



**Market access for Fruits & Vegetables**  
*from Vietnam*

Dr. Dam Quoc Tru

Ho Chi Minh City, 09.10.2017

The contents of this presentation are the sole responsibility of the author(s) and can in no way be taken to reflect the views of the European Union.




**Market access for Fruits & Vegetables**  
*from Vietnam*

*DQ Tru*





**Vietnam is a signatory of**

- 1956: APPPC
- 1995: WTO (negotiations started)
- 1995: ASEAN/AFTA
- 1998: APEC
- 2002: BTA with the US
- 2005: IPPC
- 1/2007: WTO




**Agreement on**  
*Sanitary and Phytosanitary*  
**(SPS)**  
*within the framework of WTO*



**SPS**

SPS measures include any measure applied to protect life and health of human beings and animals and plants in the territory of a country from risks coming from hazardous species, additives, contaminants, toxics or disease causing organisms contained in food, drinks, plants and products thereof.



**Objectives of the Agreement**

- Improve the health of human beings, plants and animals
- Set out principles to guide the development and enforcement of SPS measures in order to minimize their negative impacts on trade
- Apply SPS measures which are harmonized among members based on international standards, guidelines and recommendations



### Some key principles

- Science based
- Transparency
- Harmonization
- Equivalence
- Risk assessment
- Inspection, control and certification
- Non discrimination

## LAW ON PLANT PROTECTION AND QURANTINE (4/2013)

### ISPMs translated and applied in Vietnam (Vietnamese standards)

ISPM No:1.Phytosanitary Principles Of Plant Quarantine As Related to International Trade	TCVN 6907: 2001
ISPM No:2.Guidelines For Pest Risk Analysis	TCVN 6908:2001
ISPM No:4.Requirements for the Establishment of Pest Free Areas	TCVN 7515: 2005
ISPM No:5.Glossary of Phytosanitary Terms	TCVN 3937:2007
ISPM No:6.Guideline For Surveillance	TCVN 7516: 2005
ISPM No:8.Determination of Pest Status in an Area	TCVN 7517: 2005
ISPM No:10.Requirements for the Establishment of Pest Free Places of Production and Pest Free Production Site	TCVN 7669:2007
ISPM No:11.Pest risk analysis for quarantine pests, including analysis of environmental risks and living modified organisms	TCVN 7668:2007
ISPM No:12.Guidelines for Phytosanitary Certificates	10TCN 951: 2006
ISPM No:20.Guidelines for a Phytosanitary import regulatory system	TCVN 7666: 2007
ISPM No:23.Guidelines for Inspection	TCVN 7667:2007
ISPM No:24.Guidelines for Determination and Recognition of Equivalence of Phytosanitary measures	10 TCN 961: 2006

### Key data (information) to be prepared for Market access

#### 1. Information about plants

- Scientific name, author
- Generalized name
- Species (pests sensitive/resistant)
- Recent export program

#### 2. Information about production area

- Regions, provinces and districts expected to produce the export products
- Production plan map
- Product volume expected to be produced/exported.

**3. Information about cultivation method**

- Disease management including information about main diseases and their occurrence, inspection/sampling,
- Sources of products from disease free or low disease occurrence areas,
- Harvesting method and date,
- Domestic regulations related to diseases,
- Management and maintenance of disease free areas

**4. Information about the List of pests**

- Scientific name, author
- Categorization of pests
- Generalizes name
- Main plant (species) and distribution
- Part of plant affected by pest, symptom/damage
- Frequency of occurrence (frequently, rarely, prevention measures).

**4. Information about the List of pest (cont.)**

- Cultivation (rotation, eradication of pathogens, farm cleaning, use of traps..)
- Bio-measures (use of natural enemies and useful mold...)
- Physical and chemical measures (measures, means, time, applicable schedule...)
- Technical document about disease
- Record keeping (as required).

