

UNDERSTANDING THE MARKET FOR LAOS GOATS IN CENTRAL VIETNAM

Luang Prabang - Lao, 19-20 June 2017

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Sources of Goat Supply in Vietnam

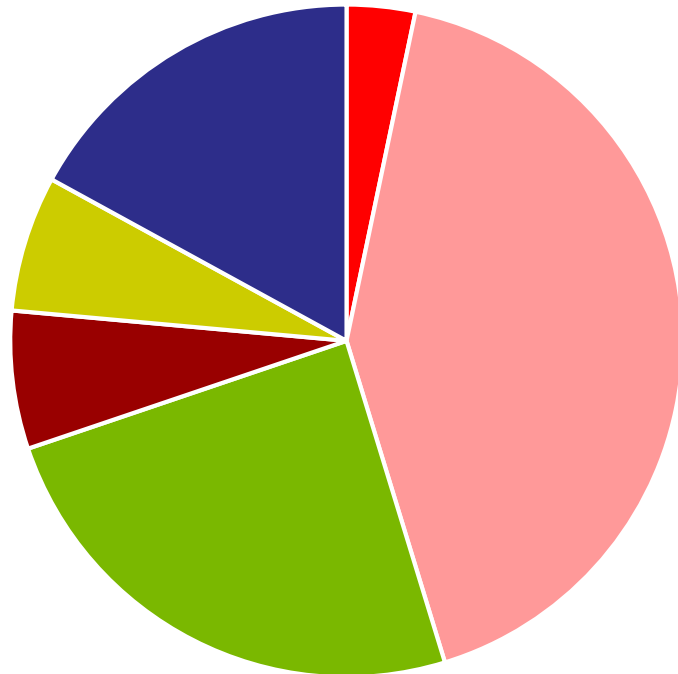
Goat raised in Vietnam

Year	Total (heads)	Consumption (heads)	Consumption (live, tons)
2012	1,250,506	706,886	16,467
2013	1,334,328	653,327	17,065
2014	1,600,275	672,467	18,057
2015	1,777,644	810,617	19,950
2016	2,021,003	791,252	21,142

Sources of Goat Supply in Vietnam

Goats raised in Vietnam

Total goats (heads) (10/2016)



- Hong River Delta
- Northern midlands and mountainous
- North Central Coast and South Central Coast
- Central Highlands
- Southeast Vietnam
- Mekong River Delta



Sources of Goat Supply in Vietnam

Imported goat meat (from Australia, India)

Thịt Dê Úc đông lạnh



Thịt dê - Goat

2014: Import 947 tons (frozen goat meat),
value: 6.547.895 USD.
~ 10% of domestic fresh goat meat.

Price of imported frozen goat meat ~ VND 90.000 – 120.000/kg
(AUD 5 - 7/kg) in Hanoi, HCMC.

Goats transportation from Laos into Vietnam

- Live goats from Laos → Traders in Laos → Cross borders to Vietnam around Lao Bao → Vietnamese Traders at the border → Fattening → Animal of Department Health in Quang Tri provinces → Middle men or restaurant owners → slaughter houses → restaurant owners



Field trips in Hue-Lao Bao-Quang Tri

Interviewees: DAH

- Mr. Minh, Head of the animal disease control office/ DAH in Huong Hoa district (Lao Bao belongs to this district)
- Mr. Thuy, Head of the region 3 – animal disease control office/DAH, located at border gate
- Mr. Liem, Head of the – animal disease control office/DAH, Cam Lo district – Quang Tri province
- Mr. Thang, DAH officer in Khe Sanh town
- Mr. Chau, DAH officer in Lao Bao

Field trips in Hue-Lao Bao-Dong Ha-Quang Tri

Interviewees: traders, restaurant-slaughter house owners

- Mr. Trung– Vietnamese goat trader in Lao Bao
- Mr. Hoang – Vietnamese goat middleman, slaughter house owner and restaurant owner in Cam Lo district
- A goat restaurant owner – Khe Sanh town (very close to the border gate)
- A goat restaurant owner – Hue City
- Mr. Bac and his brother, Mr. Thuy, the owner of the biggest slaughter house in Hue City. Their slaughter house accounts for 85% of provided goat meat for Hue city

