
APPENDIX III**DECISION No. 251/1998/QD-TTg OF
DECEMBER 25, 1998 ON THE RATIFI-
CATION OF THE PROGRAM OF DEVE-
LOPING THE EXPORT OF AQUATIC
PRODUCTS UP TO 2005****THE PRIME MINISTER**

*Pursuant to the Law on Organization of the
Government of September 30, 1992;*

*At the proposal of the Minister of Aquatic
Products,*

DECIDES:

Article 1.- To ratify the Program of Developing
the Export of Aquatic Products up to 2005 with the
following contents:

I. OBJECTIVES:

- To speed up the process of industrialization and modernization of the aquatic products service, to quickly increase the value of aquatic product exports to 1.1 billion USD by the year 2000 and 2 billion USD by 2005; to quickly develop the aquatic product economy into a spearhead branch in the economy of the country, create many more jobs in order to help raise the standard of living of the people, make a face-lift of the rural and coastal areas and contribute to solving problems of the ecological environment;

- To associate processing and export of aquatic products with raising, planting and exploiting them, preserving the raw materials and marketing products, creating a firm basis for efficient production and exploitation of the aquatic product potential, raising the quality, reducing production cost, increasing efficiency and accumulation for expanded reproduction, raising competitiveness, preserving and developing the

market of Vietnamese aquatic products.

II. TASKS:

1. To expand the raising, planting, and exploitation of aquatic products in order to assure adequate raw materials in service of exports processing:

a/ Aquaculture: To transform aquaculture into the main source of supply of raw materials for export. More concretely:

- To develop shrimp farming: to gradually move from extensive shrimp farming to improved extensive farming, semi-intensive farming and intensive farming, to encourage the forms of inter-farming while forming areas of concentrated intensive shrimp farming in order to take the shrimp farming acreage to 175,000 hectares and get from 160,000 to 180,000 tons of raised shrimp mainly "tom su" and "tom cang" in the year 2000 and 345,000 hectares and a total output of from 220,000 to 240,000 tons of raised shrimps in 2005.

- To organize on a large scale the raising of sea fish of high export value, such as groupers, madras snappers, long-jawed anchovy perches, goby, cabio etc. by cage- and -raft raising and high tide raising in order to net from 4,000 to 5,000 tons of sea fish by the year 2000 and from 8,000 to 10,000 tons in 2005; to introduce quickly the raising of special marine products of high export value, chiefly bivalve mollusks such as cockle-shell, abalone arca, pearl-oyster, oyster etc. on the coastal areas with a view to an output of 100,000 tons of raised bivalve mollusks by the year 2000 and 150,000 tons in 2005.

- To broaden and encourage the raising of fresh water marine products for export such as unisexed tilapia, goby, ophi cephalidae, turtles, eels and frogs... with a view to over netting 50,000 tons by the year 2000 and more than 100,000 tons by 2005.

b/ Exploitation of marine products:

- To continue improving the trade and technology of exploiting marine products, step by step build an offshore fishing fleet in order to rationally exploit the coastal resources along with the efficient exploitation of offshore marine resources, in order to quickly raise the proportion of exportable marine produce in the total output of exploited marine produce to 20% - 22% by the year 2000 and from more than 22% to 24% in 2005.

- To increase the equipment and means of preservation on the fishing trawlers, step by step invest in building a new specialized fishing fleet for the preservation and transportation of marine products, offshore chandler services; to upgrade the existing system and build a new system of fishing ports and

fish markets in order to renovate the technology of post-fishing preservation aimed at raising the quality of the raw materials for processing and export.

c/ To encourage the import of marine raw materials for processing for re-export in order to create more jobs, increase the income of the working people, increase the export value and efficiently use the capacity of the processing establishments.

To strive to net 195,000 tons of aquatic export products by the year 2000 including 90,000 tons of shrimps, 60,000 tons of fish and 45,000 tons of mollusks, and raise it to 310,000 tons in 2005 including 140,000 tons of shrimps, 100,000 tons of fish, and 70,000 tons of mollusks; at the same time to increase other exports such as tinned fish and aquatic products-based mixed foods and other specialty foods such as crab, algae, pearl oyster...

2. To increase the capacity of processing in service of export.

To carry out replanning of the system of aquatic products processing in order to continue investing in upgrading and new building. More concretely:

- To invest in building a number of new processing establishments together with expanding and upgrading synchronously the infrastructure, production facilities, renovating the technology and equipment, to conduct intensive investment in the existing aquatic product processing establishments, and provide necessary conditions for expanding and upgrading on the basis of careful calculations of the economic efficiency of each establishment in order to raise the capacity of processing to 1,000 tons of products per day by the year 2000 and 1,500 tons/day in 2005; at the same time to step up the application of the advanced system of quality control, so that by the year 2001 all the aquatic product processing establishments will have applied the advanced system of quality control so as to ensure safety food hygiene and quality of export products.

