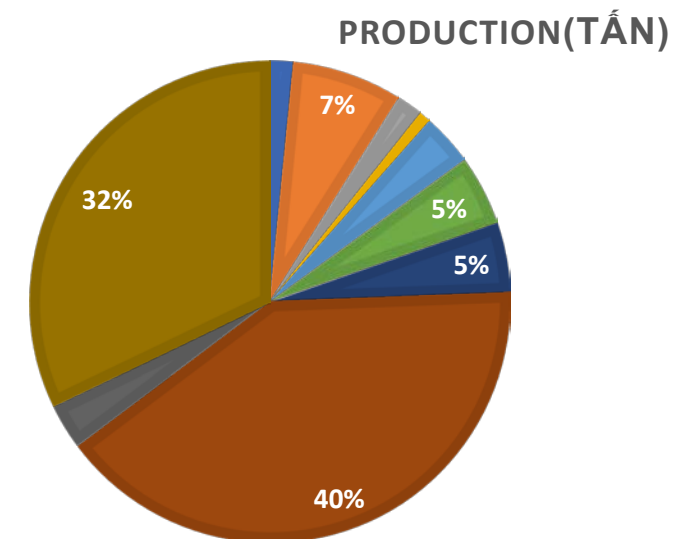
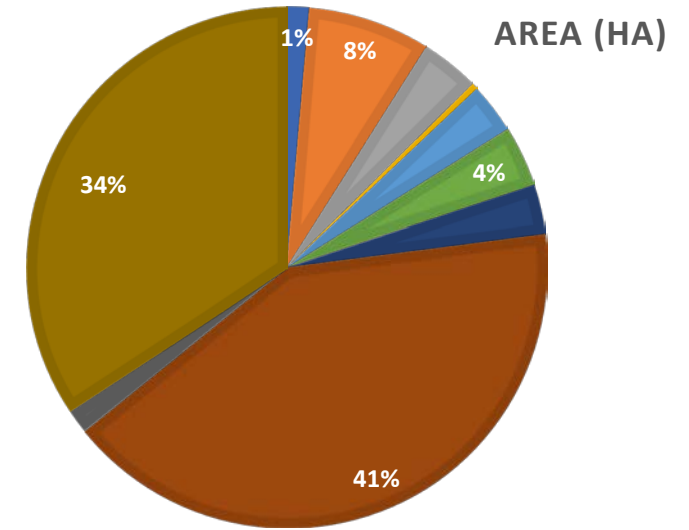
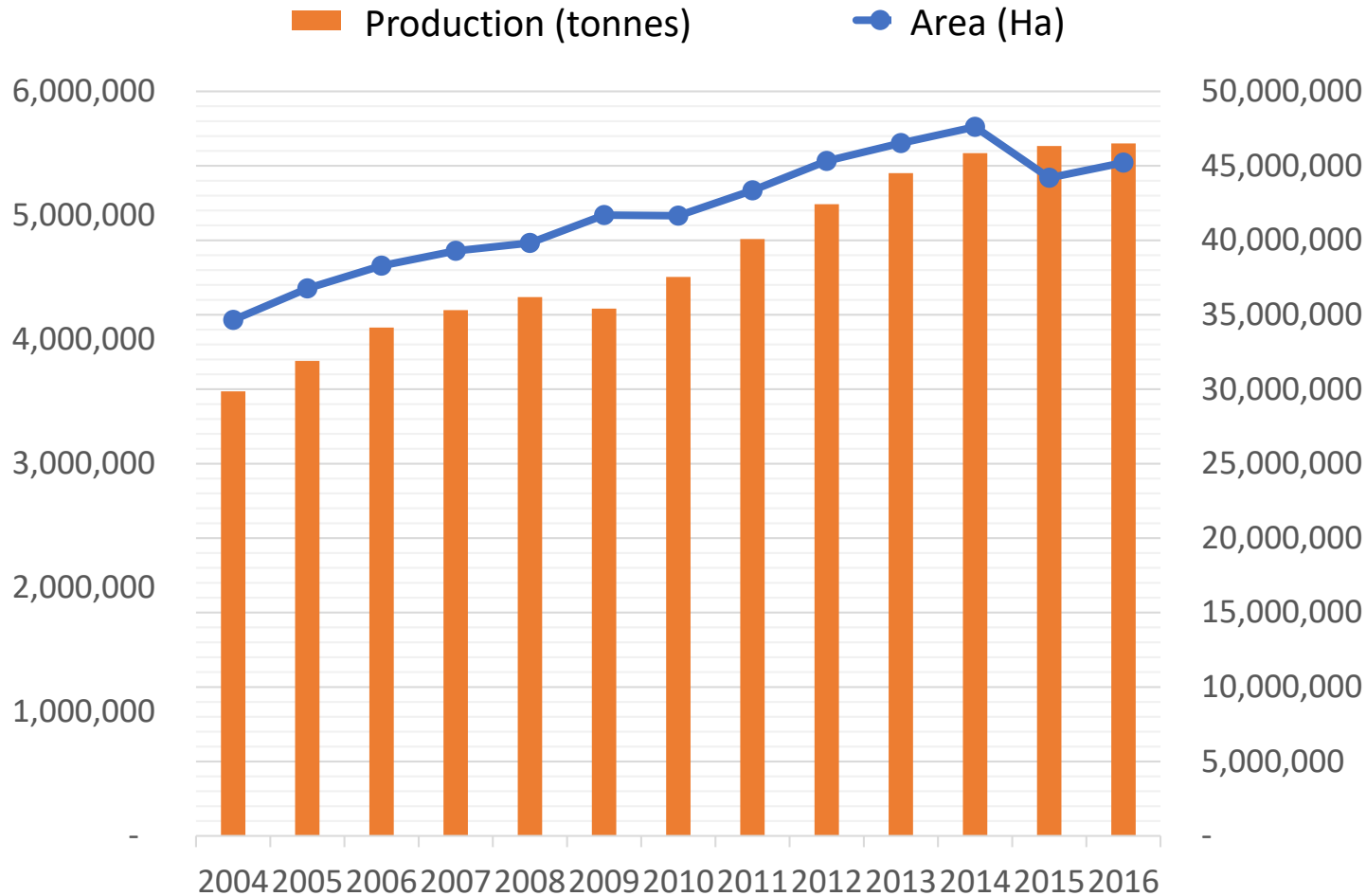


