

Part II. OTHER DOCUMENTS

THE PRIME MINISTER

Decision No. 279/QĐ-TTg of March 7, 2012, approving the program on aquatic product export development through 2015 and orientations towards 2020

THE PRIME MINISTER

Pursuant to the December 25, 2001 Law on Organization of the Government;

At the proposal of the Minister of Agriculture and Rural Development,

DECIDES:

Article 1. To approve the program on aquatic product export development through 2015 and orientations towards 2020, with the following principal contents:

A. OBJECTIVES BY 2015 AND ORIENTATIONS TOWARDS 2020

1. **General objectives:** To continue developing the aquatic product export towards sustainability and high competitiveness, firmly maintaining the position in top 10 aquatic product- exporting countries in the world. Export development is the goal and also the motive boosting the development of aquaculture, fishing and fisherly services, helping stabilize and incrementally increase incomes and living standards of farmers and fishermen.

2. Specific objectives by 2015:

a/ The annual aquatic product export growth rate will be over 8%.

b/ The export turnover will reach USD 7.5 billion.

c/ The proportion of value-added products will represent over 60%; the aquacultured product export value will account for around 70%.

3. Orientations towards 2020:

a/ To continue to be the leading export line of the sector and the country, making important contributions to the sustainable development of rural economy, with an annual growth rate of about over 7% and the expected export value of USD 10-10.5 billion.

b/ To build big and prestigious aquatic product brands, creating conditions for Vietnam's aquatic product export to firmly stand and develop on the world markets.

B. MAJOR CONTENTS OF THE PROGRAM

1. To increase the export output of processed aquatic products

a/ By 2015, to export 1.62 million tons (of the total processed aquatic product output of 2.43 million tons) and by 2020, to export 1.9 million tons (of the total processed aquatic product output of 2.85 million tons).

b/ To strive for the rate of added- value product value of over 60% of the total export turnover value in 2015.

c/ Outputs and turnovers of a number of major export aquatic products:

Number	Product group	2015		2020	
		Output (1,000 tons)	Value (USD million)	Output (1,000 tons)	Value (USD million)
I	Frozen aquatic products	1,430	6,340	1,670	8,340
1.	Shrimp	270	2,540	330	3,300
2	<i>Tra</i> catfish	760	2,300	850	3,000
3	Tunna	80	320	90	450
	Other fishes	210	690	280	940
	Cuttle-fish and poulpe	110	490	120	650
II	Dried aquatic products	60	250	80	400
III	Other aquatic products	130	910	150	1,260
	Total	1,620	7,500	1,900	10,000

2. Export markets

a/ To firmly maintain traditional markets, especially three export markets for major products (EU, Japan and the USA) with a proportion of over 60% of the total aquatic product export value of the whole country, specifically as follows:

- EU market: To strive for a proportion of 21% of the total aquatic product export turnover value with the following major export products: *tra* catfish (35%), shrimp (15%), tunna (25%), cuttle-fish and poulpe (20%).

- Japan market: To strive for a proportion of over 20% of the total aquatic product export value with the following major export products: Shrimp (30%), tunna (10%), cuttle-fish and

poulpe (30%) and other aquatic products (30%).

- US market: To strive for a proportion of 19% of the total aquatic product export turnover with the following major products: Shrimp (15%), *tra* catfish (15%), tunna (35%).

b/ To strongly develop the export to such potential markets as Eastern Europe, the Middle East, Africa, South America, China, the Republic of Korea, ASEAN, Australia, etc., including markets with increasingly high consumption growth rate and preference for Vietnam's aquatic products such as former Eastern European countries, Northern Europe (Sweden, Bulgaria, Romania, Hungary, Belgium, Great Britain...) and the north and south American markets. Other potential

markets include the Republic of Korea, China (Hong Kong), ASEAN, Africa, especially the Middle East, Islamic countries.

