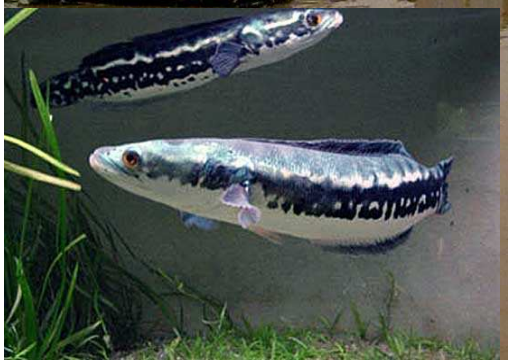
VALUE CHAIN OF CULTURED SNAKEHEAD FISH *(Channa micropeltes & Channa striatus)* IN THE MEKONG DELTA, VIETNAM



L.X. **Sinh**, **R.S. Pomeroy** & D.M. Chung
Cantho University, Vietnam

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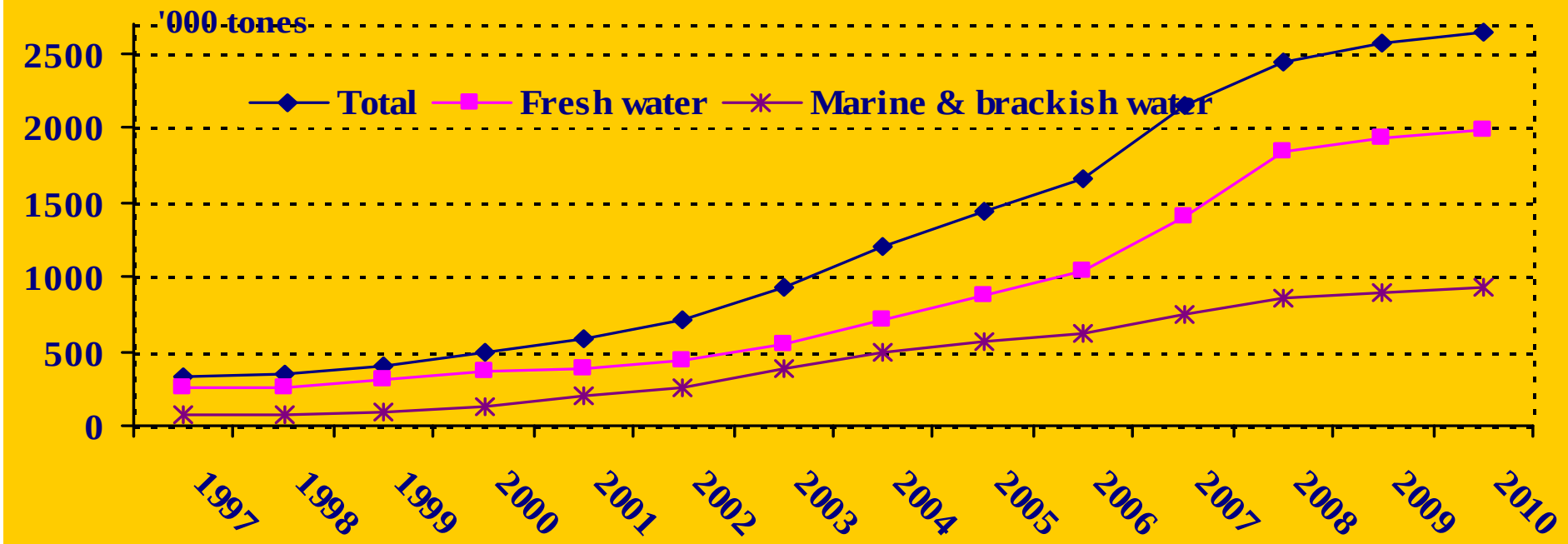
INTRODUCTION



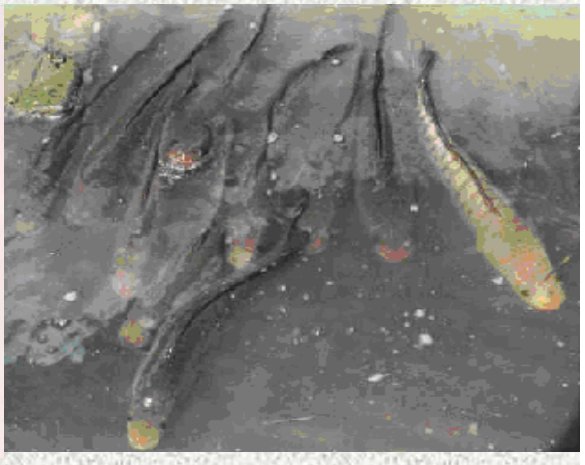
Fish production of fish (Ministry of Agriculture & Fisheries, 2010)

In 2010:

- Total fish production of Vietnam: 2.6 mil tones.
- Mekong Delta: more than 70% => ? Diversification => HVF species
- Freshwater aquaculture: 2.0 mil tones => Snakeheads are the favor.