**5. Information about Packaging/conservation equipment**

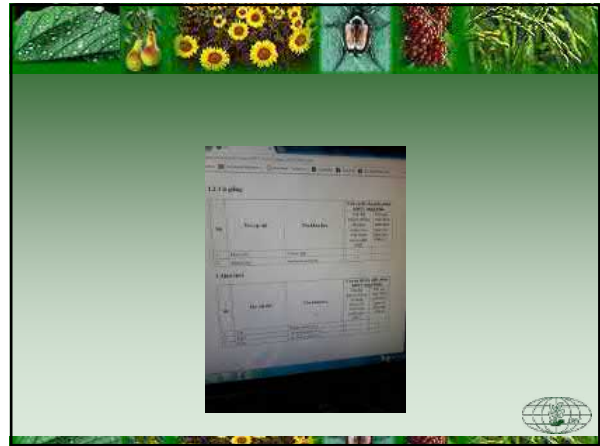
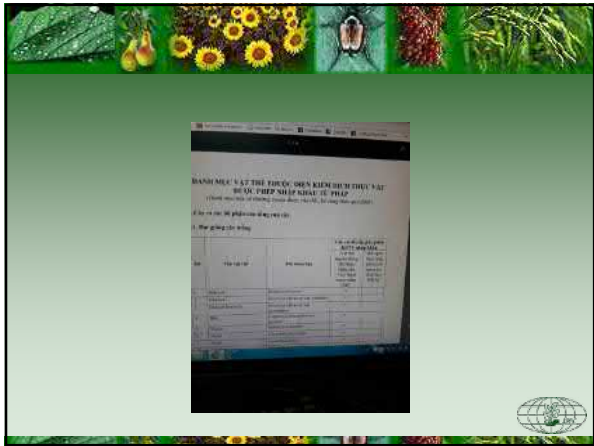
- Packaging method
- Inspection and control process (level of inspection)
- Post-harvest sterilization method
- Conservation and safety tools/means.

**6. Information about export program**

- Propose pre-export handling methods
- Current issuance process of plant quarantine certificate (standards, features, additional declaration requirements...)

**List of articles subject to plant quarantine when imported to Vietnam by 42 countries under Circular 30/2014/TT-BNNPTNT dated 05/9/2014**

1. Egypt	12. Chile	23. Israel	34. France
2. India	13. Cuba	24. Italy	35. Philippines
3. Argentina	14. Costa Rica	25. Kenya	36. Scotland
4. Poland	15. Denmark	26. Laos	37. Singapore
5. Bangladesh	16. Germany	27. Malaysia	38. Sri Lanka
6. Belgium	17. Guatemala	28. Mexico	39. Tanzania
7. Brazil	18. Holland	29. Nam phi	40. Turkmenistan
8. Bulgaria	19. US	30. New Zealand	41. Australia
9. Cambodia	20. Hong Kong	31. Russia	42. Ukraina
10. Cameroon	21. Hungary	32. Nigeria	
11. Canada	22. Indonesia	33. Peru	



**Measures to control imported plants**

In accordance with regulations:

- Regulation EC 178/2002;
- Regulation EC 882/2004,
- Regulation EC 669/2009

**Measures to control imported plants**  
**Requirements for plants imported from third country**

Competent agency of exporting country has to have equivalence recognized by the EU, including:

- + Equivalent system of legal documents (including regulations, guidelines on control programs; inspection of the business premises...);

*(tiếp)*

- + Equivalent competence of food safety inspection and control (including the implementation of control programs of residues and safety and hygiene control during harvest).
  - Company producing the export product to the EU must be in the EU's list of approved companies
  - The consignment must be accompanied by a Certificate issued by the competent agency of exporting countries using the form accepted by the EU.
- Inspection of non-animal imported food:
  - Document and visual inspection.
  - Inspection frequency depends on:

*(cont.)*

Risks related to the type of food;

- + Compliance history of the third country and premises of origin; compliance history of importer;
- + Control activities implemented by the food business;
- + Commitment/assurance made by the functional body of the country of origin.
- Analyzed parameters: Depending on the nature and level of risk of the product, the EU competent agency shall determine the parameters and inspection (sampling) frequency for consignments from third countries into the EU.