# **Current market information, export potential & industry trends**

Nguyen Duc Loc, Ph.D  
SCAP

# Mango's Global Production: 5.4 million Ha and 46.5 million Tonnes

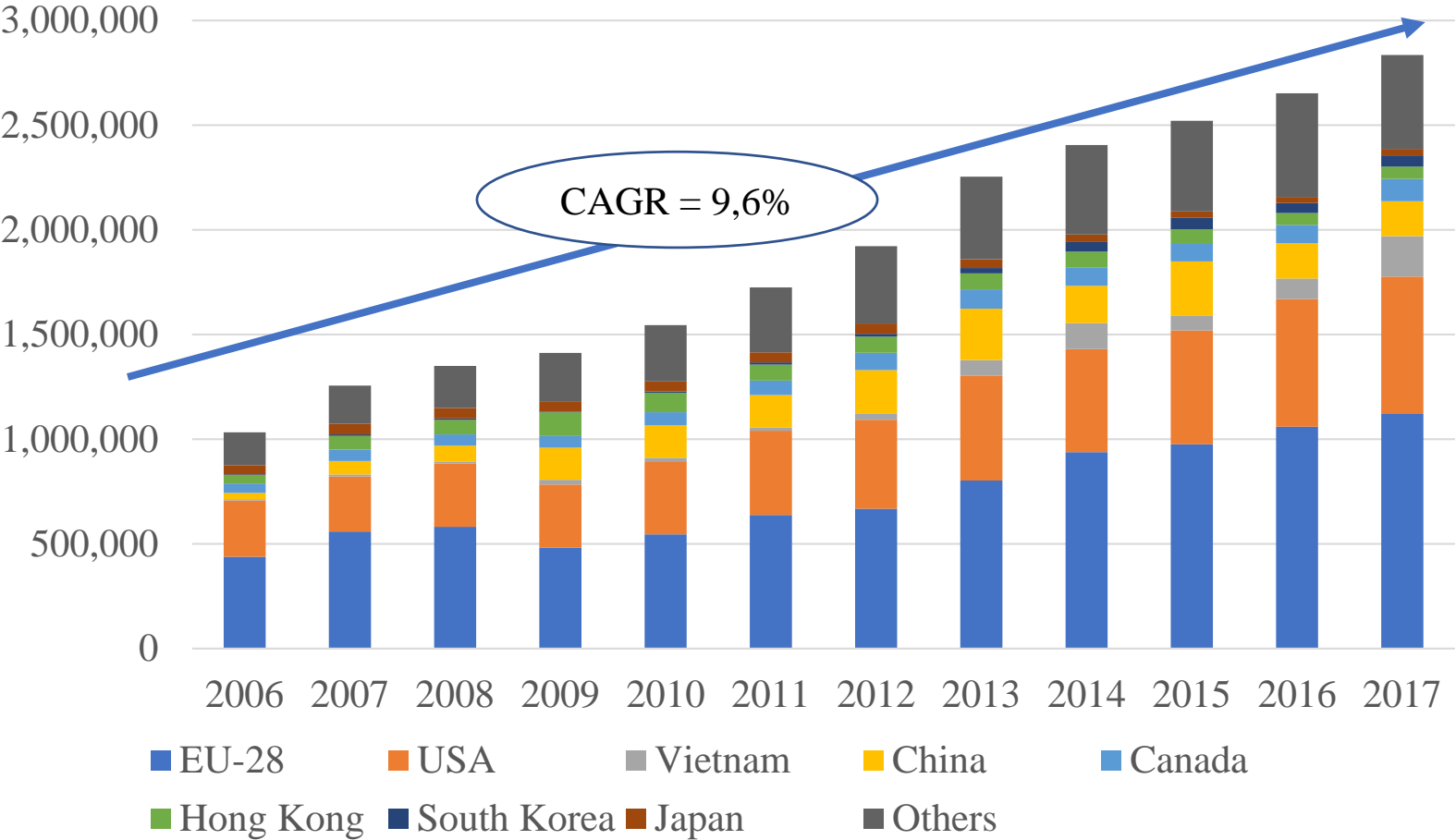
## CAGR: Area: 2.2% and Production: 3.8% per year between 2004 and 2016.



Source: (FAO, 2018)

# Global market of Mangoes, mangosteens, and guavas fresh or dried (HS code 080405)

The 8 largest import markets of HS code 080405  
(Unit: US\$)



	Market size (US\$ Billion)	CAGR 2006-2017 (%)
EU-28	1.12	8.9%
USA	0.66	8.4%
<b>Vietnam</b>	<b>0.19</b>	<b>36.5%</b>
<b>China</b>	<b>0.17</b>	<b>16.9%</b>
Canada	0.11	8.2%
<b>Hong Kong</b>	<b>0.06</b>	<b>3.4%</b>
<b>South Korea</b>	<b>0.05</b>	<b>27.3%</b>
Japan	0.03	-3.0%

In this product group, Vietnam ranked in the third position due to its import of mangosteens from Thailand which accounts for about 80% of total import value.

Source: (ITC, 2017)

# Mango main markets: Sizes and segments

	EU-28	South Korea	China	The USA			Asian countries	Japan
				Normal	Organic	Dried		
Market size (US\$ Million)	1,015	48.3	20.4	450.3	19.5	95.8	180.1	28.1
CAGR 2006-2016 (%)	7.9%	<b>26%</b>	<b>16.1%</b>	9.3%	-35.8%	15.6%	18.8%	-3.7%
3 main suppliers and their segment	49.7%	88.5%	85.4%	84.7%	83.7%	90.8%	64.3%	77.0%
- Largest	Brazil (25.6%)	<b>Thailand</b> <b>(61.4%)</b>	Đài Loan (44.8%)	Mexico (58.1%)	Mexico (35%)	Mexico (45.1%)	<b>Thailand</b> <b>(59.2%)</b>	Mexico (36.1%)
- Second Largest	Peru (18.7%)	<b>Philippines</b> <b>(21.8%)</b>	<b>Thailand</b> <b>(24.4)</b>	Ecuador (13.7%)	Peru (30.7%)	<b>Philippines</b> <b>(36.6%)</b>	Malaysia (2.9%)	<b>Thailand</b> <b>(25.5%)</b>
- Third Largest	Ivory Coast (5.3%)	Peru (5.3%)	<b>Philippines</b> <b>(16.2%)</b>	Peru (12.9%)	Ecuador (18%)	<b>Thailand</b> <b>(9.1%)</b>	Úc (21.1%)	Đài Loan (15.4%)

# Vietnam

VS

# Thailand

Fruit		Export value 2016 (1000 USD)	Trade balance 2016 (1000 USD)	World market share (%)	Rank	Market concentration*	Export value 2016 (1000 USD)	Trade balance 2016 (1000 USD)	World market share (%)	Rank	Market concentration*
Fresh	Banana	17,146	16,641	0.2	38	0.59	14,410	9,715	0.1	40	0.29
	Pineapple	139	139	0	68	0.16	1,604	1,523	0.1	31	0.14
	Mango – Mangosteen - Guava	75,215	-30,127	0.3	36	0.16	166,367	156,121	7.4	6	0.26
	Orange	77	-72,925	0	87	0.37	2,584	-5,755	0.1	45	0.46
	Pomelo	1,198	-2,685	0.1	29	0.13	10,907	10,902	1.3	12	0.36
	Dragon fruit, longan, rambutan, lychee, and other tropical fruits	668,379	399,830	25.5	1	0.69	413,084	383,527	15.8	2	0.26
Processed	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes (2007)	4,808	1,309	0.2	56	0.15	31,953	22,595	1	24	0.07
	Fruits, nuts and other edible parts of plants, prepared or preserved (2008)	239,586	151,551	1.7	16	0.13	1,030,811	937,125	7.1	3	0.17
	Fruit juices (2009)	58,849	36,650	0.4	32	0.1	738,120	663,871	5	6	0.16