3. To ensure sufficient raw-material sources and stabilize the quality of export products

a/ To develop models of export processing establishments associated with raw-material production zones, especially for big processing enterprises with brands and prestiges, in order to form big production- processing- export groups after the model of self-containment from the production of raw materials to processing and export; at the same time to attach importance to establishing and developing Vietnam's aquatic product brands.

b/ To continue developing strongly the aquaculture, particularly leading products, in fresh-water, brackish water and sea areas, while developing the exploitation of marine species of high value, ensuring raw-material sources in service of export processing with stable output and strict control of food quality and safety.

c/ To strive for the target that by 2015, 100% of the export aquatic products meet the national criteria and standards on food safety, environmental protection, inspecting product origins and satisfying the compulsory requirements of some big importing markets such as the USA, EU, Japan and new and demanding markets (Russia, the Republic of Korea, etc.).

4. Priority projects (See enclosed appendix).

C. SOME MAJOR SOLUTIONS

1. To maintain and develop markets

a/ For traditional export markets, especially outlets for major products, special importance should be attached to:

- The export products' compulsory satisfaction of the market requirements on quality and food safety, firmly maintaining the prestige of Vietnamese aquatic products, while intensifying the full and accurate information and widespread propagation on the production process and product quality to consumers in those markets.

- Investment in research, production and increase in market shares of assorted products of different added value, suitable to the purchase power and special tastes of different markets. The development of supply and wholesale networks to supermarket system via cooperation with importers and wholesalers of the host countries.

- Participation in annual international fairs for aquatic products; active dialogues on fishery development and fishery trade policies with big markets, etc.

- Active monitoring of market development, updating of policies of the importing countries in order to work out appropriate trade safeguards against trade disputes, technical barriers, especially for major products in big markets.

b/ For potential markets, the central task is to study the demands, tastes, purchasing powers and product structure in order to orientate production, processing and export. To carry out trade promotion, advertisement, public information for Vietnam's export aquatic products, while approaching and establishing close cooperation with importers and big

distributors of the importing countries in order to reach agreement and conclude long-term and stable export and import contracts with these markets.

2. To renew export and trade promotion activities

a/ To incrementally boost direct export to distribution systems, big trade centers and department stores, replacing the export via intermediaries (importers) in order to raise export effectiveness. In the immediate future, in big markets (the USA, EU, Japan), through Vietnam's trade representatives, to sign contracts with suppliers of foods to distribution centers and supermarkets of these markets, thereby step by step building a Vietnamese network for distribution of aquatic products.

b/ To study the formation of a number of trade promotion centers for Vietnamese agricultural products, including aquatic products, in big markets such as the USA, Japan and EU, aiming to advertise and provide accurate and full information on Vietnamese aquatic products to the markets and consumers; at the same time to promptly provide information on markets, policies and laws of host countries to managerial bodies, research institutions and enterprises; to support enterprises in opening agents, then representative offices to introduce Vietnam's export aquatic products.

c/ To build a center for study and analysis of information (on demands, product structure, tastes, consumer psychology) and forecast of

export aquatic product markets with a contingent of qualified specialists, thereby, to be able to forecast the demands, quantity and structure of products of each market in each specific period, and to orientate the organization of production and export processing at home.

d/ To formulate and implement trade promotion programs suitable to export market development strategies towards intensifying the participation of associations and enterprises.

e/ To extensively and intensively organize in more appropriate forms activities of advertisement, communications, marketing, use instructions and correct understanding of Vietnamese aquatic products, particularly major products, new products, products of high added value, to big distributors, supermarket systems and vast majority of foreign consumers.

