

# For a Sustainable Development of the Mekong Delta Seafood Production

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## I. SEAFOOD PRODUCTION IN THE MEKONG DELTA

### 1. Achievements

From the 1990s on, the seafood production in the Delta increased steadily in spite of natural disasters, technical barriers in export markets, wide fluctuations in prices on the world market, shortage of funds for investment and poor infrastructure.

Statistics show that the Mekong Delta that accounts for 22.14% of the population, 12% of the area and 24% of the coastal line, supplies more than 50% of the seafood output and value of export of sea products.

Statistics also show that the Delta sea product industry has changed favorably and reasonably: the sea farming output rose against the fishing output. The proportion of the two varied from 32.6/67.4 in 1995 to 44/56 in 2003.

- In fishing business: the Delta fishing output accounts for over 45% of the national output. The number of fishing boats increased steadily and their equipment was also better.

- The sea farming is carried out in various forms and accounts for over 65% of the national output.

- Technological and production scale of many processing factories in the Delta reaches the regional standards and starts to absorb advanced technologies. At present, 65 out of 119 factories in the Delta meet EU and HACCP standards. Their total installed capacity reaches 3,200 tons per day.

- Export of seafood in 2004 earned US\$1.5 billion equaling 57% of the

national export earnings from sea products. Many factories in the Delta topped the US\$100 - million mark in export earnings.

The seafood business has become a modern industry that attracts many engineers, skilled workers and competent managers working with experienced and educated fisherpeople.

Development of the sea product industry in the Delta has contributed to the food safety and job creation. At present, some 6 million people live on this industry, especially residents in remote areas.

Many provincial governments have carried out programs to encourage fisherpeople and companies to protect the environment and marine resources, refrain from the use of toxic chemicals in sea farming, and treat effluent before dumping. Inspections and supervision are also beefed up.

### 2. Challenges to the development of the industry

At present, the sea product industry is facing problems relating to its sustainable development:

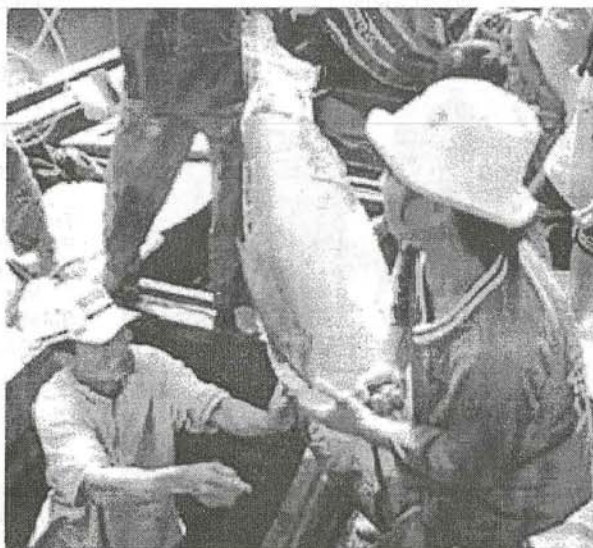
- In the sea farming business, increases in its output is thanks to increases in the farming area instead of productivity. This means that the production cost is still high. Intensive farming techniques, supply of high-quality youngling, and disease control systems are still lacking. The business isn't linked with maintenance of the marine resources and failed to adjust to changes in the market demand.

- In the fishing business, the productivity increased slower than installed capacity of fishing

Table 1: Mekong Delta seafood production in 1995-2003

Indicator	1995	1999	2000	2001	2002	2003
Output (mil. tons)	0.819	1.024	1.169	1.274	1.354	1.436
Compared with national output (%)	51.7	51	52	52.3	51.2	51.4
- From fishing (mil. tons)	0.552	0.729	0.804	0.829	0.835	0.816
- From sea farming (mil. tons)	0.267	0.295	0.365	0.444	0.519	0.620
Export value (US\$1,000)	456.6	499	603	926.3	1.076	1.280
Production area (1,000 ha)	289.4	332.9	445.2	547.1	570.3	614.6

Source: 2004 Statistic Yearbook, and reports from Ministry of Marine Resources



boats. Fishing techniques weren't improved and experience still played an important role. Fisherpeople got no information about marine resources and market demand.