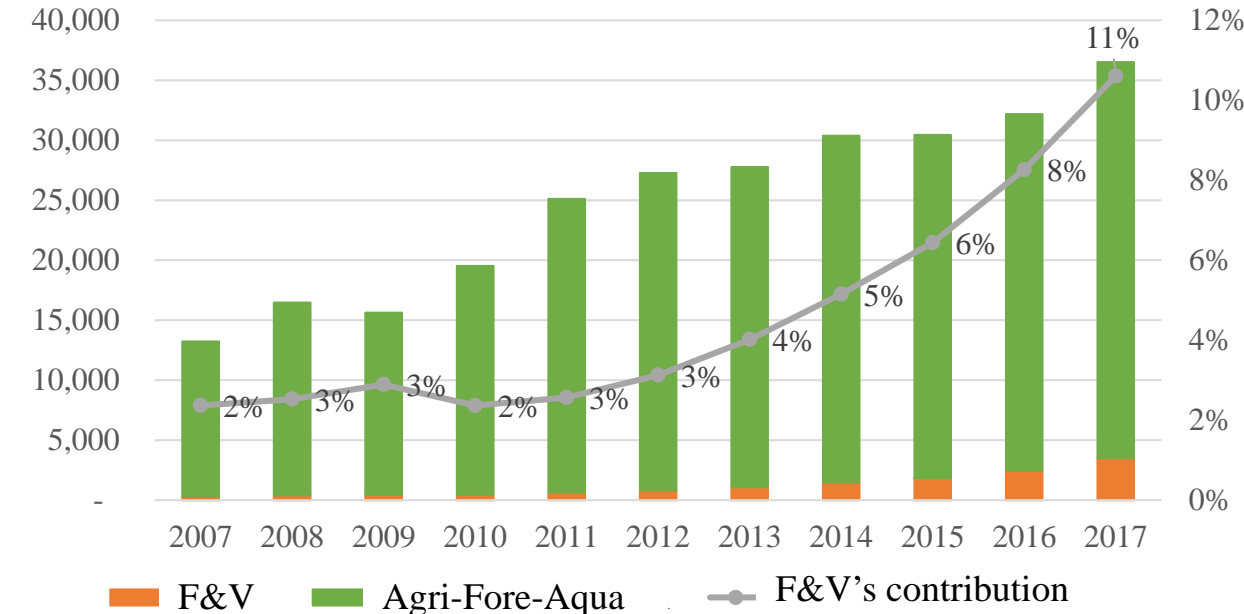
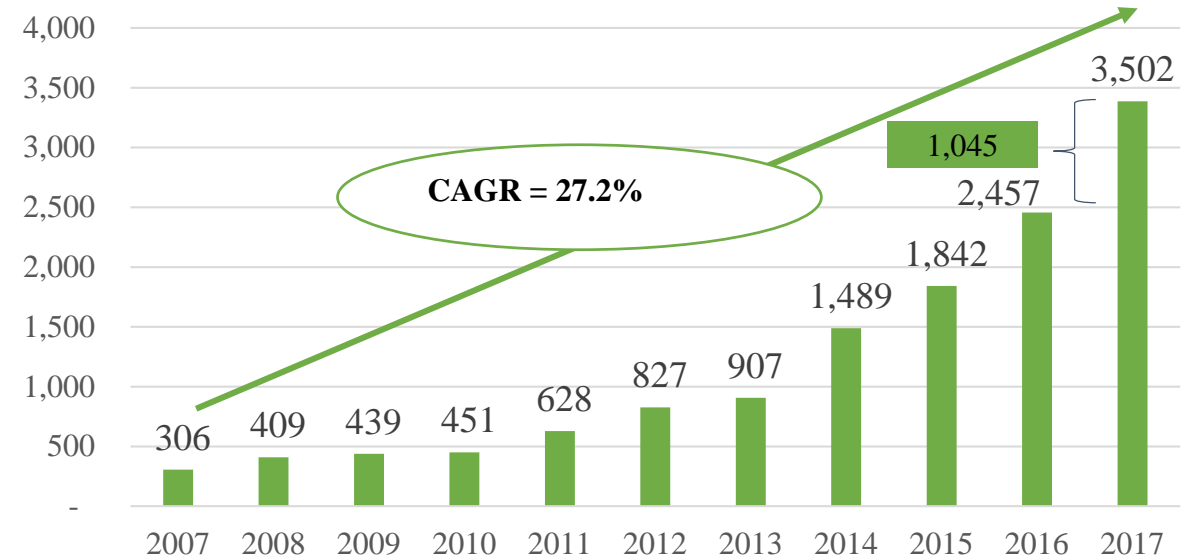
Source: (ITC, 2017)

\* Market concentration based on the Herfindahl Index. They consider Herfindahl indices between 0.1000 and 0.1800 to be moderately concentrated and indices above 0.1800 to be concentrated

# Domestically, F&V sector is growing rapidly and sustainably

- F&V sector achieved impressive results in Vietnam's agriculture:
  - In 2007: Export value: US\$ 306 million, (about 2% of total export value of Agri-Fore-Aqua); In 2017 increased to US\$ 3.5 billion, (approximately 11% total export value of Agri-Fore-Aqua).
  - In 2017: F&V contributed about US\$ 1,045 million (nearly 20%) to the total growth of the export value of Agri-Fore-Aqua)
  - CAGR: 27% between 2007 – 2017;
  - Became one of the major export commodities of Vietnam with higher value than coffee, rice, and rubber.

