



Upgrading pangas and tilapia value chains in Bangladesh: WP2 on value chains

Final Bangfish meeting, Mymensingh, 18 January 2020

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Funding from the Danish International Development Agency/DANIDA is gratefully acknowledged.



This presentation

1. Value chains for pangasius and tilapia
2. Results
3. Policy implications



1. Value chains for pangasius/tilapia

□ Participants WP2

- Bangladesh: Dean and professor Badiuzzaman, professor Taj Uddin professor Mahfujul Haque, professor Ismail Hossain, professor Fakir Azmal Huda, associate professor Sazedul Haque, PhD student Afjal Hossain and PhD student Imranul Islam
- Denmark: Associate professor Max Nielsen, Associate professor Eva Roth, senior project manager Marco Frederiksen,, Associate professor Devan Ali Ahsan, senior consultant Erling Larsen and Birgit Schulze-Ehlers (Germany)

□ Purposes

- To analyze how the value chains function focusing at markets, quality and governance – in/out of Bangladesh
- To identify how possibly to improve efficiency and upgrade the value chains
- To assess export potential



1. Value chains for pangasius/tilapia

□ Methodologies

- Economics
- Biology
- Food science
- Global value chain analysis

□ Data collection

- 2962 interviews made with farmers, hatcheries, commission agents, wholesalers, retailers, consumers, fish processing companies, exporters and feed suppliers.
- Information on governance, markets and quality of fish in the value chain.
- Secondary data on prices in first sale of fish in Bangladesh, on international trade from World Bank, farm gate prices in Vietnam and prices in Germany of import and retail sale.



2. Results

□ Markets

1. The World Demand for Pangasius Catfish
2. Market integration of pangasius and tilapia in relation to wild-caught whitefish in Germany
3. Price transmission in the pangasius value chain from Vietnam to Germany
4. Market Integration between Cultured and Captured Species in Developing Countries: Lessons from Inland Areas in Bangladesh

- There is a huge world demand for whitefish prices would not fall due to increased production/export from Bangladesh, but can fall due to world market development
- Price changes are transmitted back from western consumers to producers in Vietnam/Bangladesh
- All the options of export are there, the market is there, the challenge is to meet the quality and food safety concerns.



2. Results

□ Quality

1. Secondary and primary evidences of yellow color in pangasius fillets in Bangladesh: prospects and challenges at the international market
2. Evaluation of the ability of the Bangladeshi pangasius and tilapia industry to export focusing at food safety and HACCP in the value chains
3. The importance of quality in explaining trade flows: a gravity analysis of Pangasius exports from Vietnam
4. Mass production or quality production in developing country aquaculture: The case of pangasius in Bangladesh

□ What does it take to export?



2. Results

□ Governance

1. Factors Determining Consumer Preferences for Pangas and Tilapia Fish in Bangladesh: Consumers' Perception and Consumption Habit Perspective
2. How can governance improve efficiency and effectiveness of value chains? An analysis of pangas and tilapia stakeholders in Bangladesh
3. Power in the pangasius and tilapia value chain in Bangladesh
4. Are trade credits a gain or a drain? Market power in the sale of feed to pangasius and tilapia farmers in Bangladesh

□ What can be done on governance?



3. Policy implications

□ Markets

- International demand huge and growing production/export in Bangladesh does not reduce prices
- The main barrier for export is to meet requirements at the international market irt. quality and food safety
- Huge domestic market

□ Quality

- There is a positive willingness to pay for quality in Bangladesh
- A national action plan addressing the multitude of problems that induce yellow discoloration of pangasius/tilapia suggested.
- An important reasons for not being able to export is that it claims records at farms. One way to obtain records is through contract farming.



3. Policy implications

- Governance
 - The value chains are mostly well-governed, power-use only detected between food sellers and farmers
 - Power founded in dependency following from trade credits – but trade credits also necessary – minor elements can be revised

- The pangasius/tilapia sector can learn from the shrimp sector
 - Knowledge transfers from mature to emerging industries: The case of shrimp and pangasius industries in Bangladesh

