



# Vietnam seafood exports to the EU

## Opportunities and challenges



By: Mr. Truong Dinh Hoe  
General secretary of VASEP  
Hochiminh City, October 18<sup>th</sup>, 2018





# Main content

I. Vietnam seafood exports to the EU

II. Opportunities and Challenges

III. Forecast





# I. Vietnam seafood exports to the EU

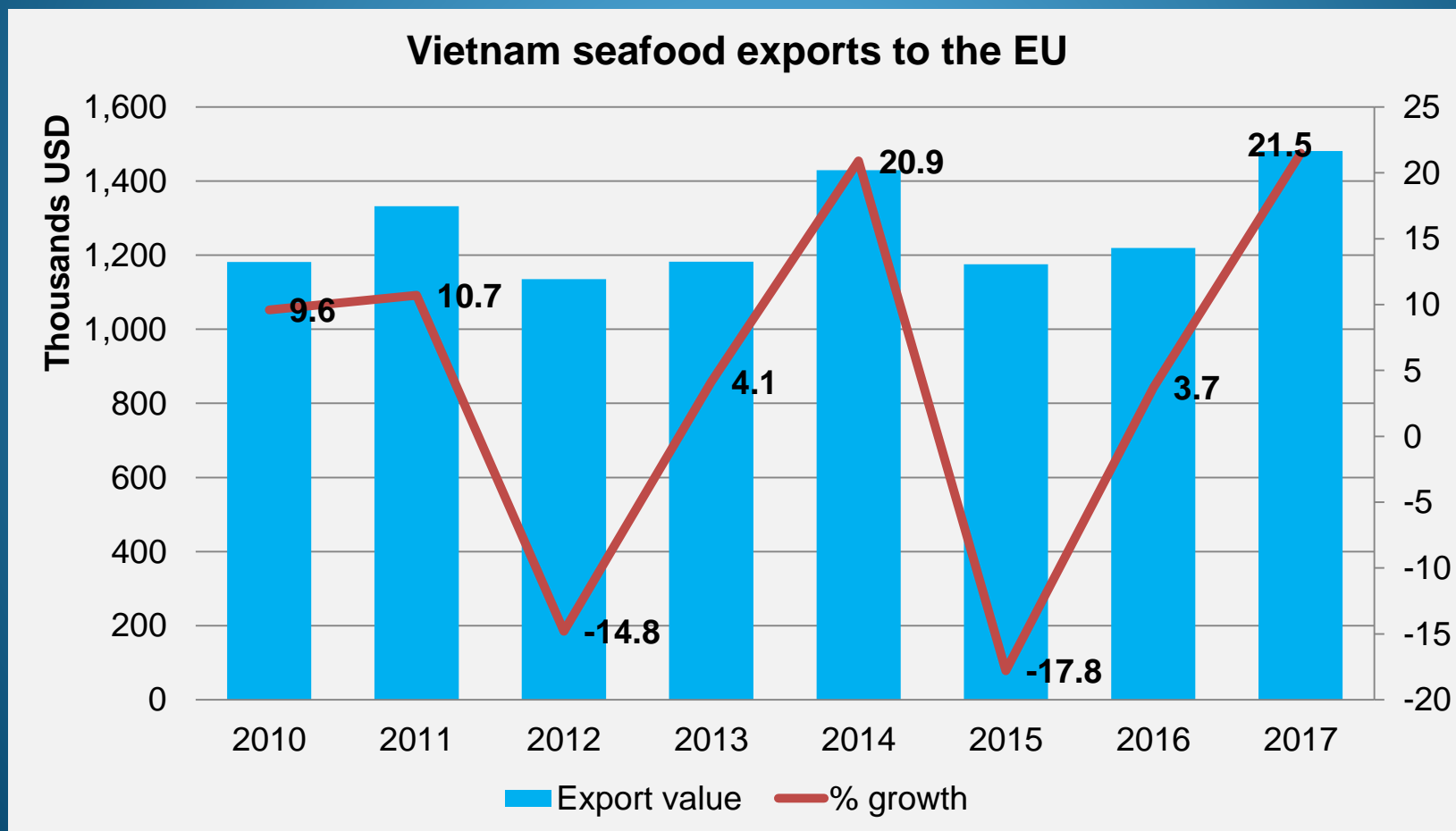


# Seafood exports to the EU

2nd biggest import market