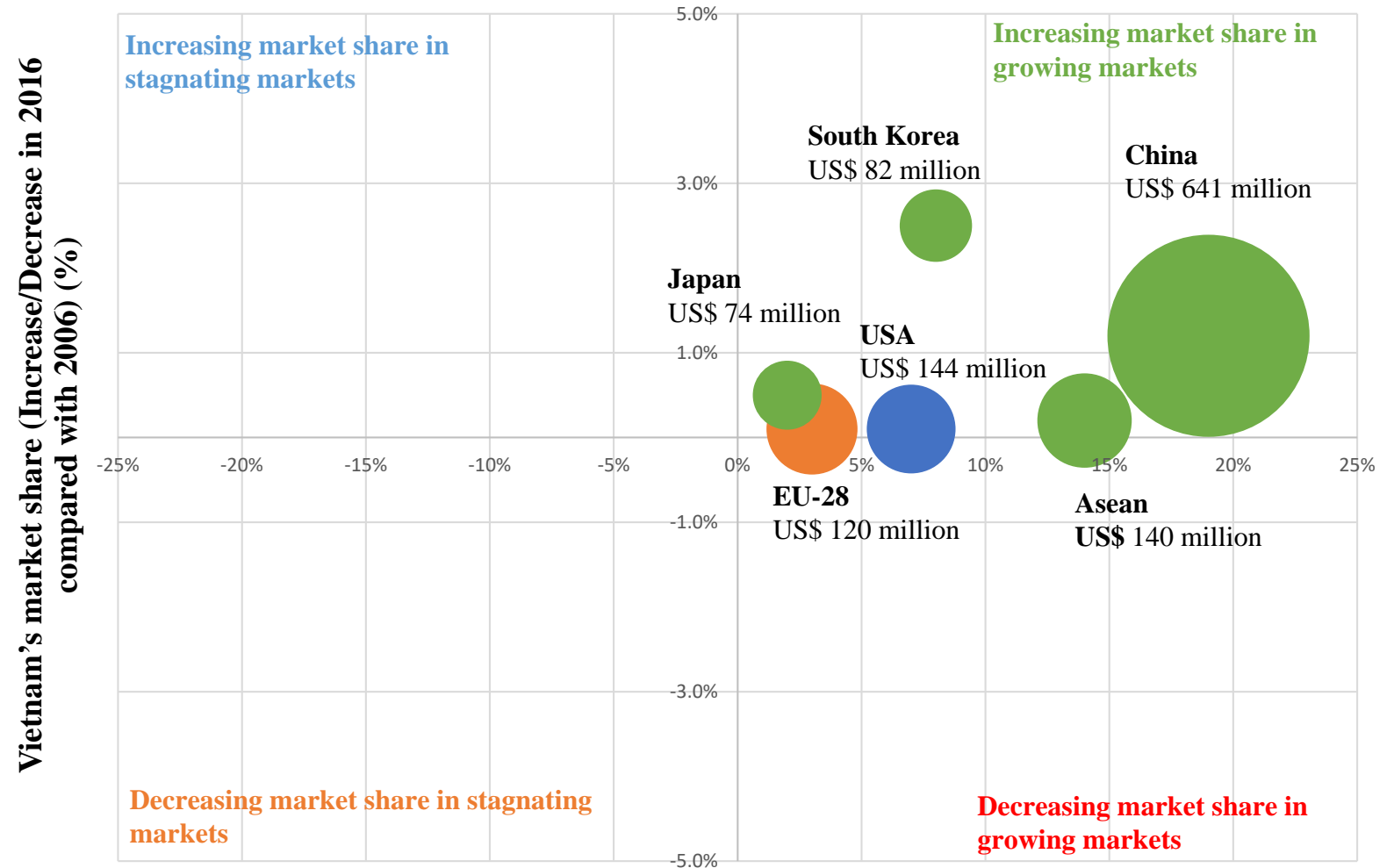
Export value of F&V products (US\$ Million)



# Vietnam's F&V growth in main import markets

## Main export markets of Vietnam's F&V

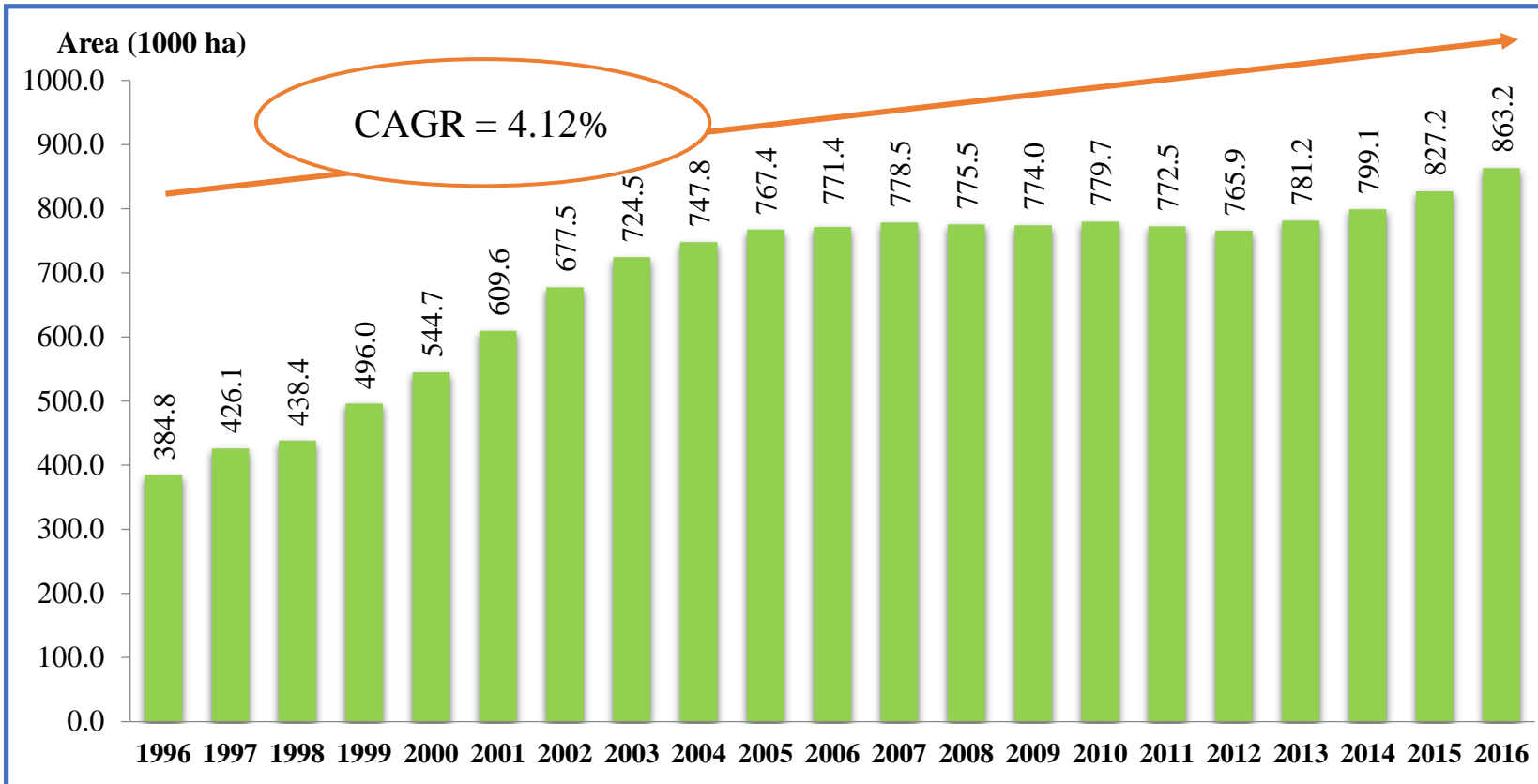
- Important markets are in a good sector where Vietnam is growing its market share. In which,
  - The Korean market has a significant market share, nearly 3% in the period 2006-2016.
  - Vietnam is also growing its market share in China and Japan.
  - The US, EU and Asean markets have a very low market share gap between 2006 and 2016, around 0.2%.
  - Vietnam's F&V is picking the right markets.