3. To develop stable raw-material sources and ensure their quality

a/ For raw materials from aquaculture:

- To reorganize production in aquaculture zones (in fresh water, brackish water and seas), especially where major products are reared (common tiger, white-legged prawn, *tra* catfish, clam, ocean tuna and other special marine products) towards close cooperation and harmony of interests between farmers and processing and exporting enterprises. At the same time, to incrementally industrialize and modernize aquaculture in order to create aquaculture zones of big commodity output, high quality and stable supply. Export processing enterprises should develop towards

taking the initiative in raw material production, signing contracts on raw material purchase with farmers in order to ensure stable raw material sources and control quality in the aquacultural process. To develop collective production models (household groups, cooperation teams, cooperatives, aquaculture associations, etc.), ensuring the planned development of raw material zones with large output while having conditions for applying advanced aquaculture programs and protection of aquaculture environment.

- To enhance the management of satisfaction of production conditions as well as compulsory criteria and standards in aquaculture (VietGAP) and traceability of origin against aquaculture establishments, preliminary processing and preservation establishments in order to ensure quality and food safety right from the stage of breed production to the stage of commercial rearing, raw material supply for export processing.

- To reorganize the system of intermediaries, major collectors of raw material products, that act as an important bridge between farmers and enterprises, promoting the active role while restricting the negative effects of this system with a view to properly managing the raw material market while ensuring the post-harvest quality of raw material products.

- On the basis of market forecasts, the research institutions as well as fishery service and fishery promotion bodies must work out specific programs, quickly guiding farmers to

take the initiative in production, from the production of breeds to the aquaculture process, with regard to reared species of high competitiveness and efficiency, and to ensure quality and great outputs for export processing meeting the market demands in each period.

b/ For raw materials from fishing:

- To increase the value and quality of assorted raw material products from fishing, on the basis of investment and application of scientific advances to raise the quality of products after fishing, particularly advanced preservation technologies, to reduce post-harvest loss and strictly control the use of product preservatives.

- To step up the offshore fishing while reducing the coastal fishing in order to protect aquatic resources, at the same time to change the structure of fished products, shifting from aquatic species of low economic value to those of high value and high output in service of export processing.

- To apply advanced technical solutions to ensure exploited products' conformity with the international regulations on marine resource protection and combat illegal fishing (IUU), overcoming barriers of demanding markets.

c/ For imported raw materials:

- To strictly control the quality and origin while balancing the structure of imported raw materials for re-export processing, meeting the market requirements on product structure and quantity and raising the utilization of the processing industry's capacity, increasing export

turnover and making an important contribution to job creation for rural laborers in many localities.

- To continue importing aquatic species unavailable in Vietnam or insufficient to meet requirements on structure and quantity of raw material aquatic products for export processing according to market demands, while raising the capacity of processing factories. By 2015, to import some 600,000-700,000 tons of raw aquatic materials for export processing.

4. To concentrate investment on intensive development of export processing

a/ To attach importance to the upgrading and renovation of export aquatic product-processing establishments in order to meet the national technical norms and standards as well as the importing countries' requirements on food safety and environmental protection.

b/ To encourage investment in new technologies, application of advanced science and technologies, giving priority to investment in modern processing chains and equipment, advanced technologies, improvement of models, packages, etc. for renewing products, diversifying export processing products, making the fullest use of by-products to process products for domestic consumption and export.

c/ To develop new products, especially those of high added value, reducing the proportion of preliminarily processed items and goods of low added value, which are suitable to the consumption tastes and demands of each importing market.

5. To intensify inspection and supervision to ensure food quality and safety

a/ To apply the systems of norms and technical standards compulsory to aquatic product production, trading and processing establishments on management of food safety from farm-to-fork; to encourage the application of relevant international standards.

b/ To regularly organize the inspection and control of the implementation of regulations on assurance of food safety by production, trading and export processing establishments. To severely handle and publicize the violations of regulations on food quality and safety, unfair competition, dumping, etc., particularly by aquatic product-processing and exporting organizations and individuals, which affect the prestige of Vietnamese aquatic products and cause damage to community interests.

c/ To provide technical assistance to production and business establishments for building their capacity, applying advanced production programs and the systems of food quality and safety self-control right from the process of raw material preservation to the process of processing and consumption.

d/ To step up the application of new, advanced and environment-friendly technologies by production and processing establishments; to increase investment in construction of technical infrastructure to mitigate and remedy environmental pollution in fishery production in general and aquatic products processing in particular.