- To expand the variety and volume of added value processed aquatic products, to raise their proportion from 17.5% at present to 25% - 30% by the year 2000 and to 40% - 45% by 2005.

- To increase the export rate of live aquatic products from 4% to 5% of the export total of aquatic products at present to 10% by the year 2000 and from 14% to 16% by 2005.

III. MEASURES OF IMPLEMENTATION

1. On breeds:

a/ Shrimp breed:

To rearrange the shrimp breeding farms in association with the technology of disease-free shrimp breeding, low production cost along with the import of breed shrimps and parents shrimps for supplementation; to domesticate imported parents shrimps together with exploiting natural resources in order to ensure from 5 to 6 billion breed shrimps chiefly "tom su" by the year 2000 and 15 to 16 billion breed shrimps in 2005, thus meeting the need in breed shrimps and parents shrimps for yearly raising, especially for the areas of intensive shrimp farming and large scale industrial raising.

b/ Fish breed:

To expand the import of breed and the technology of producing breed of sea fish and specialty aquatic products on an industrial scale together with carrying out the policy of encouraging foreign enterprises to invest in the production of sea fish breeds in Vietnam in order to raise the capacity for producing from 5 to 6 million fry/year by the year 2000 and from 8 to 10 million fry/year in 2005. On the other hand, to invest in perfecting the research centers on marine product breed in a number of key areas; to newly build, restore and upgrade a number of breeding farms for fish and specialty fish in service of fishing breeding for export in a number of localities in the North, the Central Region and the southern part of Central Vietnam;

c/ Preservation of breed:

To study and elaborate a project to raise and preserve species of parents breeds of aquatic products and stock breeds at the research institutes and key areas for aquatic products raising, and take measures to preserve natural breeds.

2. On feed for aquatic animals:

To invest in building a number of feed production establishments for aquatic animals according to the new technology aimed at raising the quality of feed and reducing production cost, ensuring hygiene and prevention of disease for the raised animals, meeting the need in industrial feed for aquatic animals.

3. On market:

The Ministry of Aquatic Products shall assume the main responsibility and closely cooperate with the Ministry of Trade and the Ministry for Foreign Affairs in promoting trade and increasing market information, intensifying the training of professional market officers and marketing agents at the enterprises in order to maintain and stabilize the traditional markets; especially the Japanese market, along with further expanding the lines which Vietnam is able to develop in order to export to big markets like the European Union, the United States, China...; to reduce

the proportion of intermediary markets and quickly increase the proportion of direct consumer markets. More concretely:

- For the Japanese market, it is necessary to increase the rate of refined aquatic products and mixed products in small packs for the supermarkets, live shrimps, fresh and frozen tuna and other specialty products in order to raise the rate of these products exported into the Japanese market to 38% - 40% of the total exports and the export value to 760 million - 800 million USD by 2005.

- For the North American and Asian markets (including the Chinese market), to promote the mutual recognition between Vietnam and the United States in the control and certification of quality of aquatic products; to discuss in order to reach agreement on the mechanism of official payment and expanding the official market with China, especially with the southwestern and northeastern provinces of China, strive to raise the proportion of aquatic products exported to the Asian market to 20% - 22%, to the North American market to 16% - 18% of the total export of aquatic products, and the total of export value to these two markets to 720 million - 800 million USD by 2005.

- For the markets in the European Union and a number of new markets outside the above markets, it is necessary to further raise the quality of products to meet the need of these markets, striving to raise the aquatic products exported to the EU to 12% - 16% and to the other markets to 8%-10% of the total export of aquatic products, and the total export value to these markets to 400 million - 520 million USD by 2005.

Concerning the Aquatic Products Export Development Support Fund, the Ministry of Aquatic Products together with the Ministry of Finance and the related Ministries and branches shall base themselves on the general regulations on the Export Support Fund already promulgated to guide the implementation.

4. On science and technology:

The Ministry of Aquatic Products shall assume the main responsibility and cooperate with the Ministry of Science, Technology and Environment and other concerned Ministries in conducting concentrated research on high technology in genetics, selection and multiplication of breeds, biotechnology, environment handling technology, the technology of diagnosis and prevention of disease, the technology of processing and preserving after fishing. To encourage the enterprises to import technological know-hows and high technology from developed countries; to invest in research into and application of new technology on the raising, exploitation and

processing of aquatic products for export.

5. On renewing production relations and training of personnel:

- To continue re-arranging and renewing State-run enterprises for processing aquatic products along the line of promoting equitization.

- To encourage the economic sectors to invest in developing aquatic products. To encourage family households and individuals to build aquatic products raising farms, to develop the various forms of cooperative economy in the processing of aquatic product feed, in raising, exploiting and processing aquatic products for export;

- To intensify and expand the form of training in the country and abroad for research officials, managerial and technical officials in new technologies in the production of breeds, intensive breeding, exploitation and preservation after fishing and in the specialized management; at the same time to intensify the training of technical workers in the raising, exploitation, preservation and processing of aquatic products and in the training of marketing agents.