- In the exports processing business, the wrong use of chemicals is widespread; package and designs have no improvements; and technologies employed are not modern enough. Many small-scale processing factories fail to meet national and international standards for processed seafood.

- In the seafood trading business, many companies have no market promotion plans. Most of them have



to sell goods to intermediaries. Both companies and provincial governments couldn't gather information about the market demand and possible changes in prices. The lack of knowledge of commercial laws in export markets has caused troubles and risks for sea products exporters.

- Most Delta provinces lack sources of finance for development projects. Investment in the infrastructure is small and distributed among too many fields. Policies adopted by local governments fail to attract foreign and private investment to expand the production of seafood. The task of assessing and approving investment projects weren't done smoothly and these projects couldn't produce intended results. The public investment in infrastructure building was distributed among too many projects with the result that these projects couldn't lead to improvements in economic activities.

- The task of planning and implementation of master plans failed to connect different industries in the Delta, especially ones that were based on land and marine resources. Plans introduced by different provincial governments failed to deal with relations between sea farming and crop production, protection for tidal forests and struggle against floods. Generally, the master plan for the Delta failed to protect the environment, drain flood water and connect production and distribution of farm products.

- Development of sea farming in coastal areas and along rivers was unruly with the result that diseases spread quickly causing great losses to farmers.

- Many species have become rare or extinct while there is no plan to save them. Many others are under dangers caused by pol-



lution and diseases. Destructive exploitation is still widespread. Many tidal forests, coral reefs and natural lakes are threatened by human activities and natural disasters. If no measures are taken to preserve marine resources based on foreign experience, the sustainable development can't be ensured.

- In coastal areas, the birth rate is high, which leads to surplus of labor and vicious circle for local communities. The poverty in both material and spiritual aspects in these areas causes a lot of social, economic and environmental problems for local authorities and the fishing busi-

ness as well. The proportion of poor families in the Delta is high - 17% compared with the national average of 1%.

The above-mentioned problems prevent Vietnamese seafood from meeting standards set by export markets and lead to many lawsuits in recent years, which threatens the sustainable development of the industry.

In short, the growth of the seafood industry in economic terms is promising but it doesn't reach its full potentials. Moreover, it starts to go beyond control of local authorities and leads to serious social and environmental problems.



Photo by C.T.V

An overall strategy for its development is a matter of great urgency now.

## II. ORIENTATION FOR THE DELTA SEADFOOD INDUSTRY

### 1. Fishing business

- Making plans to zoning fishing grounds to promote both deep-sea and inshore fishing for each coastal province in order to prevent unnecessary struggle for fishing grounds among fisherpeople and use of illegal means of fishing.

- Setting regulations on destructive fishing and tasks of preserving marine resources with a view to encouraging fisherpeople to engage in environmental protection.

### 2. Sea farming business

- Supplying high-quality youngling and necessary medicines in order to ensure high productivity and disease-free products.

- Connecting the development of the sea farming business with social programs and provincial plans to change the structure of industry.

- Introducing techniques of raising sea products in fresh, brackish and sea water to local residents.

- Disseminating biotechnologies as a means of reducing the production cost, improving the product quality and protecting the environment.

### 3. Processing business

- Making the Delta seafood industry export-oriented and improving its competitiveness on the world market.

- Making plans to develop leading product lines (shrimp, sea fish, fresh water fish and shellfish) for target markets.

- Beefing up researches on new technologies, especially eco-friendly ones.

- Encouraging and helping processing companies to apply quality control systems, such as GMP, SSOP, HACCP, and ISO. ■