



Expert: ASC 'bullying' Vietnamese pangasius producers

Industry expert slams certification scheme, says focus should be on price controls.

Dominic Welling

Published: 16.10.2014 15:15 Updated:
16.10.2014 14:17



The Aquaculture Stewardship Council (ASC) is being criticized for using bullying tactics to get pangasius producers

to sign up to its certification scheme, while it return adding no value whatsoever to the product.

“The industry has been focusing on the wrong things over the last few years, notably everyone is running after certifications,” Jean-Charles Diener, director at seafood inspection and market intelligence company OFCO told **IntraFish**.

“We need to kick out certifications which are doing more harm than good. They take money away from the producers but do not add any value in return to the product.”

Pangasius producers in Vietnam do not necessarily want to be ASC certified, Diener said, but feel they have no choice because “if everyone around you has it then of course you have to have it too in order to keep selling.”

Diener’s main grievance is with the ASC – which was founded by the World Wildlife Fund (WWF) – is that it “operates like a school yard bully.”

“The ASC says if you don’t have our certification then your product is no good, if you do then it is a good product. But they don’t bring anything to the product, just take away money for the certification,” he said.

“They extort money from producers. If they don’t have the certification they are considered bad, but in reality, the certification brings nothing good to pangasius, but artificially increases the prices, that is all they are doing.”

Other certification schemes, such as Best Aquaculture Practices (BAP) and Global Gap, are different, and could help the industry, says Diener.

Associated Articles

- MSC, ASC grow presence in China, organize sustainable seafood forum
- ASC launches in Latvia
- Asian feed giant to double revenue in Vietnam by 2018
- Vietnam pangasius exporter sets sights on VAP, own brand line
- Russia slaps pangasius cartel with \$750,000 fine

See also



GOAL 2014 blog: Lyons, Morrisons team with GAA, IFFO on feed pledge; Next year's conference heads to Canada

"At least they are not simply branding producers either good or bad," he said.

Buyers of pangasius, particularly those in Europe, are increasingly seeking out ASC products, "but all that means is the ASC and the WWF machine behind it are very strong at promoting their brand, that's all," said Diener.

"The WWF created the ASC and [Marine Stewardship Council] standards. Even though they now claim they are independent, it is connected and it is in their interest to promote it."

Certification schemes a distraction?

With all the certification schemes in the marketplace, Diener said producers are now "focusing their energy on getting diplomas rather than more important things."

The main issue with the market is that the export price is too cheap and could easily be much higher with government controls, he said.

With the right controls, Diener believes the price of pangasius could easily reach \$3.40 (€2.70) for a 100 percent net weight fillet FOB within a year if done properly – a dollar more than what it sells for today.

"There is a market for pangasius and people would be willing to pay more," he said. "We need to impose a minimum price for different specifications of products."

Today the price varies anywhere between \$2.30 (€1.80) per kilo to \$2.70 (€2.10) per kilo depending on a number of factors such as level of treatment, any defects, net weight, name of supplier and reputation, he said.

"We need a minimum price for each specification and clearer packaging. This would create transparent, healthy competition," Diener said.

"The number of players in the market is not the problem, we could sell more at \$3.40 (€2.70) per kilo in a few years than we do today at \$2.40 (€1.90). Higher prices would also improve the image."