accounting for **19 – 22%**

In 2017: shipments to EU got the peak of **1.5 billion USD, up 21.5%.**



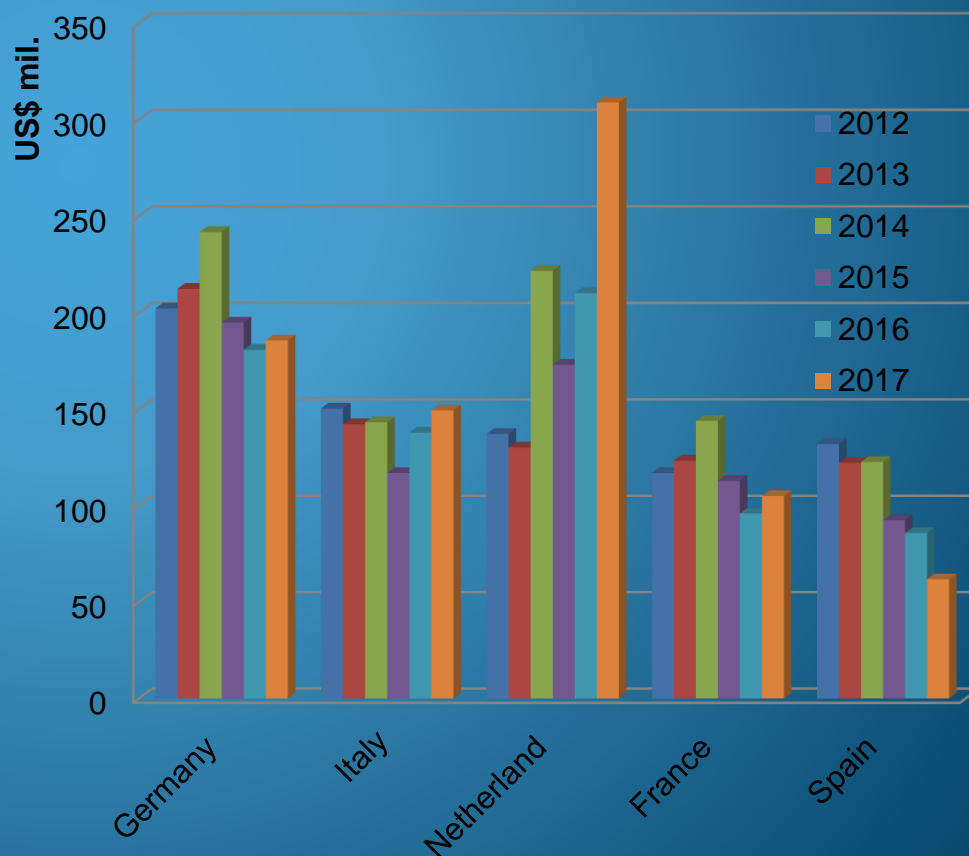
# Seafood exports to the EU

Top 5: Germany, Italy, Netherland, France and Spain, accounting for **58 – 65%** total exports to the EU.

Only exports to Netherland sharply increased by **125%** (2012 – 2017); to others decreased.