Issues raising from the study of Phase 1:

1. Quality of seed & feed, replacement of feed.
2. Value chain of fish, supply of seed & credits.
3. Environment & fish health management.
4. Planning & policy/regulations.



Major species of snake head in the Mekong Delta

(L.M. Lan, 2007 & L.X. Sinh, 2009)

OBJECTIVES:

- To describe chain actors and their activities related to snakeheads;
- To analize the contribution of costs & the distribution of profits;
- To analize the perception of chain actors;
- To propose suggestions for an improvement of SH value chain.

METHODOLOGY

Map of the Mekong River Delta

(Mekong Source, 2003)

Total sample size of 485:

+ 220 Grow-out farms;
+ 77 traders;
+ 11 processors;
+ 156 consumers; and
+ 21 officers/managers

RESULTS & DISCUSSIONS

1. General information:

Cultured snakehead fish -Mekong Delta (2009):

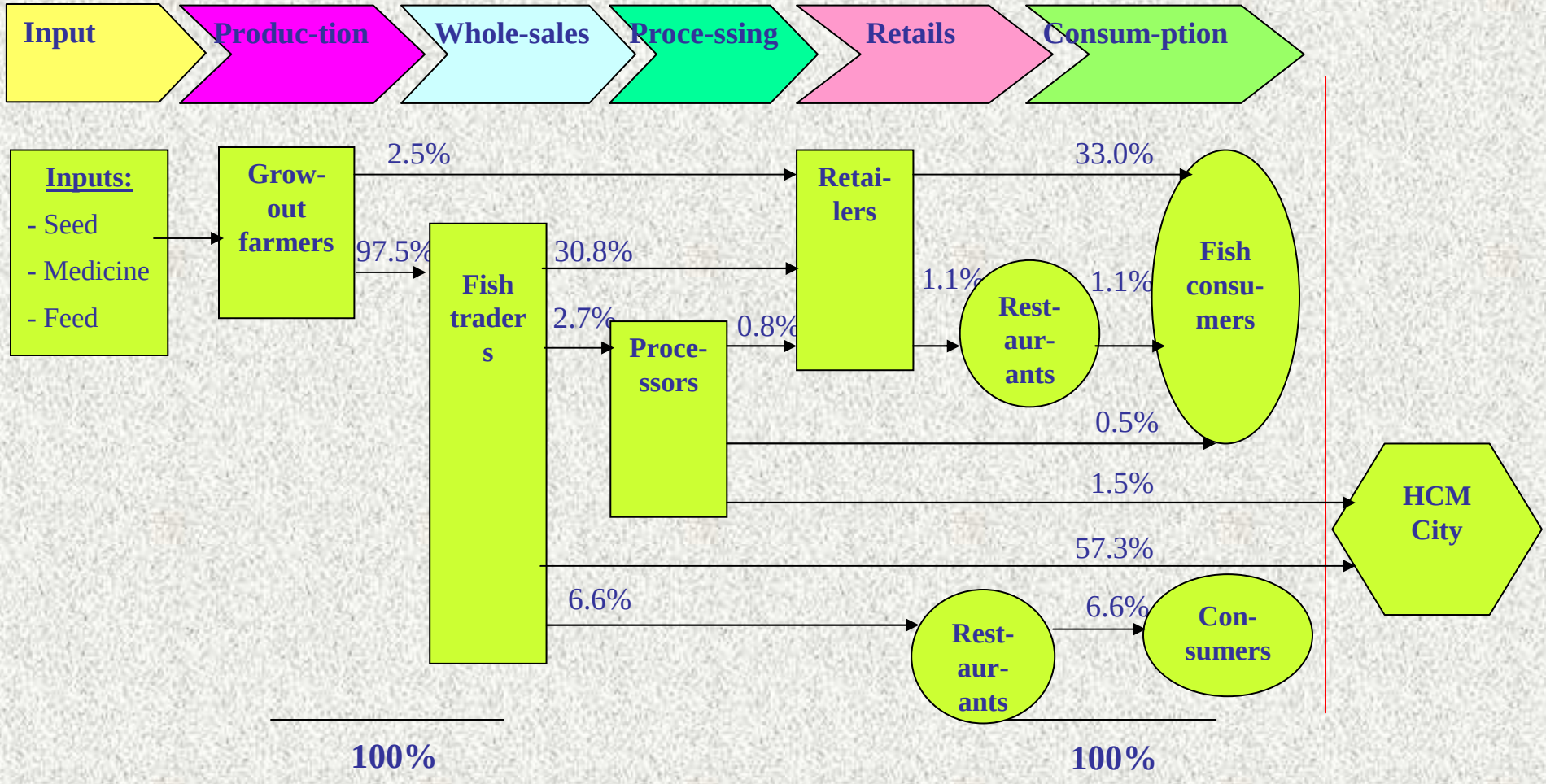
About 200 ha, 160,000 m^3; 40.000 tones, Giant SH 20%.

