

# Vietnam: Fruits & vegetables surpass crude oil in export revenue

With a sharp surge of 30 percent to US\$1.32 billion in the first four months of this year, export turnover of fruits and vegetables surpassed crude oil for the first time.

Experts attributed the rise to the sector's success in exploiting market advantages and applying clean production. With the high export growth rate, they forecast that the sector's export will surpass the threshold of \$3.5 billion this year.

Minister of Agriculture and Rural Development Nguyen Xuan Cuong said global trade in fruits and vegetables was worth \$230 billion a year with an annual growth rate of 3-5 percent per year, but there is still more room for Vietnam to boost fruit and vegetable exports.

According to experts, Vietnam has a favorable climate and land to grow different kinds of fruits, so localities having these advantages must have development plans in place and support enterprises in developing raw materials for the export of fruits.

Vietnamese fruits and vegetables are drawing significant interests from strict markets like the United States, Japan and Australia, opening opportunities for the products to sharply increase exports.

The United States has so far opened the door to Vietnamese star-apples and mangoes while fresh longans are likely to be granted an import license for Australia in early 2019.

At present, Vietnam also successfully exports red dragon fruit, mango, lychee, perilla leaves and parsley to the Japanese market.

Export turnover of Vietnamese fruits and vegetables to Japan gained US\$ 10.6 million in January, increasing sharply by 77.5 percent year-on-year.

According to the Ministry of Industry and Trade (MoIT), although the growth rate of fruit and vegetable export to Japan is high, the export turnover is still lower than the consumption demand of this market. In 2017, the import turnover of Japan was \$9.5 billion, up by 2 percent over 2016. In which, the import turnover from Vietnam was only \$132.5 million, up by 5.2 percent over 2016.

Experts said that it is a good sign that Vietnamese fruit and vegetables are gaining a foothold in more stringent markets which require primary quality and the profile of products. They therefore urge local producers and exporters to promote the products' exports to the markets.

To take advantage of market opportunities, Minister Cuong said that in addition to building more modern processing facilities, the sector must build qualified raw material areas for export.

According to the MoIT, as the markets require strict standards and quality of goods, hygiene and food safety, Vietnamese exporters must meet the stringent requirements in order to boost the exports to the markets.

In the production process, it said, enterprises must have raw material areas of which codes have been granted by the Plant Protection Department under the Ministry of Agriculture and Rural Development and follow the food safety assurance process.

Besides, agricultural experts say it is essential for businesses to carefully study customs, market tastes, build brands, and supply high added value products with traceable origins.

Hoang Trung, director of the Ministry of Agriculture and Rural Development's Plant Protection Department, said to open the export market for fruits, businesses and producers must meet two barriers set by import countries: stringent quarantine requirements and hygiene and food safety regulations, especially plant protection residues on fruits and vegetables.

His department had granted nearly 6,000 code numbers for cultivation areas for dragon fruits, mango, longan, rambutan and litchi.

The department had coordinated with localities to provide more code numbers for qualified growing areas for export, he said.

Importing countries require an orchard garden of the product along with a code to ensure traceability as well as to facilitate the application of pest-control measures.

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