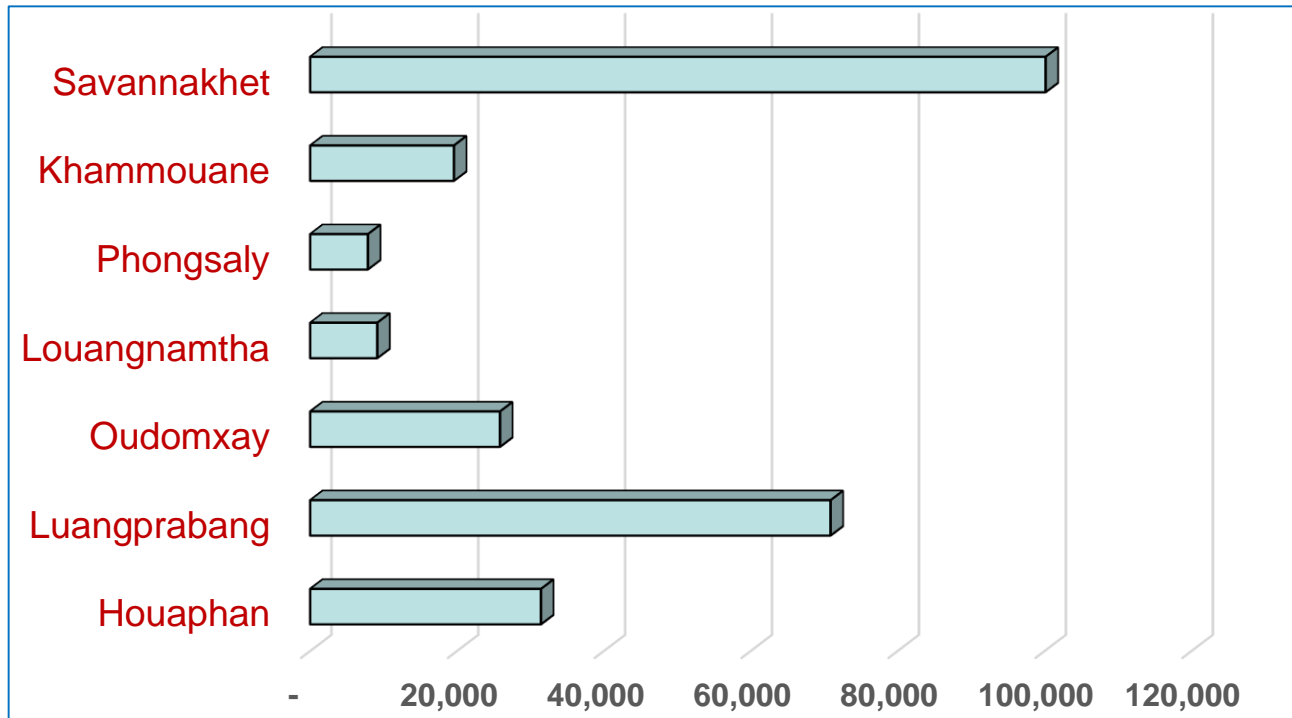
Laos live goats imported via Lao Bao border gate



- In the last 10 years, there have been no official numbers of imported goat recorded.
- All imported goats informally across the border. When the traders transport goats from Lao Bao, they paid for the province DAH 10.000 VND per head for biosecurity approval

Laos live goats imported via Lao Bao border gate

Live goat output of Laos (heads) (14/12/2016)



Laos live goats imported via Lao Bao border gate



- 1,200 – 1,300 goats/ months from Lao (Head of the DAH of Huong Hoa district)
- 300 goats/day from Lao (Mr Trung, a trader)
- Mr. Bac, the owner of a main Hue slaughter house: 1,200 Laos goats per month
- Mr. Hoang, a major middle man Vietnamese goat trader:
4-5 year agos, he bought 200 goats every 3 days ~ 6,000 goats/month
Now, he buys 30 – 40 goats/day ~ 900- 1,200 goats/month

1200 (Hue) + 600 (Quang Tri) + 600 (Quang Binh or other) ~ 30,000 goats per year

There are 100,000 goats in Savanakhet. Every year about 60,000 new baby goats are added.

Laos live goats imported via Lao Bao border gate



- About 30 Vietnamese goat traders in Quang Tri province (including Lao Bao area). A few of them also trade cattle
- They seem know each other very well including the Lao middlemen. Not sure how they find each other at the beginning
- The Lao goat currently priced at 135.000/kg for a good live male goat. Price range from 100,000 – 135,000/kg for goats from Laos depends on the status of the goat individually.



Distributions of Laos Goats in Central Vietnam

- 7-8 years ago, Lao Bao is the only gate for international trade between VN and Laos. Mr. Hoang said that, he used to transport 200 goats every three days back to that time.
- Now there are two more border gates between VN and Laos: In Ha Tinh Province and Nghe An provinces. Many goat trades may be going through the other two border gates.
- Depends on supply and demand equilibrium status, the middlemen would suggest a price for the traders, the traders would have a negotiate power if the supply is low.
- Mr. Bac said that he has the power of setting the price for goat meat in Hue. Depends on the supply for goat from Laos, he could raise or lower the goat meat price sell to restaurants to adjust with the demand and supply equilibrium. Mr. Bac claims that he has both supply and demand information for goat meat in the region.

