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HSBC's first green trade facility in Vietnamese seafood industry

(*Ho Chi Minh City*) – HSBC Bank (Vietnam) Ltd. (HSBC Vietnam) and Vinh Hoan Corporation (Vinh Hoan) has been into an agreement whereby HSBC Vietnam will provide green trade financing to Vinh Hoan. This marks the first ever green facility that HSBC Vietnam has arranged for Vinh Hoan, and also for the seafood sector, demonstrating our support for the Vietnamese seafood producer on their sustainability journey.

As a tropical country with long coastline covering over 3,000km and home to more than 1,300 seafood species, Vietnam owns all advantages and potentials for the prosperous seafood sector. The industry accounts for nearly one quarter of agriculture GDP, while Vietnam's seafood industry is the world's third largest exporter by turnover, and the fourth largest by output¹. However, Vietnam's strengths in seafood industry might rapidly diminish, as Vietnam is warned to be one out of the top five countries likely to be adversely affected by climate change².

“Dealing with climate change and protecting our economy from its impacts, including the seafood industry, is a priority for HSBC in Vietnam”, **shared Mr. Ahmed Yeganeh, Head of Wholesale Banking, HSBC Vietnam**, “It is central to our strategy to support corporates in Vietnam who have a clear sustainability vision and plan like Vinh Hoan. As strategic partner with a relationship spanning 24 years, HSBC is delighted and proud to be accompanying Vinh Hoan in their pursuit of a circular economy, transforming themselves and inspiring others to join the green transition.”

To receive the short-term green trade loan to support their working capital for sustainable seafood production, Vinh Hoan and its subsidiaries have gone through HSBC's stringent credit approval and management process for sustainable financing. The green facility must also meet the high standards listed under the international Green Loan Principles, jointly issued by Loan Market Association and Asia Pacific Loan Market Association.

Ms. Nguyen Ngo Vi Tam, CEO of Vinh Hoan, said: “Vinh Hoan's pursuit of circular economy model in aquaculture production for years, which enables value chain optimization, waste minimization, and value creation from by-products and substandard products, as well as our international certifications of Aquaculture Stewardship Council (ASC CoC), and Best Aquaculture Practices (BAP), are the catalysts that backed our success to achieve HSBC's green trade financing. I hope this first step will pave many more sustainable collaborations between both organisations in the upcoming time.”

¹ [Tái cấu trúc ngành thủy sản phải “song hành” với sinh kế của ngư dân - Nhip sống kinh tế Việt Nam & Thế giới \(vneconomy.vn\)](http://vneconomy.vn)

² [15077-Vietnam Country Profile-WEB.pdf \(worldbank.org\)](https://www.worldbank.org)

This meaningful first deal in aquaculture sector has indicated HSBC's efforts in our green commitment while supporting Vietnamese corporates in different industries, including real estates, renewable energy, data centre, recycled plastics, recycled papers, etc. in their green transition journeys. It also underlines HSBC's strong sustainable banking product line that can satisfy increasingly different and sophisticated requirements from businesses.

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Notes to Editors:

- Aquaculture Stewardship Council (ASC CoC) is a traceability and segregation standard applicable to the full supply chain from a certified farm to labelled products.
- Best Aquaculture Practices (BAP) represents the most comprehensive end-to-end certification accrediting every step of the production chain and for their conformability to Global Seafood Alliance standard – Seafood Processing Standard (SPS).

HSBC Bank (Vietnam) Ltd.

HSBC has been in Vietnam for over 150 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and four transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and two full-service branches in Binh Duong and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, product range, and customer base.

Vinh Hoan Corporation

Vinh Hoàn, established in 1997, is a leading company in aquaculture with a firm commitment to sustainability. Vinh Hoan operates an integrated production model, controlling the entire supply chain from fish offspring to fish feed, fish farming, processing, and exporting. We have pioneered in adhering to international farming certifications, such as the Aquaculture Stewardship Council (ASC CoC) and Best Aquaculture Practices (BAP). We have also worked diligently over the years to build a circular economy model which enables us to minimize waste, maximize resource efficiency, and create value from by-products.

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