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JC. DIENER:

What if there were no more pangasius tomorrow?

On the occasion working with Mr. Jean-Charles Diener, a seafood specialist and Director of OFCO Group, a seafood inspection and consulting services company in Viet Nam, we have the opportunity to interview some of his reviews on the development of the Vietnamese pangasius industry.

By Tran Duy



Mr. Jean-Charles Diener, Director of OFCO Group

Reporter: Firstly, could you please introduce a little bit about you and your company?

JC. Diener: From 2001, I started to work on the development of Vietnamese seafood export. I also worked on pangasius farming and helped to develop feeds for pangasius within Proconco, one of Viet Nam's leading suppliers of animal feed. These experiences

were the foundation on which I established OFCO. In 2007, I founded OFCO Group in Ho Chi Minh City, Viet Nam, which became an associate member of VASEP in February 2008.

Through OFCO Group, I have made my company become a recognized seafood specialist. For the past couple of years, I engaged myself and OFCO in

the development of worldwide communication in regards to the sustainability of the pangasius aquaculture because I realized that pangasius is one of the best species for farming in the world.

Reporter: How come you said that pangasius is the best species for farming?

JC. Diener: I'm very confident to say that pangasius is one of the best species for farming on



Pangasius is one of the best species for farming on earth

earth. Today, in livestock we have chicken, pig, and cow as some of the best species. In aquaculture, what do we have?

It's certainly not salmon. Because, in order to produce 01 kg of salmon we need to catch 04 kg of fish for feeding. Salmon is in the top of the food chain. They are the carnivores and as a result, salmon is very expensive to produce. Salmon and pig, chicken or cow can't be compared but what I want to say is that the best species to produce on earth must be omnivores.

Pangasius is so good because they are omnivores. They can eat everything and so, they are cheap to produce. Even there are some other fish species with good potential like carp or tilapia, but, carp is less appreciated by the consumers and tilapia still needs higher protein to produce than pangasius which makes it more expensive.

Get back to the pangasius, which is better to farm between

inland animals (like chicken, cow or pig) and pangasius? Certainly, they are not on a competition but still, fish will always be better because they don't have to consume their energies to stand. Clearly, in the water, according to Archimedes, the fish carries himself. Instead of using their energies to stand, they use it to grow. Technically, I can say that fish farming is more effective than animals on land, especially the pangasius farming.

Reporter: *But the fact that, last year pangasius export was decreased in both EU and the US market compared to 2013. Where is the problem?*

JC. Diener: Few years ago I had already said "Be careful, bad reputation which is starting to exist on pangasius farming will affect all the Vietnamese seafood industry". Now it's done. All pangasius from Viet Nam has a bad image and so, the Vietnamese seafood industry also gets bad images, which is a pity!

We have one of the best species

on earth, we have a very good farming, and we have a very good processing (our processing is on the top, we know what to do, and many products are interesting...). But in the market, we are losing because our bad reputations are everywhere. It's all because our marketing strategies for pangasius are not done correctly.

Moreover, we are the biggest exporter of pangasius in the world. We might think we are the one and there are no competitors. Actually, pangasius is one of the best species for aquaculture and it's the cheapest white fish in the global market. But if tomorrow there was no pangasius anymore, do you think those big importers of pangasius in the world would be upset?

Reporter: *Well, I have no idea about that. Could you tell me?*

JC. Diener: Many of them will be very happy. They would not be so sad for this. Let me tell you why!

Today, there are many big importers of pangasius who don't like pangasius anymore. Pangasius is true to be the cheapest fish which makes the margin so low and the importers can't earn much profit out of it. However, they have no better choice than keeping a continuation in the pangasius because it's cheaper and their potential consumers want to buy it. Those importers, they don't like pangasius. They will never promote it but they still don't want to drop it. Therefore, it will not be a grave situation if one day pangasius suddenly disappears. Indeed, many will be happy as they would have the opportunity to import other white fish, which earns more profit than pangasius.

There is a contradicting situation in the Vietnamese

pangasius industry. We are the only one in the global market, we have the monopoly, and logically we should be able to do what we want. But the thing is, when we are free to fight with other competitors, we fight each other!

Reporter: *Then how can we get out of this contradicting situation?*

JC. Diener: I think it's necessary for the Vietnamese pangasius industry to get more supports and cooperation.

As for me, with my knowledge and my love for pangasius, I'd travelled to many places to promote for pangasius without any support from anyone in Viet Nam. I'd tried so much and now, I give up because I understand that I cannot do it alone.

Our Vietnamese pangasius suppliers will be very strong in the market if we are one united community. The ASC story will remind us about this.

Five years ago, the WWF suddenly put pangasius in their "Red list" and said "Pangasius needs a sustainable development". After that, they created a certification for pangasius, called ASC. Now, we can see that the ASC standard is getting stronger and stronger in many seafood markets. They are developing so fast, but who makes them so strong like that?

It's the Vietnamese pangasius suppliers who give that power to ASC. I think the ASC brings nothing to the industry but takes money from it for a certification. However, many Vietnamese pangasius suppliers all know about that but they have no other choice.

I can say that VASEP can play such a big role in the solution. VASEP is an association which can unite all the pangasius suppliers to



Let the consumers choose what they want

work together. If everybody could work a little bit together, we would be much stronger and everyone would take benefit of that.

Reporter: *Recently, the 36 Decree on pangasius has been signed and executed. What do you think about this?*

JC. Diener: For me, the 36 Decree on pangasius is a mistake for two reasons.

The most important reason is, Viet Nam, we may be the fifth country in producing and exporting seafood, but still, we are not the consumers. How can we impose our wills to the global market on what they should consume? If they want 20 percent glazing, give them 20 percent glazing. If they want 30 percent or 40 percent glazing, do it for them. Do give what they want. Why us, Viet Nam want to impose what the other should buy and consume. We cannot do that. We can develop our own standards to improve the quality but we can't impose it to the consumers. So this is the first mistake.

There are demands for different glazing percent. And the demand for 20 percent glazing is the most popular in the market. I don't

know any factory that does not do more than 20 percent glazing when the customers ask for it. I know the Vietnamese pangasius industry is strong but the market is very strong also. And when we are linked to the market, it's very difficult to go against the market. We need to understand the market.

Secondly, we are just bringing more confusion to the market. The 10 percent glazing of pangasius fillet is more expensive than 20 percent, 30 percent or 40 percent glazing. The demand for 20 percent glazing and more is a big part of the market therefore suppliers keep exporting products with 20, 30 and 40 percent glazing but only documents and labeling respect the regulation about glazing. We cannot impose only one quality for a product. We should find a way to impose pangasius suppliers to write real and clear information on the packaging. Let the consumers choose what they want. 🐟

Reporter: *Thank you very much!*

Compiled by Cao Le Quyen