Distributions of Laos Goats in Central Vietnam



1	TIẾT CANH DÊ (KIỂU BẮC)	30.000
2	DÊ XÀO LÀN	100.000
3	DÊ PHAY (LÀO BAO)	100.000
4	DÊ HON	110.000
5	DÊ NỘM	100.000
6	GAN DÊ ÁP CHÁO	100.000
7	DÊ NƯỚNG KÉM	100.000
8	DÊ TÁI HẤP	100.000
9	LÀU DÊ	110.000 - 130.000
10	LÀU NGỌC DƯƠNG	350.000
11	LÀU TIM GAN	110.000
12	DÊ NƯỚNG MỌI	100.000
13	VÚ DÊ NƯỚNG	100.000
14	NGỌC DƯƠNG HẤP GIỮNG	350.000
15	DÊ NƯỚNG TẶNG	50.000



- 17,000 VND = 1 AUD
 - Price of Laos (mountain) live male goat is VND **135,000/kg (AUD 8/kg)** between traders and restaurant owners on 16/6/2017)
 - De Lai (mixing breed goats: Bach Thao, Boer,...) is offered at **VND 80,000/kg** in Hue or Lao Bao (Mr. Nam, a restaurant owner in Khe Sanh town), or only **VND 60,000/kg** (Mr. Hoang, a restaurant owner in Cam Lo).
 - **Implying a significant price premium for Laos goat compared with mixing breed goats in Vietnam.**
- The name: Laos goat (Hue), mountain goat (Quang Tri), local goat (Quang Tri), grass goat (more popular name, Lao Bao and the region) are used to indicate the same kind of goat.

Distributions of Laos Goats in Central Vietnam

- The traders will collect both grass goats raised in Laos and grass goat raised in Vietnam. They will deal with the villagers each goat individually. Although it is the same goat breed, goats raised in Laos will provide much better meat quality than the goats raised in Vietnam.
- A grass goat raised in Vietnam gives price around 100,000VND /kg-110,000VND/kg. Again, the number of grass goats raised in Vietnam, especially in the areas near the coastal line is very small as it is not suitable to raise the goats in those areas.

Distributions of Laos Goats in Central Vietnam

- 100,000 – 135,000 /kg for a “grass goat” depends on age, sex, type
- 60,000-80,000/kg for a “mixing breed goat”
- there is no “mixing breed goat” from Laos, currently only “grass goat” are imported from Laos

Distributions of Laos Goats in Central Vietnam

- The traders keep getting orders from slaughter house owners or restaurant owners in Quang Tri, Hue, Quang Binh daily. The order are very different in numbers, from 1-2 goats to 30-40 goats.
- The traders buy goats from Laos traders for 125,000/kg and sell in VN 135.000 kg. If a trader could go to villages and bargain directly with the villages, he could make a significant profit per goat and the villagers don't sell the goats by kg, they negotiate on each goat individually.

Distributions of Laos Goats in Central Vietnam

- Transportation cost 50,000 per goat to Hue, 20,000 VND per goat to Dong Ha. A goat could lose 1-2 kg during transportation
- Laos mountain goat through Lao Bao border gate is only enough to meet a demand for a very limited area in central of Vietnam: Part of Hue, Quang Tri Province, Quang Binh Province, Ha Tinh Province.
- The traders said they never have any orders from further south of Hue (Da Nang, Quang Ngai) or further north of Ha Tinh.
- In future, if goat supply from Laos increases, the areas where goats transported from Laos would expand beyond Da Nang and Nghe An

Laos Goats and Vietnamese Consumers

- We see in Quang Tri a restaurant named, Mountain Goat Restaurant. Mr. Bac said that in Ha Noi, the Mountain goat appear in the menu.
- Restaurant owners always advertise that they only use the grass goats for the dishes they are selling, but the truth may be different.

Laos Goats and Vietnamese Consumers

There are some interesting points regarding the goat meat we discovered:

- There are many different goat dishes in the restaurants in the region. Some dishes they could use the De Lai (mixing breed goat) meat to make. For more expensive dishes, they have to use the “grass goat” meat (Laos goat meat) as De Lai meat is not suitable (not enough quality) to use to make the dishes.
- The restaurant owners will try to maximize their profit by using as much as possible the De Lai meat in some dishes.
- In the south (HCMC region), some certain goat dishes will never appear in the goat restaurants. We guess that those dishes require a quality goat meat only provided by Laos goat which is not available in the south
- I personally went to the goat restaurants in HCMC many time in the past. I did try 3 goat restaurants in Hue and Lao Bao and realized that the goat dishes made from Laos grass goat is much tastier.

Thank You

The text "Thank You" is written in a pink, cursive font. It is framed by a green vine that starts on the left, loops around the text, and ends on the right. A pink flower bud is at the top left of the vine, and a pink flower with a yellow center is at the top right. There are also two green leaves on the vine.