## Information on market access of fruit/vegetable and nuts from Vietnam 2016/2017



### Market access for fresh fruit, vegetable and nuts from Vietnam

*The world:*

The total export turnover for fresh fruit, vegetable and nuts amounted to over USD 200 bill in 2015



*Vietnam:*

- 2013 export was USD 1 bill,
- 2014 export was USD 1.47 bill
- 2015 export was USD 1.8 bill.

Vietnam is currently exporting to more than 40 countries and territories.



*(Cont.)*

Only for the first half of 2016, export volume of fruit, vegetable and nuts reached to around **1,2 bill USD**, a sharp increase year on year (over 40%).

All markets see good increase, particularly the increase with highly demanding markets was 81% against the same period of 2015.



### Results of market access

*I. Markets accessible to fresh fruit, vegetable and nuts from Vietnam*

**ASEAN, EU, Middle-East, East Europe and Canada:**

All kinds of products have access to these markets. The regulation that applies is that consignments must be inspected and get certificate from Vietnam's Plant Quarantine Agency and conform with the importing country's plant quarantine requirements.



### Markets accessible to fresh fruit, vegetable and nuts from Vietnam (cont.)

- **China:** dragon fruit, melon, rambutan, mango, litchi, longan, banana and jackfruit.
- **US:** white meat and red meat dragon fruit, rambutan, litchi and longan.
- **Japan:** white meat dragon fruit, mango.
- **South Korea:** white meat and red meat dragon fruit and mango.
- **Chile:** white and red meat dragon fruit.
- **New Zealand:** Mango, white and red meat dragon fruit.





**2. Markets that Vietnam is negotiating with**

- **US:** mango, star apple.
- **Japan:** red meat dragon fruit, litchi and longan.  
For red meat dragon fruit, Japan is expected to officially allow import from Vietnam in early 2017.
- **South Korea:** star apple, longan, litchi, rambutan, passion fruit
- **Chile:** longan, litchi and pomelo.

**2. Markets that Vietnam is negotiating with (cont.)**

- **Australia:** dragon fruit, longan, passion fruit
- **New Zealand:** rambutan, litchi, longan, star apple, flower
- **Brazil, Argentina, Peru:** Rambutan, longan, litchi, pomelo, dragon fruit
- **China:** Lime, coconut, mangosteen, rose apple, pomelo
- **Taiwan:** white meat dragon fruit

(Cont.)

**China**

All fresh fruits can be exported via border trade. Main official export categories: *dragon fruit, watermelon, rambutan, mango, litchi, longan, banana and jackfruit.*

Consignments must be inspected and get certificate from Vietnam's Plant Quarantine Agency certifying they are not subject to China's plant quarantine.

**China (Cont.)**

*For fresh fruit for which market access is under negotiation:*

**Mangosteen:**

- 3/2011, the Department has sent technical information to promote market access for this fruit
- China has prepared a Protocol regarding mangosteen and sent to Vietnam for feedback
- Two parties had a bilateral meeting in Vietnam to discuss the Mangosteen Protocol.

**China (Cont.)**

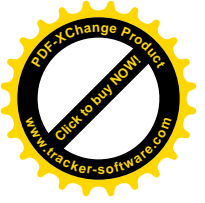
- In 9/2016, the Plant Protection Department sent its feedbank on the above Protocol and recommended 5 hazardous organisms which can be found in mangosteen: *Bactrocera dorsalis, Bactrocera correcta, Dysmicoccus lepelleyi, Dysmicoccus neobrevipes, Phellinus noxius.*

**China (Cont.)**

*Other fresh fruits for which market access is under negotiation:*

- **Rose apple:** in 3/2011, technical documents were sent
- **Pomelo:** in 5/2015, technical documents were sent.
- **Custard apple & Passion fruit:** in 8/201, two technical documents were sent.
- **Coconut:** in 10/2016, technical documents were sent

*However, up to now the Department has not yet received any feedback from China regarding these fruits.*



**China** (Cont.)

*Propose prioritization of fruits to have market access:*

1) Star apple 2) Passion fruit 3) Pomelo 4) Coconut 5) Rose apple

**Fresh purple potato (commercial product):**


On 16/7/2012, the Department sent technical documents for fresh purple potato from Vietnam to China I order to promote market access.