Exports to top 5 markets in the EU (Germany, Italy, Netherland, France and Spain)		
Year	Total value (thousand USD)	(%) Share Top 5/total EU
2012	738,889	65.1
2013	730,552	61.8
2014	873,622	61.1
2015	690,448	58.7
2016	710,782	58.3
2017	811,069	54.8

Vietnam seafood exports to top 5 markets in the EU





# Seafood exports to the EU

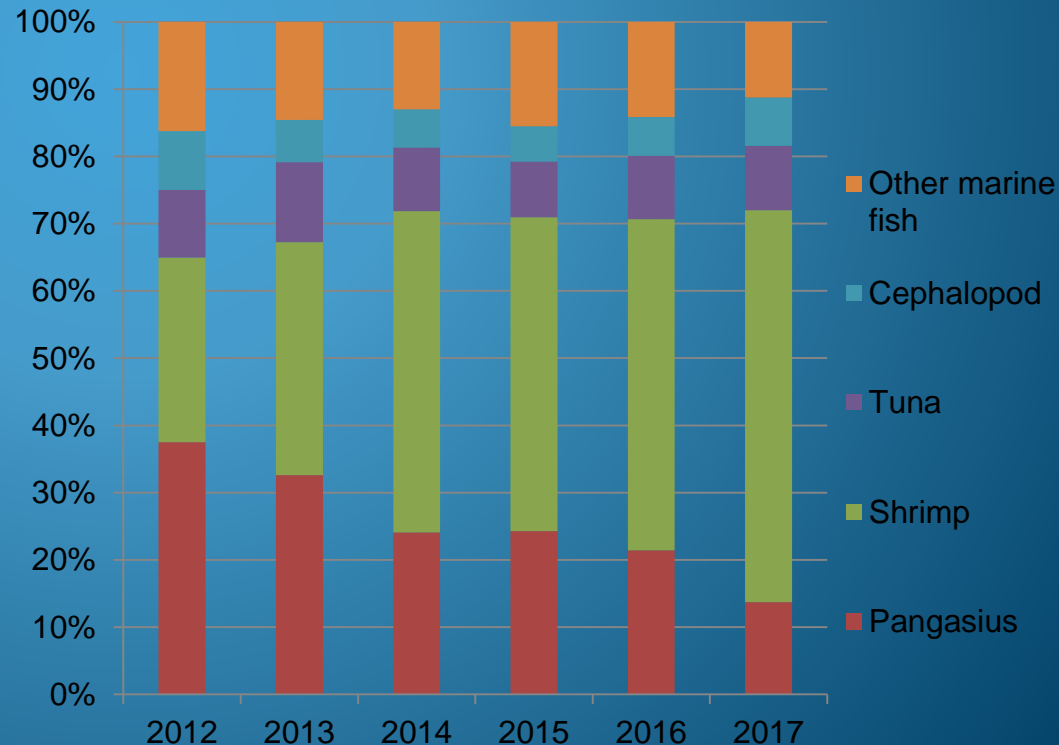
Shrimp makes the biggest & increasing share, up to nearly 60% of exports to the EU