6. To intensify the personnel management and training

a/ To further review, amend and supplement for perfection the systems of legal documents and relevant standards and technical regulations on food safety, ensuring their conformity with international standards.

b/ To consolidate the system of state management agencies in charge of food safety from central to grassroots level, at the same time to step up the socialization of food safety examination, inspection and testing; to further the responsibility division and decentralization between central and local authorities for effective enforcement of the Food Safety Law.

c/ To develop public-service models, socializing activities of consultancy, training, testing and certification of standard and regulation conformity for community organizations in the implementation of national and international standards and regulations; to create conditions for organizations and individuals, including organizations of the third party, to conduct the standard and regulation conformity certification and quality control at enterprises.

d/ To support associations, societies and community organizations in building their capacity to actively cope with and combat trade disputes and barriers in the world market and take the initiative in proposing to state management bodies mechanisms and policies to protect the legitimate interests of members and the sector in general.

e/ To diversify forms of training the contingent of researchers, managers, technicians and marketing officials of enterprises with a view to incrementally raising their understanding and knowledge of international laws and trade policies as well as their professional qualifications.

7. Mechanisms and policies

a/ To diversify sources of mobilized capital for realization of the Program, including:

- State budget for investment and investment support: To build the food safety control system by way of approaching the product value chains for management agencies, research institutions and enterprises; funds for trade promotion activities under the national trade promotion program (launching campaigns for information, communications and advertisement of Vietnamese aquatic products); to build export aquatic product database and quality management systems; to train officials to improve their professional qualifications and knowledge about international laws for trade activities and settlement of trade disputes in the field of fishery.

- Capital of organizations and individuals: To invest in the construction or upgrading of processing establishments towards industrialization and modernization, renewing technology and applying advanced technologies in export processing, aiming for higher proportion of export items of high added value and lower proportion of preliminarily processed goods and items of low added value; to conduct

brand building and trade promotion activities of enterprises; to assure conditions for application of compulsory norms and standards and application of advanced rearing programs, environmental protection and human resources training of enterprises.

b/ To formulate a number of mechanisms and policies to promote and support the aquatic product export development such as reduction of import duty on raw materials, support for enterprises in advertisement and trade promotion.

c/ To study the setting up of the Fund for Aquatic Product Export Markets Development on the basis of voluntary participation of export processors under the guidance and supervision of state management bodies.

d/ To further implement investment and credit mechanisms and policies to encourage and support organizations and individuals investing in production and product sale, application of advanced science and technologies... under current regulations.

D. ORGANIZATION OF IMPLEMENTATION

1. The Ministry of Agriculture and Rural Development shall:

a/ Assume prime responsibility for, and coordinate with ministries, sectors and provincial-level People's Committees in, organizing the implementation of the Program for aquatic products export through 2015 and orientations towards 2020 for achievement of the set objectives; guide and direct localities in

formulating concrete plans for realization of the Program; consolidate and enhance the operating capability of research institutions and agencies as well as units with relevant functions and tasks; monitor and organize the preliminary and final reviews of implementation, propose adjusted and supplemented mechanisms and policies to boost the implementation of the Program with high effectiveness.

b/ Assume prime responsibility for, and coordinate with provincial-level People's Committees in, organizing the implementation of specific projects assigned to them.