# Fruit production of Vietnam: 923,900 Ha and 9.2 million tonnes

Fruit production area of Vietnam between 1996 - 2016

10 primary fruits



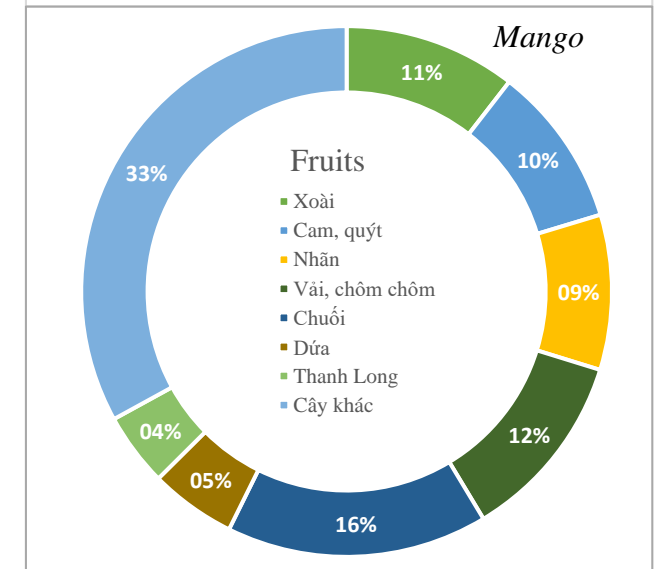
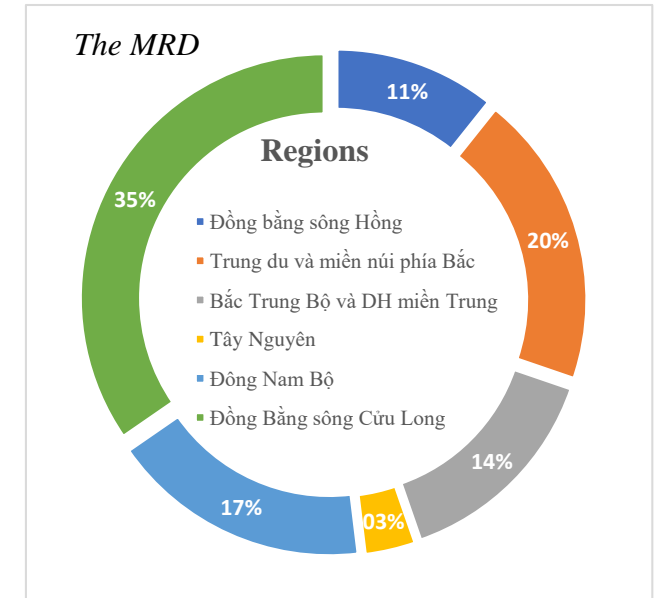
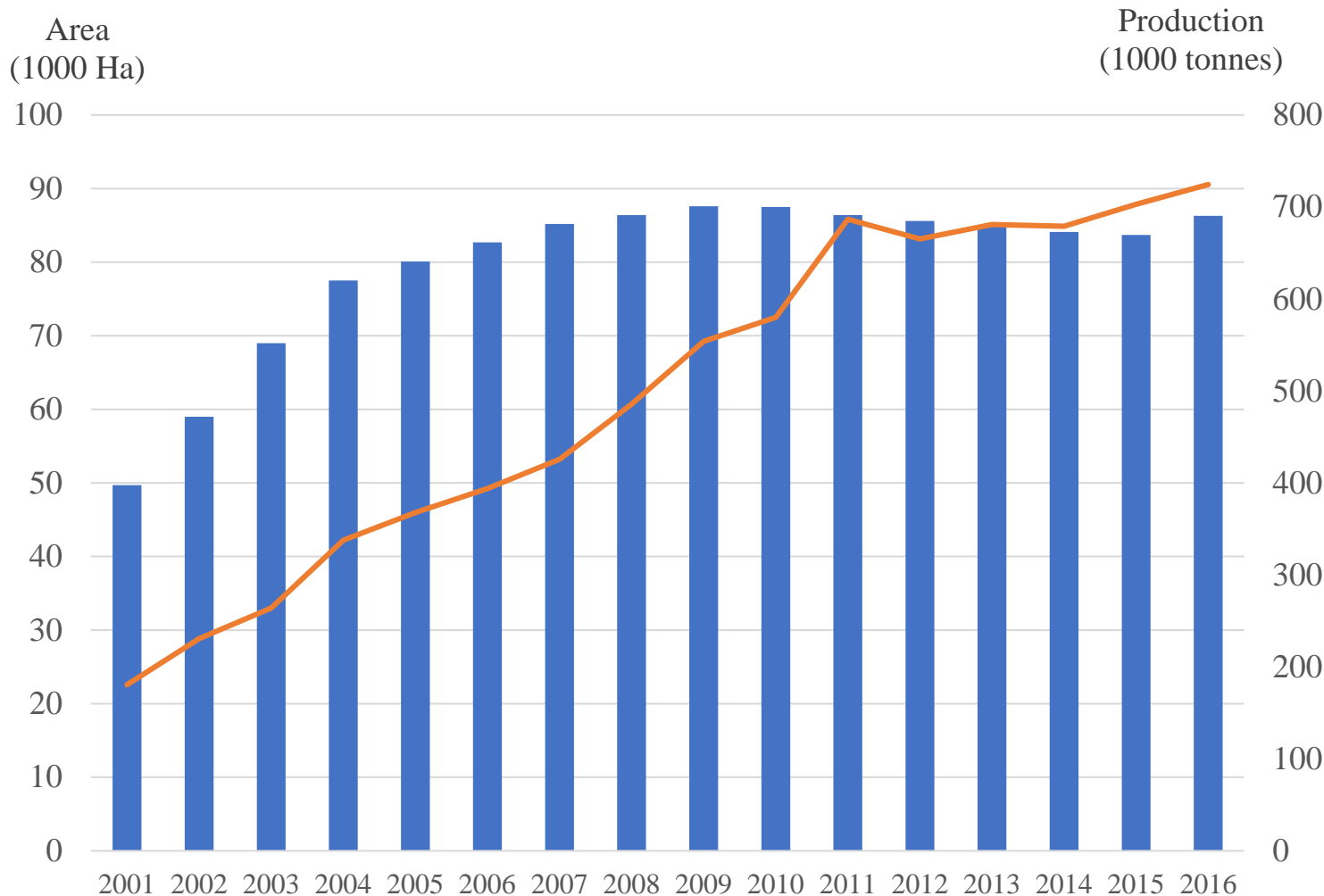
Fruit	Area (1000 Ha)	Production (1000 tonnes)
Dragon Fruit	42.0	707.6
Banana	133.0	1,943.3
Pineapple	39.7	578.2
Mango	83.7	702.9
Orange	66.8	566.1
Pomelo	51.7	471.4
Lychee	65.0	356.6
Longan	73.3	513.0
Rambutan	25.6	358.5
Durian	31.9	366.3
<b>Total</b>	<b>612.7</b>	<b>6,563.9</b>

- The area of fruit trees increased by 4.12% per year during 1996-2016;
- 10 primary fruits (Area more than 20 thousand ha), accounting for 86% of total fruit areas in the country.
- Many advances in science and technology, plant varieties, specialized farming and cultivation have been improved.
- Successful spreading 5 groups of key fruits including Dragon fruit, Mango, Longan, Rambutan and Durian

Source: (MARD, 2017)