**So far, the Department has not received any feedback from China regarding this product**




**THE STATUS OF FRUIT IMPORT AND EXPORT IN THE FIRST HALF OF 2017**

- As reported by MARD, Vietnam's fruit export in the first eight months of 2017 amounted to more than USD 2.3 bill, up 47% against the same period of 2016
- China, Japan, US and Korea are the four leading markets, accounting for 85% of Vietnam's total export value.
- The expected export volume for 2017 is USD 3.4-3.6 bill (up 40%).



(Cont.)

- Import value of vegetables and fruits in the first eight months of 2017 reached more than \$ 1 billion, an increase of 93.7% over the same period of 2016.
- Of which, vegetables were estimated at \$ 190 million, up 35% from the same period last year, and fruits reached \$ 809 million, up more than twice as much as the same period of 2016.




(Cont.)

- The largest market for fruits and vegetables in the first months of 2017 was Thailand, which accounted for nearly 62% of the market, followed by China with 16%.
- The highest increase was recorded with Thailand (3.2 times), followed by India (2.2 times) and New Zealand (53.5%).



(Cont.)


- The import of fruit from Thailand is increasing rapidly, including mango, mangosteen, longan, and jackfruit. The volume is higher than that of previous years. The main reason is that Vietnam temporarily import and then re-exported to China, of which the volume accounts for over 90%, while about 10% is consumed domestically).



(Cont.)

Tariff reduction as a result of FTAs (Vietnam's FTA tariff is 0% for fruits, given phytosanitary certificate is provided) and simplification of import procedures have increased the import of fruit and vegetables, leading to a decrease in the price of imported fruit

**The question is how to make fruit import become sustainable and substantive?**



**Key agricultural products exported to the EU  
from the beginning to 29/9/2017**

Product	Number of consignment	Weight (ton)
1. Vegetable	538	319
2. Fruit	2.358	5108
3. Flower	173	17
4. Others	13.861	674.330
<b>Total</b>	<b>16.930</b>	<b>680.000</b>

**Main kinds of fruit imported from the EU  
from the beginning to 29/9/2017**

Product	Number of consignment	Weight (ton)
Fresh KIWI	10	230
Olive	1	16
Apple	67	1416

- 3. Proposed solutions and recommendations**
- High level dialogue.
  - MOIT helps study and propose some potential markets
  - Allocate funds and invest resources in negotiating with other countries to agree on plant quarantine measures
  - Develop appropriate market access strategy: focus on major markets where there are convenient transportation services and Vietnamese products have advantages (dragon fruit, longan, rambutan, pomelo, mango, etc).

- 3. Proposed solutions and recommendations  
(Cont.)**
- Planning and development of concentrated production areas for key export products
  - Adopt policies on investment in technologies for plant quarantine and in-depth preservation and treatment technologies to meet the requirements of importing countries.
  - Adopt policies to support and develop enterprises engaged in production and export of agricultural products so as to have sufficient competitiveness in the market of agricultural products.

**Cục Bảo Vệ Thực Vật (PPD)**

*Dr. Hoàng Trung, Director  
Dr. Nguyễn Quý Dương, Deputy Director  
Dr. Bùi Sỹ Doanh, Deputy Director*

Webpage: [www.ppd.gov.vn](http://www.ppd.gov.vn)  
Address: 149 Hồ Đắc Di, Đống Đa, Hanoi  
Email : [ppdvn@fbt.vn](mailto:ppdvn@fbt.vn)  
Tel : (024) 38519451  
Rep. Office: 28 Mạc Đĩnh Chi, D. 1, TP HCM

**Contact :**

EU-MUTRAP Project Management Unit  
Room 1203, 12<sup>th</sup> Floor, Office Building, Hanoi Tower,  
49 Hai Ba Trung, Hoan Kiem, Ha Noi  
Tel: (84 - 4) 3937 8472  
Fax: (84 - 4) 3937 8476  
Email: [mutrap@mutrap.org.vn](mailto:mutrap@mutrap.org.vn)  
Website: [www.mutrap.org.vn](http://www.mutrap.org.vn)  
(Workshop materials are available on this Website)