

Vietnam Fruits and Vegetables Export: How to Keep Good Records

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Good export results

According to statistics from the General Customs of Vietnam, export value of fruits and vegetables gained the highest growth among agricultural products in the period of 2012-2016. With an export value of US\$2.46 billion in 2016, this sub-sector ranked 3rd in the list of agricultural exports, after coffee and cashew nuts and accounted for about 16% of the total export value of all agricultural products.

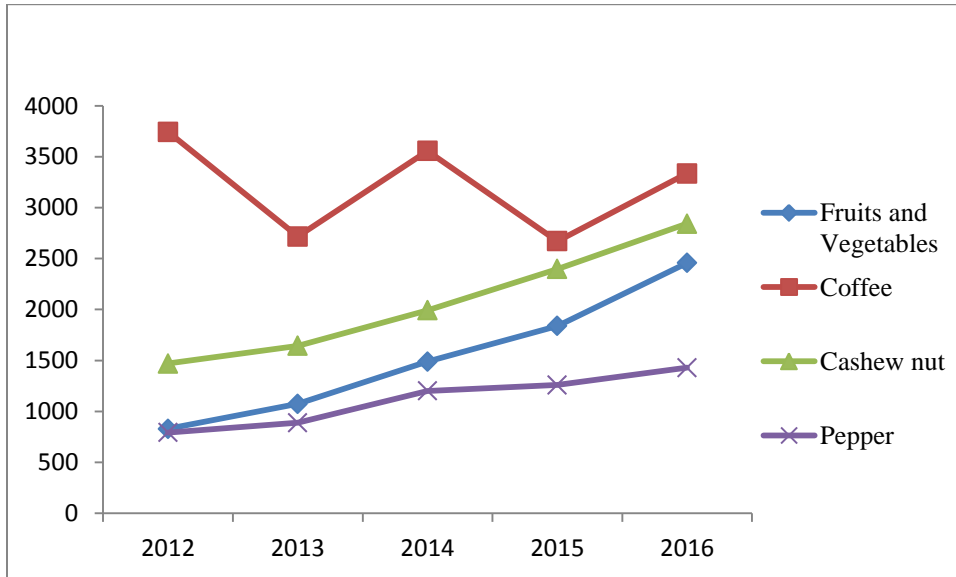


Fig. 1. Export value of key agricultural products (million US\$)
Source: General Customs of Vietnam

As of mid-March 2017, the country exported nearly US\$ 543 million of fruits and vegetables, an increase of 26.7% over the same period last year. Although the growth rate of export value slowed down compared to three first months last year, it still maintained a higher level than other crops.

Vietnamese vegetables and fruits are more and more popular with consumers in many countries around the world. Vietnam exports horticultural products to more than 60 countries and territories, with China as the largest market followed by the United States, Japan, Thailand and Malaysia.

Recently, thanks to efforts in technology application in harvesting and preservation, seed selection, and quality control in accordance with international standards (Global Gap, Europe Gap), Vietnamese vegetables and fruits have started to penetrate into advanced markets.

In 2016, the Plant Protection Department (Ministry of Agriculture and Rural Development) quarantined 10,500 tons of fresh fruits to export to markets which are difficult to penetrate, up nearly twice compared with 2015. Vietnamese dragon fruit exports to the US market last year increased twice from 2015. This market witnessed also the double growth of longan exports from Vietnam in last year.

At the same time, mango exports to South Korea increased twice. The good news in 2016 is that Taiwan has officially reopened the dragon fruit of Vietnam and so far imported more than 100 tons of the said fruit. In 2017, Vietnam will continue to promote negotiations to export star apples and mango to the US; red dragon fruit to Japan; star apple, longan, lychee, and rambutan to South Korea.

But more efforts to keep good record

Recognizing the high potential of fruits and vegetables of Vietnam, experts are also alarmed at the new risks and challenges to its exports in the future. According to the Vietnam fruits association, quality and food safety are among the most important determinants of the sustainable export of fruits and vegetables in the country. It means that exporters should try their best to assure the product quality, even when it is not easy and takes time and money in the short term. All steps in the supply chain, from production to packaging must be safe.

Enterprises are recommended to invest more in deep processing, which allow them to diversify products and markets. In addition to promote processed products, advanced preservation technology should be applied to develop the fresh products segments in high quality market.

In order to further support exportation of the fruits and vegetables, the Vietnam fruits association and competent agencies should push forward negotiations to remove trade barriers and find out new exports and niche markets. Apart from annual trade promotion activities, market research and product brand development should be customized for each target market, so that it satisfies local consumers and assures the stable position of Vietnam products in foreign distribution chains.

New solutions to link farmers, cooperatives and businesses are needed to establish efficient value chain and to enhance the sub-sector competitiveness in the context of deeper economic integration. In Vietnam, people have talked about the linkage between four stakeholders including the state, the scientist, the farmer and the enterprise for years, but only few linking models demonstrated their efficiency and feasibility. In most cases, farmers and businessmen did not harmonize their benefits while scientists could not meet the technology demand of real production. In addition, the inefficient implementation of policies in the sector could not create real incentives to the innovation and resources mobilization in this sector.

In the future, breakthroughs in technology and supply chain building are expected to keep the growth record of fruits and vegetables. But it requires big efforts of both the public and private sector to improve legal framework, businesses and investment environment as well as to control the input material market, which affects directly the food safety and production cost of fruits and vegetables.

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