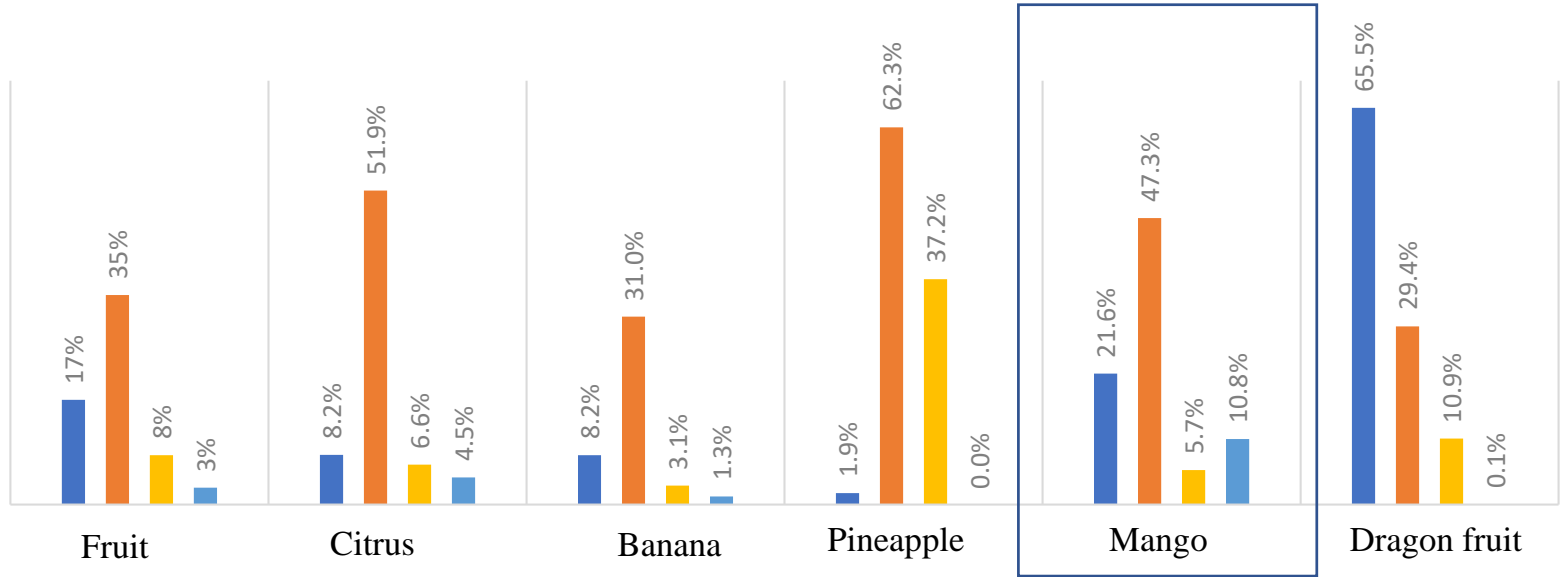


# Mango is classified in the primary fruits of Vietnam with an area of 86,300 Ha and production of 724,400 tonnes. The CAGRs are 3.7 per year and 7.9 per year respectively between 2001 - 2016



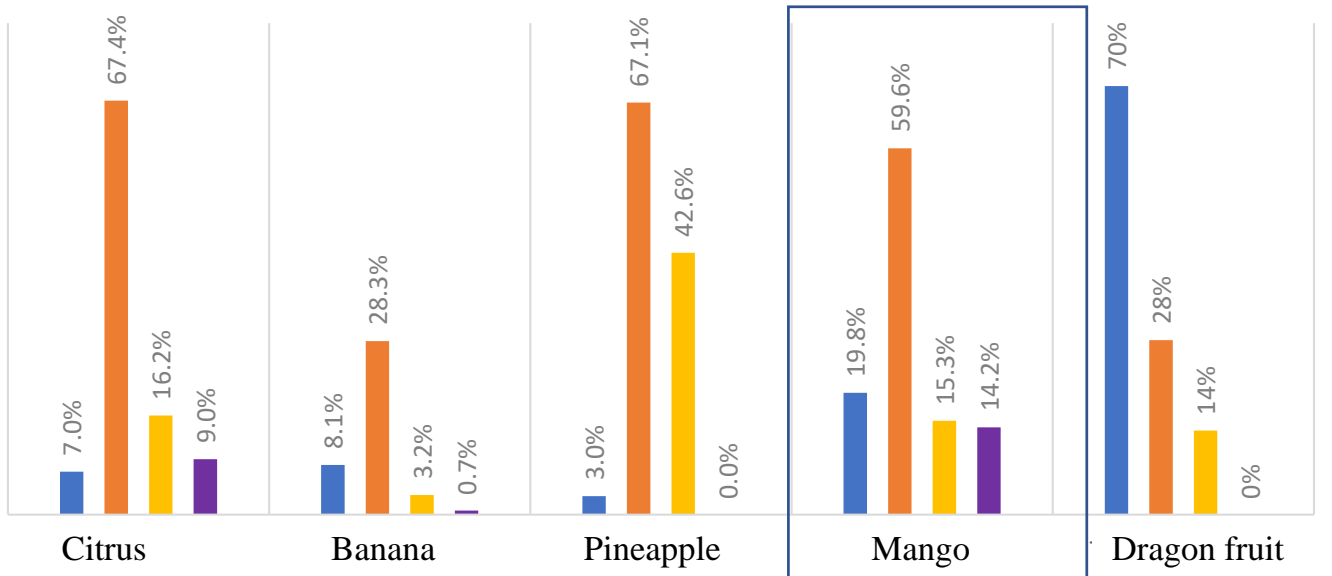
# Tien Giang and Dong Thap province have the largest areas of Mango in the MRD.

