

New Hope Liuhe boosts Vietnam's pig potential

FEATURE

Managing board of New Hope Binh Phuoc (from left) Zhang Xiang Jun, Liu Jun Hua and Liu Zhong.



In choosing Vietnam as its launchpad into the Southeast Asian livestock market, New Hope Liuhe has called on over 20 years' experience in the feed industry, and more than two years of developing and testing of pig production technology. The aim is clear: to become a major force in the region. HA THU learns how New Hope Liuhe intends to improve access to safe pork products.



This is Chinese conglomerate parent New Hope's first overseas pig production project, and one bracketed into the country's Belt and Road mega-infrastructure initiative.

The investment has come as Vietnam's pig industry suffers its worst ever crisis, with about half the national herd now lost to African swine fever.

Experts believe the problem can be spun into a golden opportunity for players who have strong breeds, enforce good biosecurity measures and adopt highly efficient breeding methods. New Hope Liuhe has all three.

"Vietnam's pig industry has a lot of room to grow, especially in a recovery period after a serious hit," said Zhang Xiangjun, General Director of New Hope Binh Phuoc.

"Like the Chinese, the Vietnamese are pork eaters, but producing a kilo of pork in Vietnam costs much less than in China. This makes Vietnam an ideal market for us to invest in and develop our pig business."

All-in-one project

New Hope Liuhe's breeding farm is Vietnam's biggest pig production project to date.

The project complex will include a breeding area, a feedmill, a slaughtering and processing facility, and a waste treatment center.

ASIAN PORK
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The waste treatment plant uses the most advanced technologies.

The 75ha farm is located on a hill, separated from residential and other livestock production areas.

“We will have three mega-projects like this strategically located in north, central and south Vietnam to give domestic consumers access to safe,

affordable pork,” said Mr Zhang, adding that the projects together could raise a million pigs.

“We carefully studied the most efficient production model and finally chose this integrated solution as it allows the highest biosecurity

and most economical cost.”

The integrated model allows the tightest biosecurity measures because inputs at different stages of the production chain are produced internally, reducing the risk of disease contamination. ▷





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Naturally ahead





Left: Using solar energy gives New Hope Binh Phuoc a sustainable power source and reduces its production cost.



Below: The smaller alley and lower ceiling in pig houses can lead to savings in energy and production costs.

◁ **Intelligent, economical farm design**

New Hope Liuhe may be a new player in animal production, but its experience in feed has helped the company understand how farm design can deliver efficiencies.

“We’ve learned that there are many ways to build a farm economically,” said Mr Zhang.

All the breeding houses are environmentally controlled, though this requires energy, which accounts for a chunk of production cost.

The alleys, for instance, “could be smaller, just enough to match the width of the sows. The ceilings could be lowered, and by doing so, we can save on energy and land cost,” he continued.

The sow gestation crates are the latest from a Chinese supplier.

“The sows are comfortable in them. The drinking and feeding systems are automated, supplied by the

silos attached to the houses. This minimizes the entry of people inside the farm, so the sows aren’t disturbed much.”

Bulk feed is transported from the plant and transferred directly to pig houses. The system requires fewer workers, minimizing labor costs and risks of contamination.

The farm complex’s overall design is also critical in terms of biosecurity and economic efficiency.

“The sanitation areas, the dormitory areas, the pig houses, the feedmill, processing plant and the waste treatment center are strategically located to avoid disease transmission. This allows a quick reaction in case of an outbreak,” said Mr Zhang.

Strict biosecurity

While others may view Vietnam’s ASF battle gravely, to New Hope it is an opportunity.

“Others think investing in pig production during this time may be risky, but to us, it’s the right time. This is an important transition time, whereby the market bears the need to change old habits, especially the

habit of setting up a biosecurity system for the farm,” said Liu Zhong, Director of Overseas Production.

The biosecurity protocols at New Hope’s mega-farms in Binh Phuoc have been tried and tested by Chinese pig producers who have also been hit by ASF.

“We learned from the experiences of farms that have overcome ASF. We

Integrated operations

New Hope Liuhe’s mega-farm complex in Binh Phuoc cost USD 75 million and will include:

- A breeding farm with 13,500 GP and PS sows (completed)
- A feedmill that produces feed for internal use (under construction)
- A slaughtering and processing plant
- A USD 4 million waste treatment plant

A 300,000-head commercial farm outside the complex but within the province is also being planned.



The air purifier provides clean, fresh airflow to the farms and helps reduce pathogen load.

saw what worked and what didn't. From that, we chose which methods are most suitable for our farms in Vietnam," said Mr Liu Zhong.

Biosecurity at the farms starts with a strict sanitation scheme at the gate. All humans, vehicles, animals and equipment coming in are controlled, sprayed and disinfected.

To ensure that what happens on the farm stays at the farm, workers stay in a dormitory where their daily needs are met.

"We have a canteen for everyone inside, including farm managers and workers. Most of the food is produced internally," said Mr Zhang.

Among the most advanced biosecurity technologies is the farm's air-purifying matrix. It is a system made up of many layers of cotton and a fine net to condition the air coming into the farm.

"This system provides clean, fresh airflow to the farms. It also helps reduce pathogen load," explained Mr Zhang.

The ventilation fans are covered with fine nets to prevent rodents, birds, and insects from entering the houses.

Green energy for sustainability

Because Binh Phuoc is in the mountains, it gets about 2400-2500 hours of sunshine annually and is one of the three provinces with the highest heat radiation levels in Vietnam. The potential for solar power projects is great, and the local government is encouraging agricultural investors in the province to take advantage of sustainable development.

New Hope Binh Phuoc is one of the first investors in Vietnam's pig sector to adopt a solar power system for energy collection. The company is in negotiations with a contractor for installation.

"Initially, we will use solar energy for the lighting system. Once that is operating normally, we will see how it can be used for other farm activities," said Mr Zhang.

With solar energy, pollution and production costs can be reduced, he added.

Market confidence

Aiming big right from the start, New Hope Liuhe's board is confident the

pig project will thrive. As one of the first commercial feed producers in Vietnam, it now has a capacity of 1 mt annually, accounting for 10% of the market.

"We've seen the ups and downs of the market, and we know where to position ourselves," said Liu Jun Hua, Director of Overseas Investment.

"Today, only the Ho Chi Minh market can absorb 10,000 pigs per day. We think there is definitely room to grow and we can seize a significant market share here," pointed out Mr Zhang.

"No one can control the price of pork. But we can control how we do our business, and we can do our best. We will let the market decide its path."

With full traceability and VietGap-certified pork products, New Hope is confident it will have opportunities to export pork soon. But more importantly, by bringing new farming concepts into Vietnam, the company has given new hope to its pig industry: that of producing safe pork even in times of epidemics. **Ap**

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