Description	Unit	An Giang	Dong Thap	Can Tho	Hau Giang	Total
Pond cultured area	ha	74.6	30.4	40.0	27.0	**172.0**
Vol. of hapas/tanks	m^3	38,970.0	66,167.3	42,150.0*	12,680.0	**159,967.3**
No.of farmers	HH	2,000*	3,299	1,600*	634*	**7,533**
SH production	Ton	15,241.0	6,558.7	2,100.0*	380.4	**24,280.1**

- Mainly family labors: 2-4 persons/HH.
- Female 45-52%, especially retailers & processors (90%).
- Generally, high rate of illiteracy (9.1-12.4%).
- Long experience in business (about 10-16 years).

2. Value chain: RESULTS & DISC.

a. Map of Snakehead value chain: => 10 marketing channels



Map of snakehead fish value chain in the Mekong Delta

RESULTS & DISC.

b1. Marketing channels:

Farmers -> Wholesalers -> Retailers -> Consumers

Description	Farmers	Wholesalers	Retailers	Total
Selling price	28.800	30.900	42.000	
Buying costs	24.400	28.800	30.900	
Value added	4.400	2.100	11.100	**17.600**
% of value added	*25.0*	*11.9*	*63.1*	*100.0*
Added costs	-	900	1.400	
Net added value	4.400	1.200	9.700	**15.300**
% of net added value	*28.8*	*7.8*	*63.4*	*100.0*

RESULTS & DISC.

b2. Marketing channels (cont.):

Farmers -> Wholesalers -> Processers -> Retailers -> Consumers

Description	Farm-ers	Whole-salers	Proces-sors	Retail-ers	Total
Selling price	28.800	30.900	36.100	46.700	
Buying costs	24.400	28.800	30.900	36.100	
Value added	4.400	2.100	5.200	10.600	**22.300**
% of value added	*19.7*	*9.4*	*23.3*	*47.5*	*100.0*
Added costs	-	900	3.900	3.100	
Net added value	4.400	1.200	1.300	7.500	**14.400**
% of net added value	*30.6*	*8.3*	*9.0*	*52.1*	*100.0*

b3. Marketing channels (cont.):

Farmers -> Wholesalers -> Ho Chi Minh City

Description	Farmers	Traders	Total
Selling price	28.800	30.900	
Buying costs	24.400	28.800	
Value added	4.400	2.100	**6.500**
% of value added	*67.7*	*32.3*	*100.0*
Added costs	-	900	
Net added value	4.400	1.200	**5.600**
% of net added value	*78.6*	*21.4*	*100.0*

c. Distribution of profit:

Description	Farmer	Wholesaler	Processor	Retailers	Total
Channel 3: Farmers -> Wholesalers -> Retailers -> Consumers					
Production/HH/yr (ton)	14.1	728.2		6.0	
Profit/kg (VND)	4.400	1.200		9.700	**15.300**
Total profit (VND)	62.0	873.8		58.2	
% of net Add.Val./HH/yr	*6.2*	*87.9*		*5.9*	*100.0*
Channel 5: Farmers -> Wholesalers -> Processers -> Retailers -> Consumers					
Production/HH/yr (ton)	14.1	728.2	8.7	1.6	
Profit/kg (VND)	4.400	1.200	1.300	7.500	**14.400**
Total profit (VND)	62.0	873.8	11.3	12.0	
% of net Add.Val./HH/yr	*6.5*	*91.1*	*1.2*	*1.3*	*100.0*
Channel 9: Famers-> Wholesalers -> Ho Chi Minh City					
Production/HH/yr (ton)	14.1	728.2			
Profit/kg (VND)	4.400	1.200			**5.600**
Total profit (VND)	62.0	873.8			

CONCLUSSIONS & RECOMMENDATIONS

. Area and production of cultured snakehead fish in the MKD was increased but major constraints are not removed.

. Value chains of SH were concentrated on 10 channels.

. Two most important channels in term of total production were:

- "Fish farmers – Wholesalers – Retailers – End consumers in MKD";

- "Fish farmers – Wholesalers – Wholesalers in Ho Chi Minh City".

. Profit was mainly for the wholesalers (87.9 - 93.4% of total profit of the whole chain) while this figure for farmers was 6.2 - 6.6%, only.

. More consideration => planning of SH industry, technological supports, using pellet feed, marketing of fish products, processing and exporting snakehead fish products for market expansion.

Thanks for your attention & comments!

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