## Area



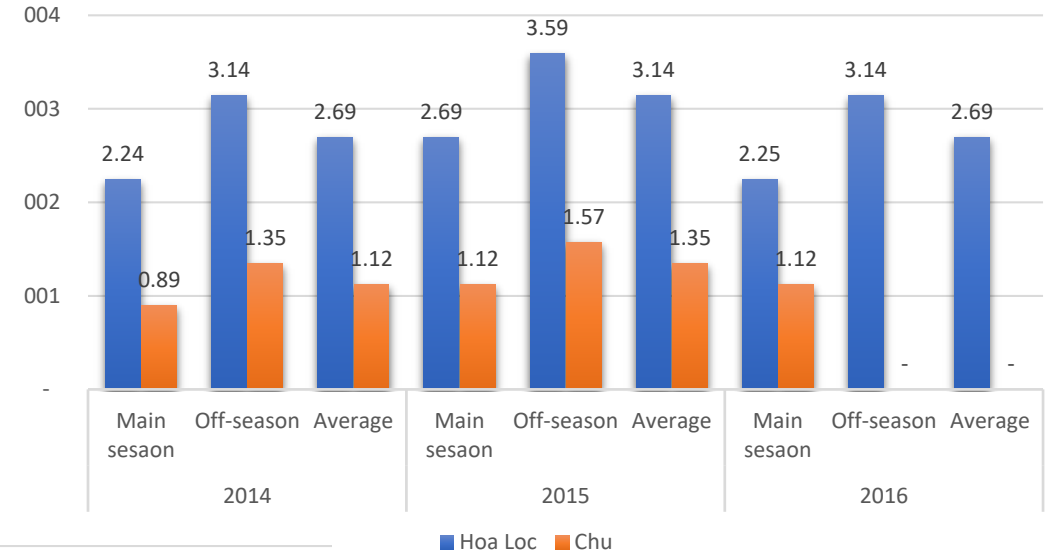
East MRD Tien Giang Dong Thap

## Production

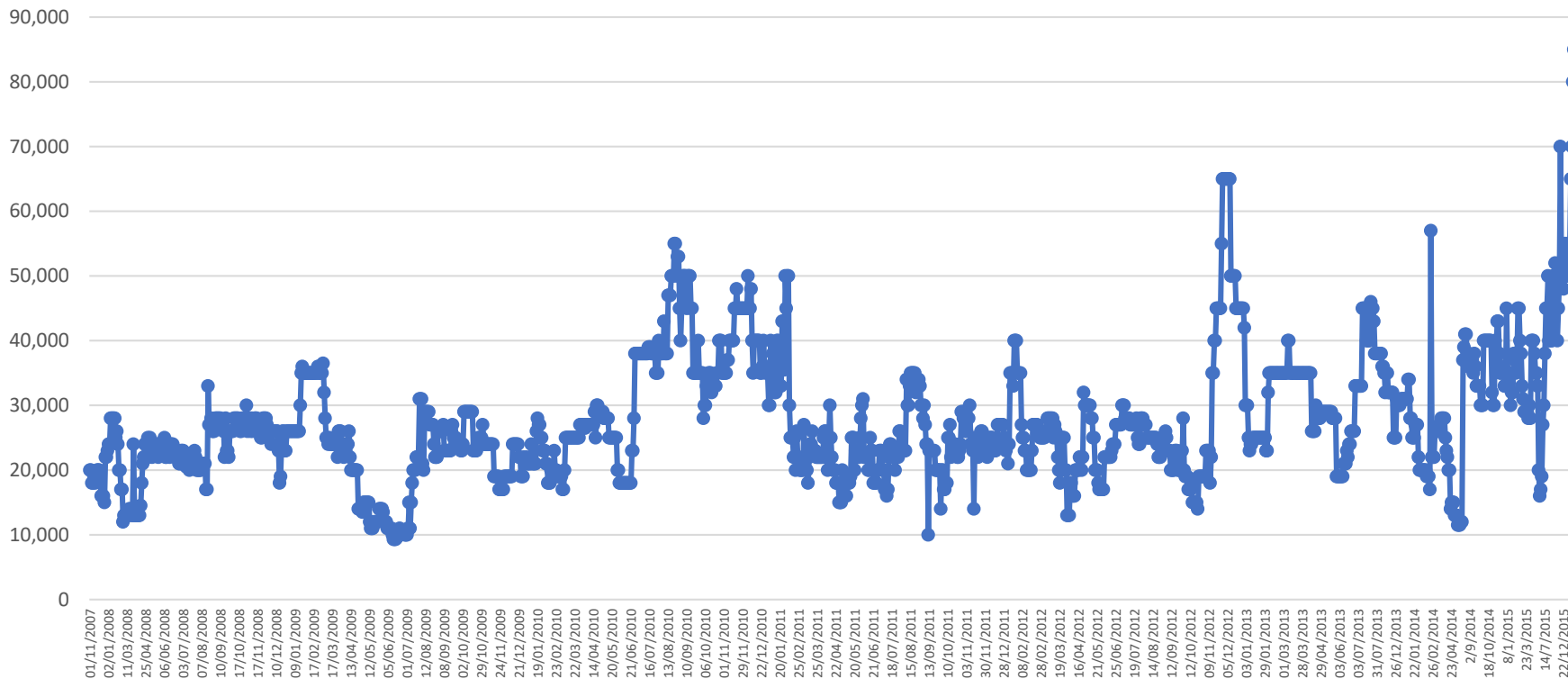


Mangoes' prices: fluctuating and depending on farmers' flowering manipulation?

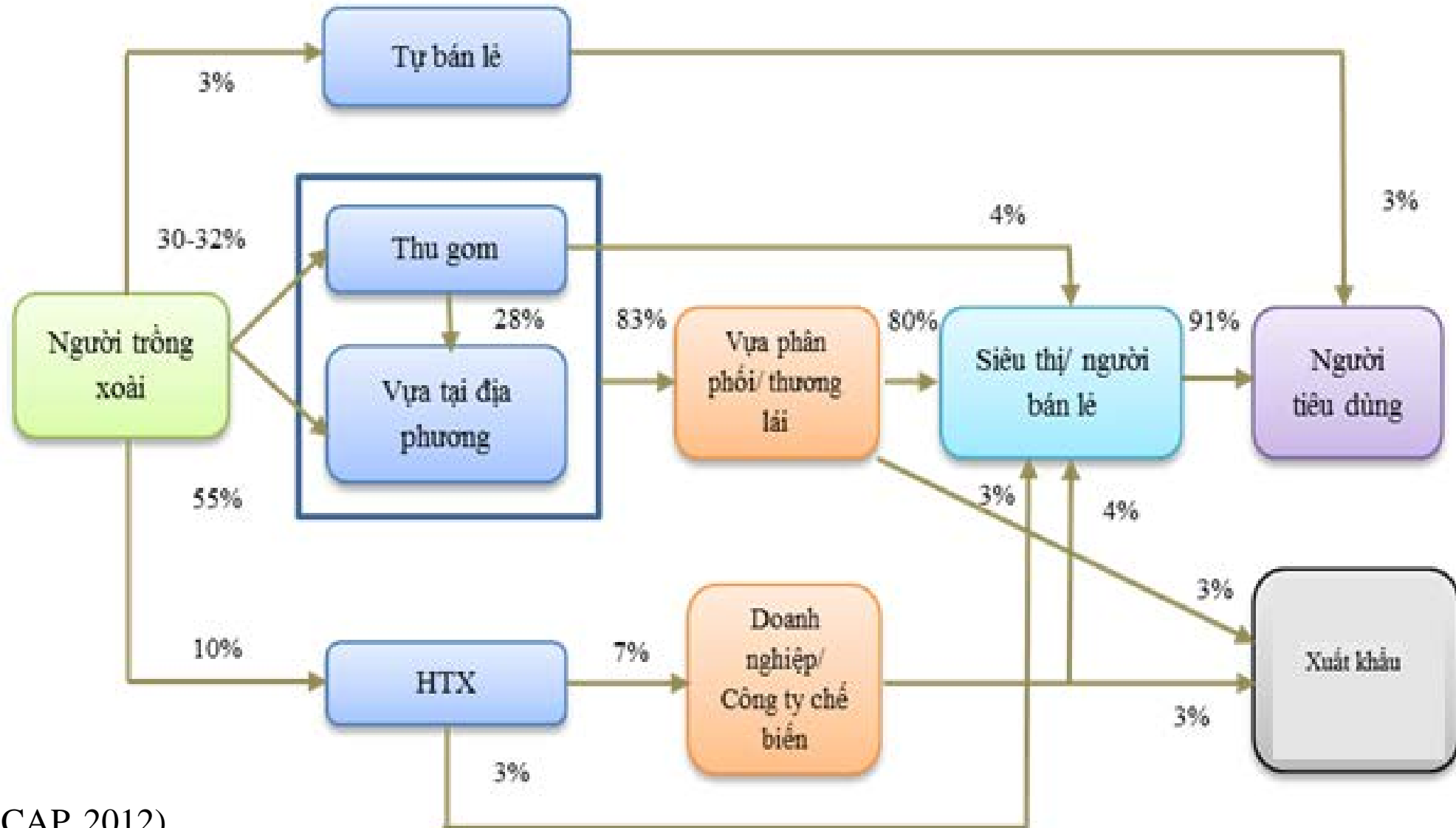
Mango's prices in My Hiep wholesale market, Dong Thap