Pangasius share decreased from 35% to 14%

Marine products account for 28-30%, is decreasing

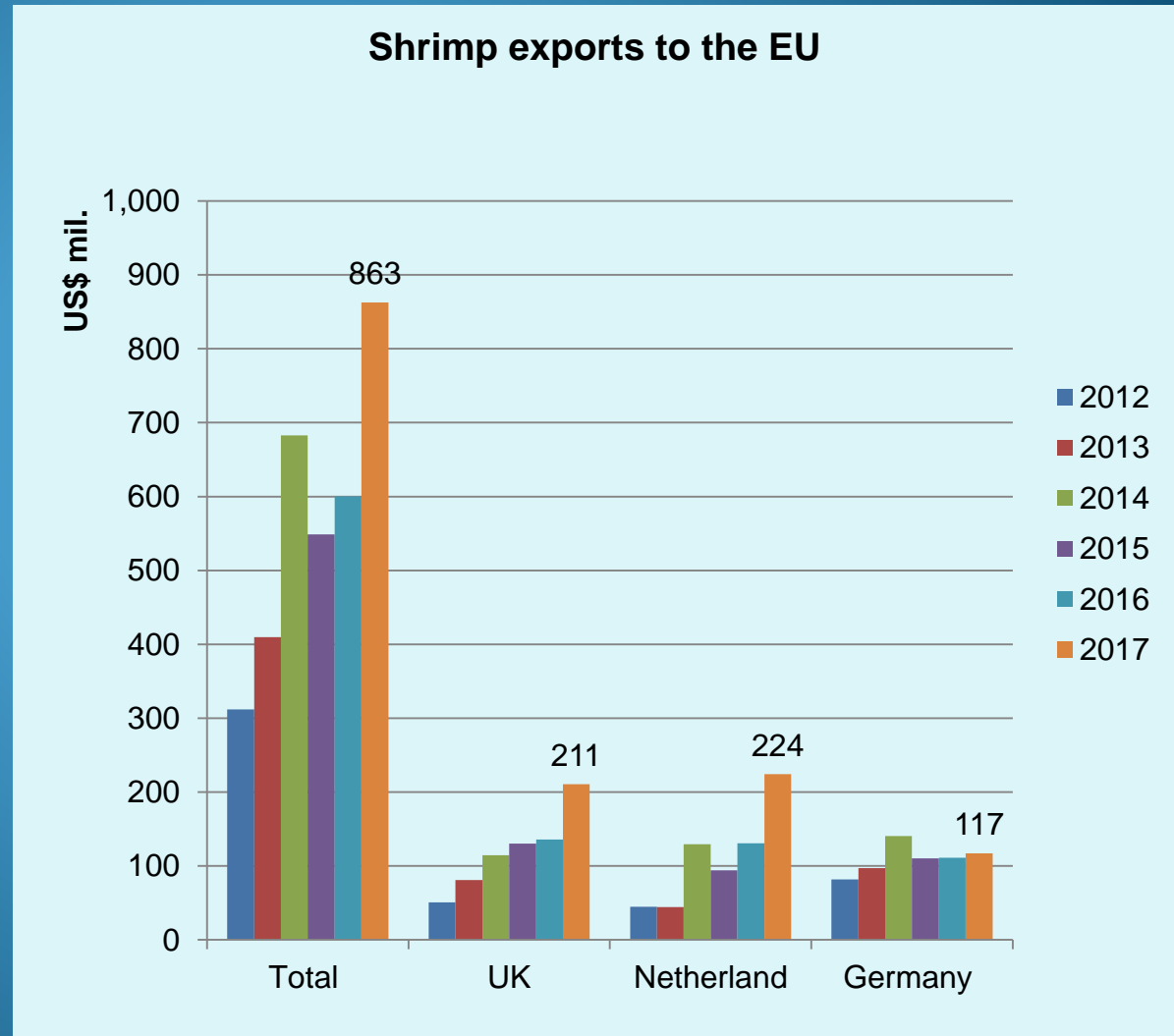
Seafood products exported to the EU (thousand USD)			
Products	2015	2016	2017
Pangasius	285,101	261,125	203,023
Shrimp	548,582	600,369	862,818
Tuna	97,375	115,316	141,936
Cephalopod	61,456	70,004	106,102
Other marine fish	182,773	172,537	166,838
<b>Total</b>	<b>182,773</b>	<b>172,537</b>	<b>166,838</b>

Vietnam seafood products exported to the EU



# Shrimp exports to the EU

- EU accounts for 22% of VN shrimp exports
- In 2017: up 45%
- Top 3 markets: UK, Netherland & Germany account for 64%
- To UK, Netherland: up trend
- To Germany: stable