6. Investment policy:

a/ State budget capital shall be invested in:

- Building the technical infrastructure for raising aquatic products in concentrated raising areas including protection dikes, primary supply and drainage canals, major sluices and pumping stations; fishing ports and the technical infrastructure within the system of fishing ports and national fish markets in the key fishing areas of the whole country.

- To build the national system of breeding farms;

- To study and develop the technology of aquatic product feed production, raising, exploitation, and processing of aquatic products for export; to build establishments for studying the production of medicaments to prevent and cure diseases of aquatic products; to build establishments and equipment for the control of diseases and the quality of aquatic goods; to survey, protect and develop the aquatic product resources; to import new technologies to raise the quality of the products from production to processing; to expand and raise the quality of the fishing promotion work.

- To provide technical and professional training for officials of the program of developing the export of aquatic products.

b/ Preferential credit fund for investment according to the State plan shall concentrate on:

Building breeding farms at grassroots level, secondary canals in service of water supply and

drainage for aquatic products raising; building establishments to produce feed for aquatic products, means of exploiting aquatic products, technical equipment in service of raising aquatic products; ice factories in service of the preservation and processing of aquatic products for export; building, transforming and upgrading establishments for processing aquatic products for export and local fish markets...

7. Tax policy:

Organizations and individuals of all economic sectors that take part in the implementation of the Program of Developing the Export of Aquatic Products shall enjoy preferential taxation according to the prescriptions of the Law on Domestic Investment Promotion and the regulations in force.

8. On investment cooperation with foreign countries:

- To encourage the joint ventures with foreign investors to invest in raising aquatic products, production of feeds and developing breeds of aquatic products, renovating the technologies of raising, exploiting and processing aquatic products for export.

- The Ministry of Aquatic Products shall coordinate with the Ministry of Planning and Investment and the related Ministries and branches in soliciting funding sources of foreign countries and international organizations in order to increase the sources of funding for the Program of Developing the Export of Aquatic Products. For the immediate future, priority shall be given to the projects of raising aquatic products to supply raw materials for export.

IV. ORGANIZATION OF IMPLEMENTATION

The program of exporting aquatic products shall be carried out through specific programs of the localities on the basis of the approved projects.

The main tasks of the ministries, branches, the People's Committees of the provinces and centrally-run cities in the implementation of the program of export of aquatic products is provided as follows:

1. The Ministry of Aquatic Products is the agency to direct and organize the implementation of the program of export of aquatic products. It has the responsibility:

- To guide the elaboration of the program of export of aquatic products of the localities on the basis of the concretization of the program of export of aquatic products of the whole country, work out the investment program and concrete projects to carry out the program, also to synthesize the projects and submit

them for approval as prescribed;

- To supplement and concretize the measures for implementation of the program. To sum up the good models in the provinces for wide popularization in the whole country;

- To elaborate the project of management of safety of food hygiene and safety from epidemics in the raising of aquatic products and submit it to the Prime Minister;

- To work out the State standards and branch standards on the production conditions and hygiene safety of the establishments processing aquatic products, fishing ports, fish markets; to work out the mechanism of policies for approval and to direct the implementation aimed at creating favorable conditions and simplifying procedures for the implementation of the program;

- To consolidate and strengthen the capacity of action of the scientific research agencies and the competent State agencies on inspection and certifying the safety of hygiene of the aquatic products.

2. The Ministry of Planning and Investment, the Ministry of Finance, the Ministry of Science, Technology and Environment, the Ministry of Trade, the Ministry of Labor, War Invalids and Social Affairs, the Ministry for Foreign Affairs, the State Bank and the related Ministries and branches shall join and coordinate with the Ministry of Aquatic Products in the elaboration of investment plan for each year, in the building and concretization of the mechanism and policies aimed at creating favorable conditions for the implementation of the program.

3. The People's Committees of the provinces and centrally-run cities (which produce and export aquatic products) shall have to elaborate the Program of Developing the Export of Aquatic Products of their localities suited to the common program of export of aquatic products of the whole country and shall reach agreement with the Ministry of Aquatic Products in balancing the local budget and devoting an appropriate fund together with the fund of the Central Government in order to carry out the program. They shall also direct the elaboration of concrete projects and submit them for approval, and organize the directing of the implementation of the program in the localities, sum up periodically and make a full wrap-up and report on the result of the implementation.

Article 2.- This Decision takes implementation effect 15 days after its signing.

The Ministry of Aquatic Products shall assume the main responsibility and coordinate with the related Ministries and branches in guiding and directing the implementation of this Decision.

Article 3.- The Ministers, the Heads of the ministerial-level agencies, the Heads of the agencies attached to the Government and the Presidents of the People's Committees of the provinces and centrally-run cities which produce and export aquatic products shall have to implement this Decision.

For the Prime Minister
Deputy Prime Minister
NGUYEN CONG TAN