2. Related ministries and sectors

a/ The Ministry of Finance, the Ministry of Planning and Investment, and the State Bank of Vietnam shall, based on the programs, schemes and investment projects approved by competent authorities, arrange and balance investment capital for ministries, sectors and localities to implement; assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development in, studying and formulating appropriate financial-credit and investment mechanisms and policies for the achievement of the objectives set in the Program.

b/ The Ministry of Industry and Trade and the Ministry of Foreign Affairs shall direct diplomatic missions, trade representations in foreign countries, especially big markets, to promptly supply information on markets, policies and laws of the host countries, while coordinating with the Ministry of Agriculture

and Rural Development and domestic enterprises in organizing the advertisement of Vietnamese aquatic products; coordinate with concerned bodies and enterprises in applying measures to firmly maintain and expand the export markets.

c/ Concerned ministries and sectors shall, within the ambit of their respective functions and tasks, closely coordinate with the Ministry of Agriculture and Rural Development in implementing other relevant solution groups of the Program.

3. Provincial-level People's Committees shall:

a/ Direct local administrations at different levels and functional bodies in drawing up specific plans for realization of the Program; reorganize local production towards approaching the management system based on the value chain from production to processing, consumption and export, immediately for major export products; direct and support export processing enterprises in active participation in production organization of various forms towards close cooperation, sharing interests with communities and producers.

b/ Direct functional bodies in intensifying inspection and control of production and business establishments in the observance of legal provisions on product quality control, food safety and hygiene.

c/ Direct functional bodies, organizations, individuals and enterprises to formulate and materialize assigned projects under the Program.

4. Professional associations and societies

a/ Vietnam Association of Seafood Exporters and Producers, Vietnam Fisheries Society shall mobilize, agitate and educate their members and fishery communities to establish close contacts and supervision for quality management, ensuring food safety for consumers and export, particularly major export products, firmly maintaining the prestige of Vietnamese aquatic products in the world market; actively cooperate with management bodies and foreign commodity line associations for expansion of market, protection of legitimate interests and prestige of Vietnamese aquatic products.

b/ To propose to the Ministry of Agriculture and Rural Development as well as related ministries and sectors mechanisms and policies to encourage and support organizations and individuals to invest in fishery development in combination with reorganization of production, ensuring effective production and sustainable development.

Article 2. This Decision takes effect on the date of its signing.

Article 3. Ministers, heads of ministerial-level agencies, heads of government-attached agencies, chairpersons of provincial-level People's Committees and heads of related units shall implement this Decision.-

For the Prime Minister
Deputy Prime Minister
HOANG TRUNG HAI

Appendix

LIST OF PRIORITY PROJECTS WITH STATE BUDGET SUPPORT (2012- 2015)

(To the Prime Minister's Decision No. 279/QĐ-TTg of March 7, 2012)

Number	Content	Managing unit	Coordinating unit	Projected implementation duration	Estimated fund (VND billion)
	Total				56
1	Project on formulation of strategy for development of aquatic product export markets	Ministry of Agriculture and Rural Development	Ministry of Industry and Trade, Ministry of Foreign Affairs, Vietnam Association of Seafood Exporters and Producers	2012-2013	01
2	Project on establishment of database, research, analysis and forecast of aquatic product export markets	Ministry of Agriculture and Rural Development	Ministry of Industry and Trade, Ministry of Foreign Affairs, Vietnam Association of Seafood Exporters and Producers	2012-2015	10
3	Project on formulation and realization of programs for advertisement, information and communications for major aquatic products and new products	Ministry of Agriculture and Rural Development	Ministry of Industry and Trade, Ministry of Foreign Affairs, Vietnam Association of Seafood Exporters and Producers, localities, export processing enterprises	Annual	10

4	Project on research into the development of new products and value-added products	Ministry of Agriculture and Rural Development	Vietnam Association of Seafood Exporters and Producers, export processing enterprises	Annual	10
5	Project on support for personnel training to raise their professional qualifications and knowledge about international law in service of trade and settlement of trade disputes in the fishery domain	Ministry of Agriculture and Rural Development	Ministry of Industry and Trade, Ministry of Foreign Affairs, Ministry of Justice	Annual	20
6	Project on support for application of advanced quality management programs to raw material production and aquatic product processing (VietGAP, HACCP)	Ministry of Agriculture and Rural Development	Localities, export processing enterprises	Annual	05