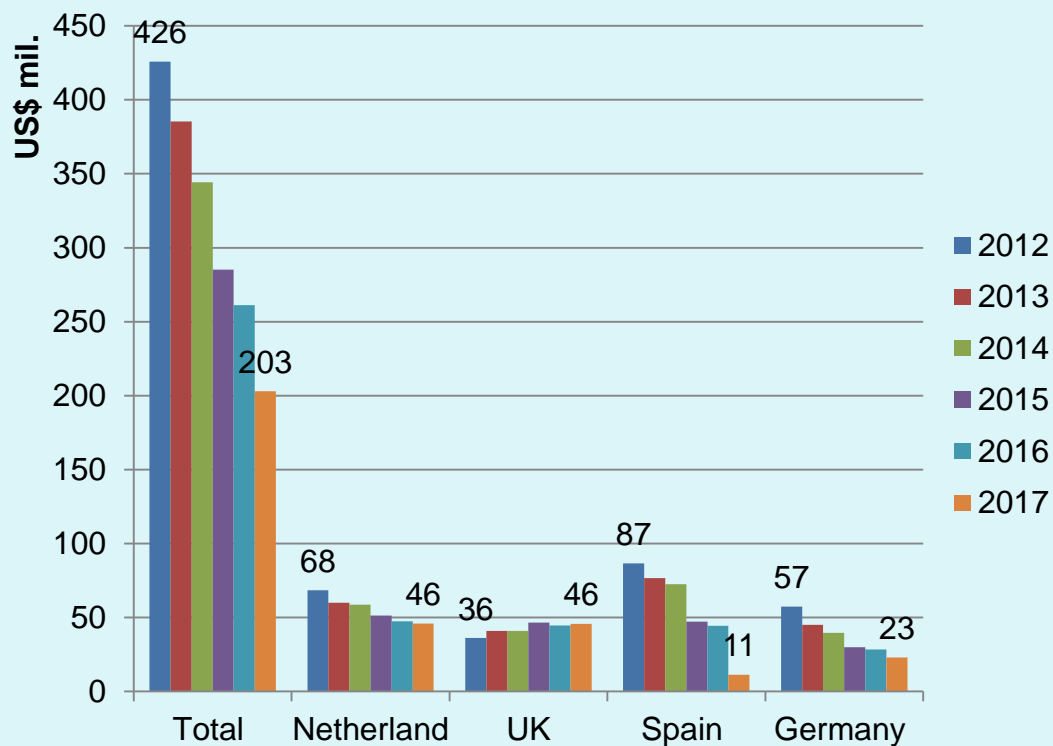


# Pangasius exports to the EU



- EU makes up 11% VN pangasius exports
- Exports to EU continuously decreased from 426 mil. USD to 203 mil. USD, down 50%.
- To Spain & Germany sharply dropped.
- Some main reasons: lower demand & and negative media in Spain, Germany, affecting to consumption.

