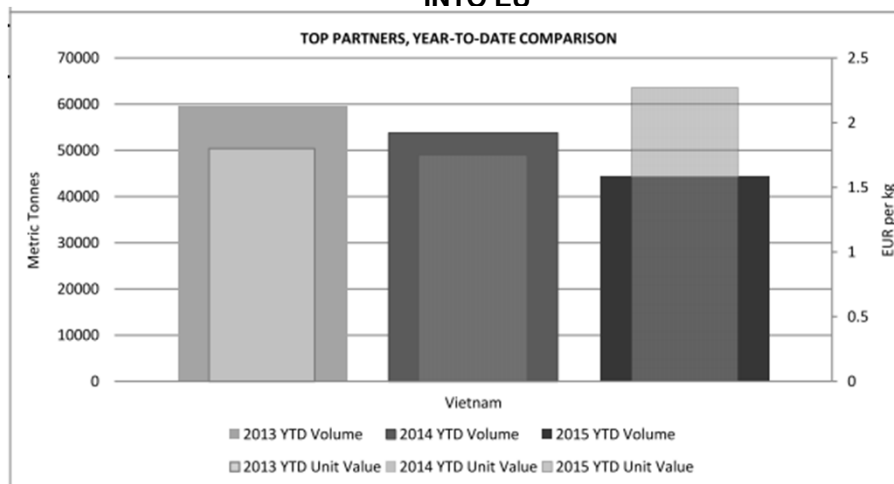
- 2015: monthly import volume continuously dropped.
- Average prices by Euro/kg markedly increased. However, prices by USD decreased due to euro devaluation.
- Importer reduced purchasing and tried to lower prices.



## PANGASIUS & CATFISH IMPORTS FROM VN



### INTO EU



## **PANGASIOUS EXPORTS TO EU 2015: CHALLENGES**



- EU economic depression→ lower demand
- EUR's devaluation against USD→ Importers reduced purchasing and tried to lower prices.
- Strong US dollar lured exporters from EU to the US market.
- Since 2013, due to bad communications on VN pangasius in EU market, VN's pangasius production and exports has been affected by smears in EU.
- Whitemeat fish like Alaska pollock, cod has opportunity to raise their competitiveness.
- FTA with EU: Pangasius and catfish products are applied tax reduction by roadmap. However, EU will apply more strict regulations and standards related to CO, tracibility, quality, food safety and standards for enterprises such as environmental protection, social responsibility, labor employments...

## **V. RECOMMENDATIONS AND SOLUTION**



- 1) Raising the quality of pangasius products
- 2) Labeling and making the product quality clear on the wrappings.
- 3) Boosting the advertisement, trade promotion and positive communication.
- 4) Programs, projects should be implemented to reduce the production costs towards sustainable development.
- 5) MARD directs timely and effectively the implementation of the Prime Minister's Decision 08/2015 and the Government's Resolution 19/2015 on innovating administrative procedures and improving business environment.



## References



### **Report on Vietnam seafood exports**

Issued quarterly



**VASEP portal**  
**vasep.com.vn**



Websites of VIETRADE, International Trade Centre (ITC) and other websites



**THANK YOU  
FOR YOUR ATTENTION!**

**Vietnam Association of Seafood Exporters and Producers  
(VASEP)**

[www.vasep.com.vn](http://www.vasep.com.vn); [www.pangasius-vietnam.com](http://www.pangasius-vietnam.com); [www.youreverydayfish.com](http://www.youreverydayfish.com)