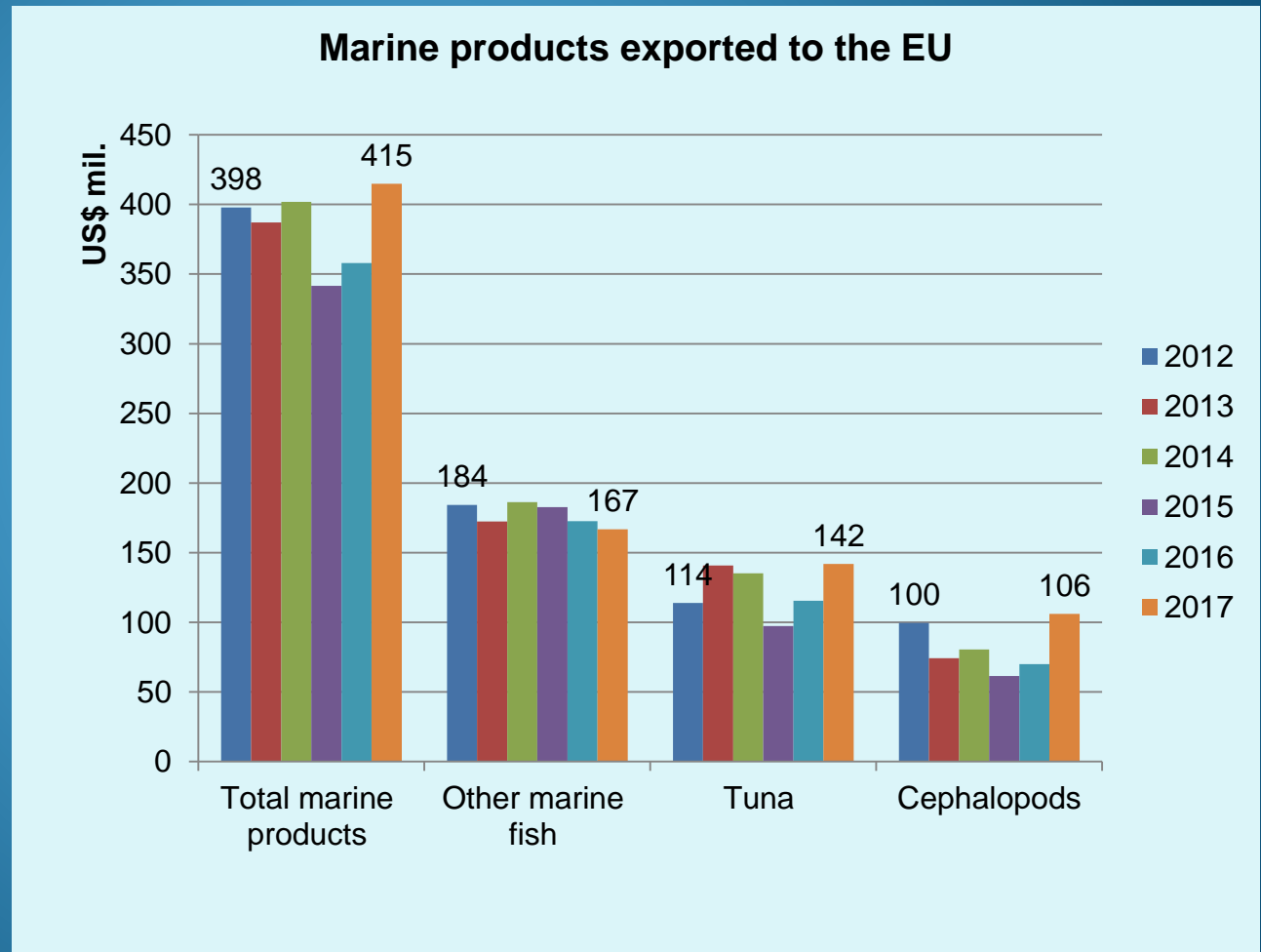
**Pangasius exports to the EU**





# Exports of marine products to the EU

- EU accounts for 16% VN marine product exports
- Marine products brings 28-30% exports value for VN
- Tuna for 10%  
Cephalopod: 7%  
Other marine fish: 11%
- Unstable and insufficient source of material → exports unstable.  
Uptrent in recent 3 years



## II. Opportunities and Challenges

- Opportunities

- EU is the potential market, with high average income → high demand for seafood.
- Exchange rate of EURO/USD is higher, pushing import demand in the market
- EVFTA: most seafood products are enjoyed tariff preferences (to 0% immediately or after 3-7 years) that will bring great opportunities for VN seafood enterprises to export to the EU, then have potential to expand to other markets & join the global aquaculture chain.
- For shrimp: Vietnam can take advantage when production decreasing in Thailand, Indian shrimp may be banned in EU (50% be tested)

# Opportunities and Challenges

- **Challenges:**

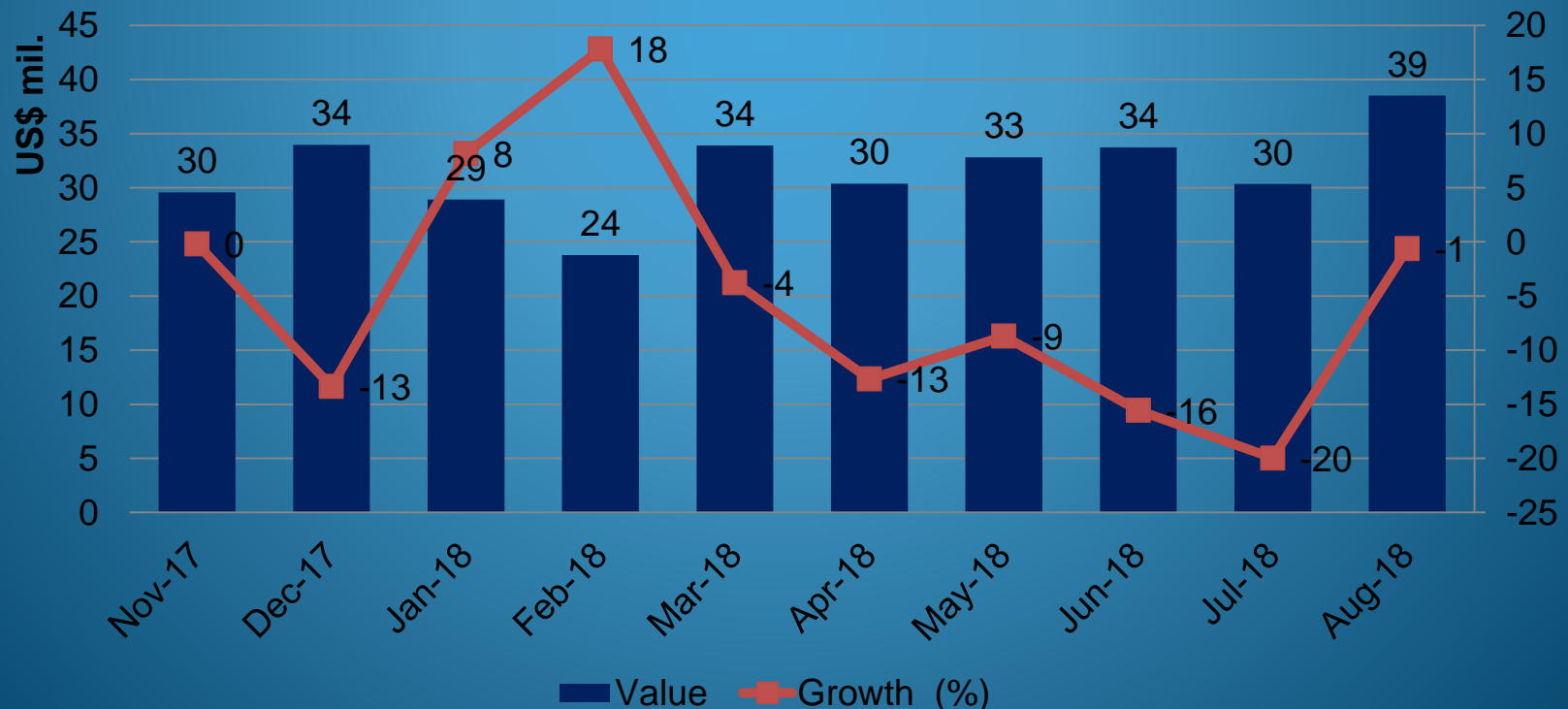
- Economy slowed, leading to lower demand for seafood.
- There is an increasing emphasis on fish production in the European Union, which might pose a competitive (including price) threat. The European Commission underlines that the European Union should be less dependent on the import of fish from outside Europe.
- The market and consumers are having additional requirements with respect to food safety, sustainability or organic with more and more standards.
- Increasing demand for ready to eat and deep processed products. But Vietnam exports still have higher share of raw product (frozen/whole/fillet...)
- In recent years, there have been several campaigns in different European countries that have harmed the image of pangasius among consumers in Europe. Although serious improvements in the market perception of pangasius have been made, the image of the product can be further improved



# Challenges to EU ...

- IUU regulation and yellow card is causing lower exports of VN marine products.
- *Exports is deeply decreasing in 2018 (down 4- 20%)*
- *Exports in Jan –Aug 2018 dropped 25% to 252 mil. USD*

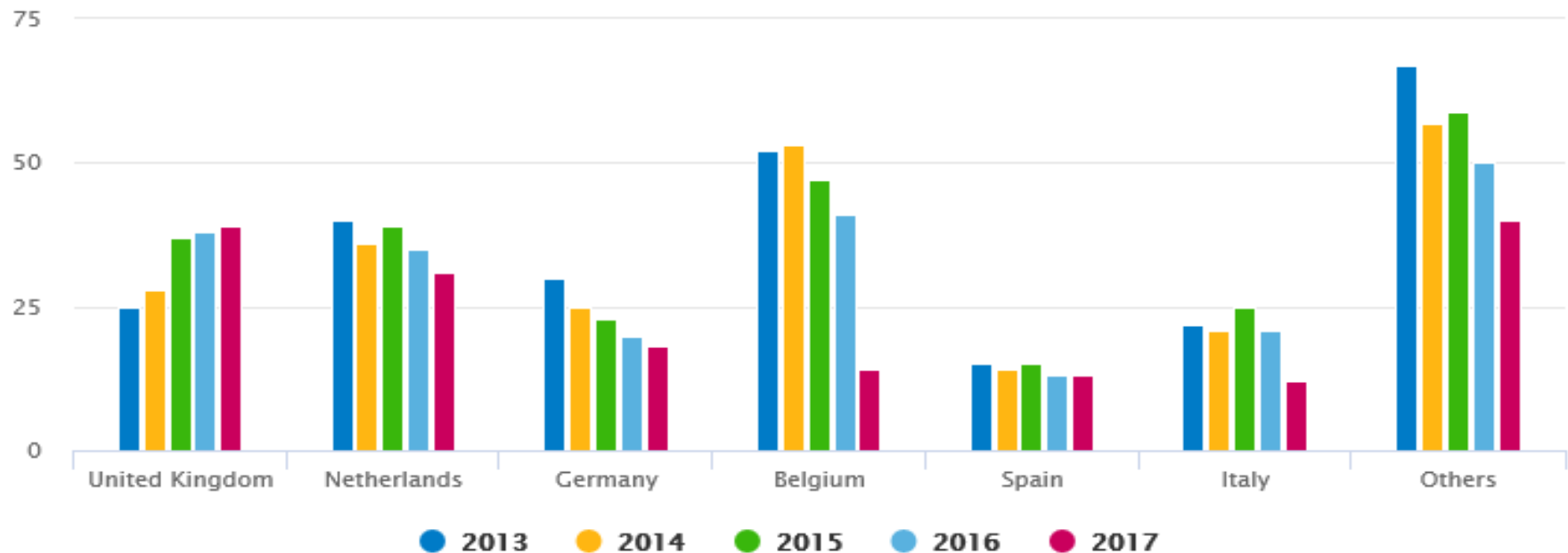
**Vietnam marine product exports to the EU  
(Nov 2017 - Aug 2018)**



# Challenges to EU ...

- All major markets imported less pangasius. The two most important reasons for the general decline are the **negative perception of the product among certain buyers and consumers**, and the **competition with other white fish species**, most importantly Alaska Pollack and in some markets also cod.

Figure 2: EU imports of frozen catfish fillets (Pangasius) from outside the EU 2013-2017  
in € million



# III. Forecast

- Viet Nam was striving to complete the final stages to reach the signing of the EVFTA at the end of this year. 99 per cent of EU tariffs would be removed for Vietnamese products. If the issue of IUU yellow cards is overcome and improved, not only shrimp but marine products will have the opportunity to increase market share in the EU market.
- Exports to the EU in 2018 is expected to reach 1.6 billion USD, up 10% over 2017.

Of which: shrimp exports can get 1 billion USD, up 15%, pangasius may fetch 240 million USD, up 17%; remaining is marine products with total value of about 360 million USD.

→ In the longterm, EU still important and potential market for VN seafood products.



THANK YOU

FOR YOUR ATTENTION!