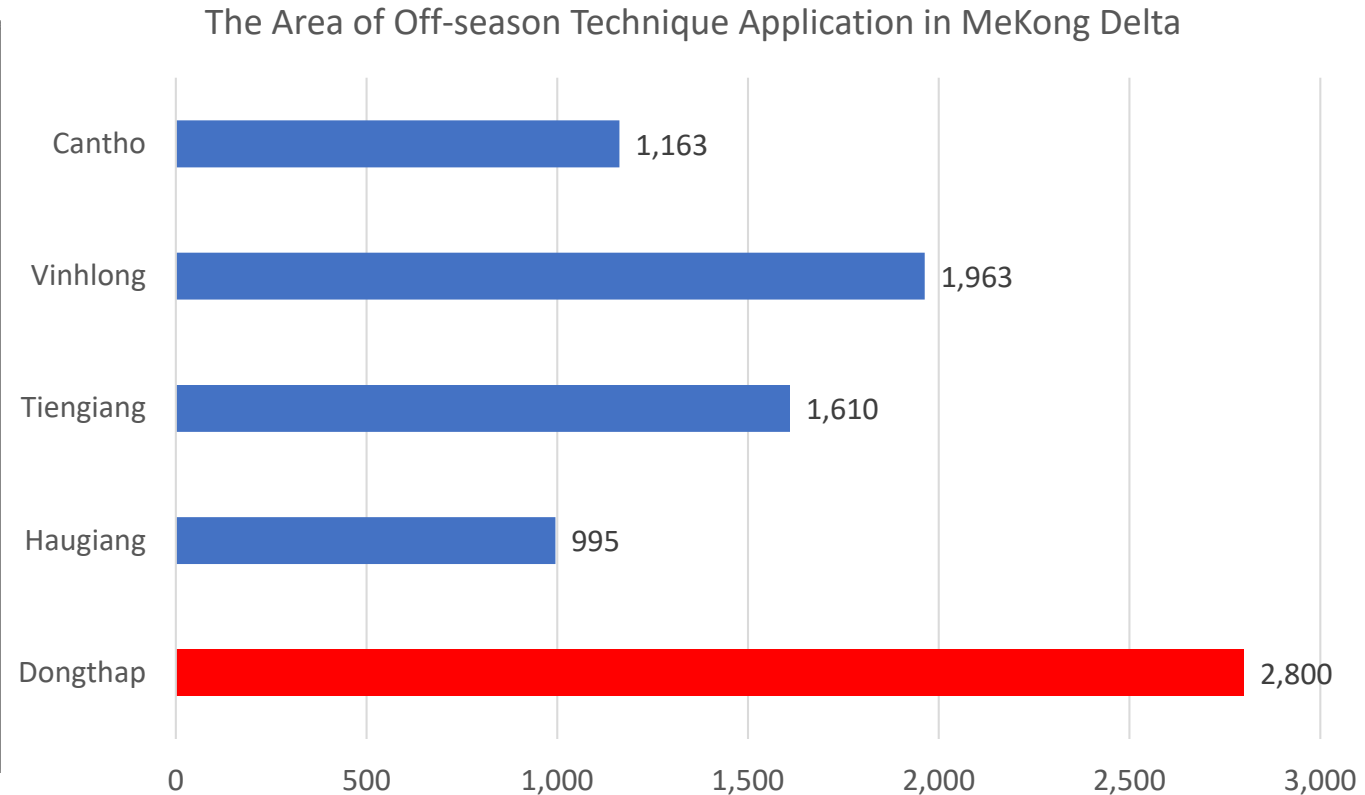
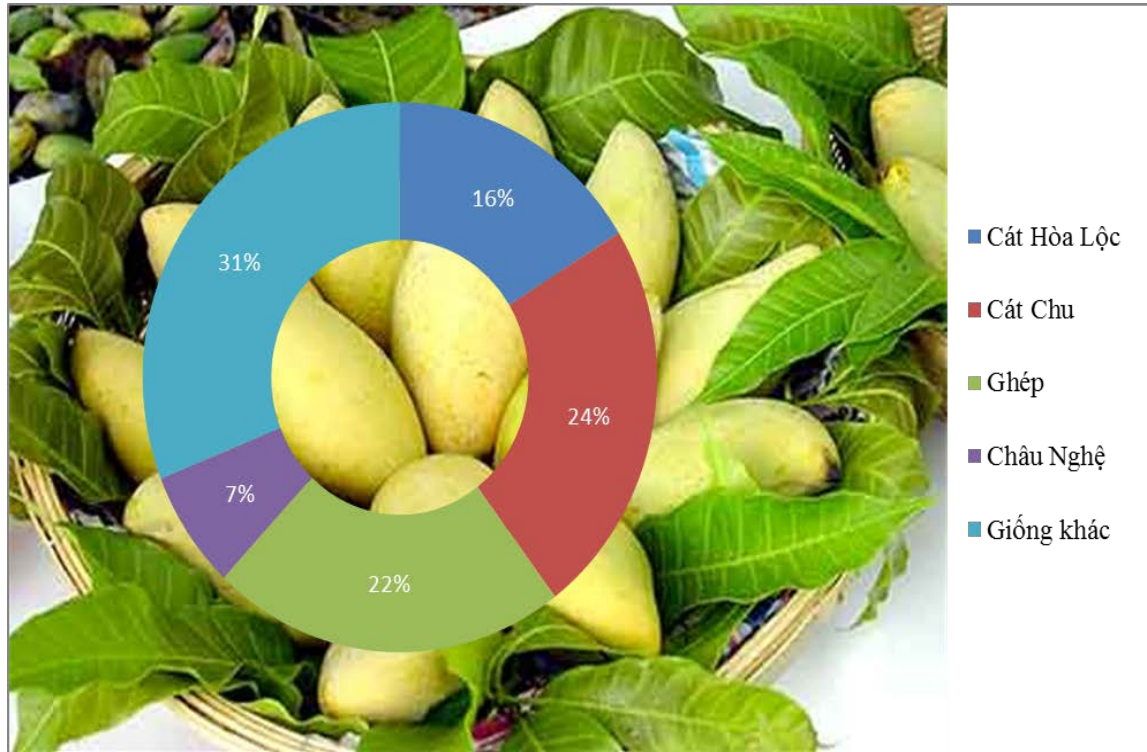
Mango's prices in Thu Duc wholesale market, HCMC



# Mango value chain: still follows the traditional chain which heavily depends on middle-men

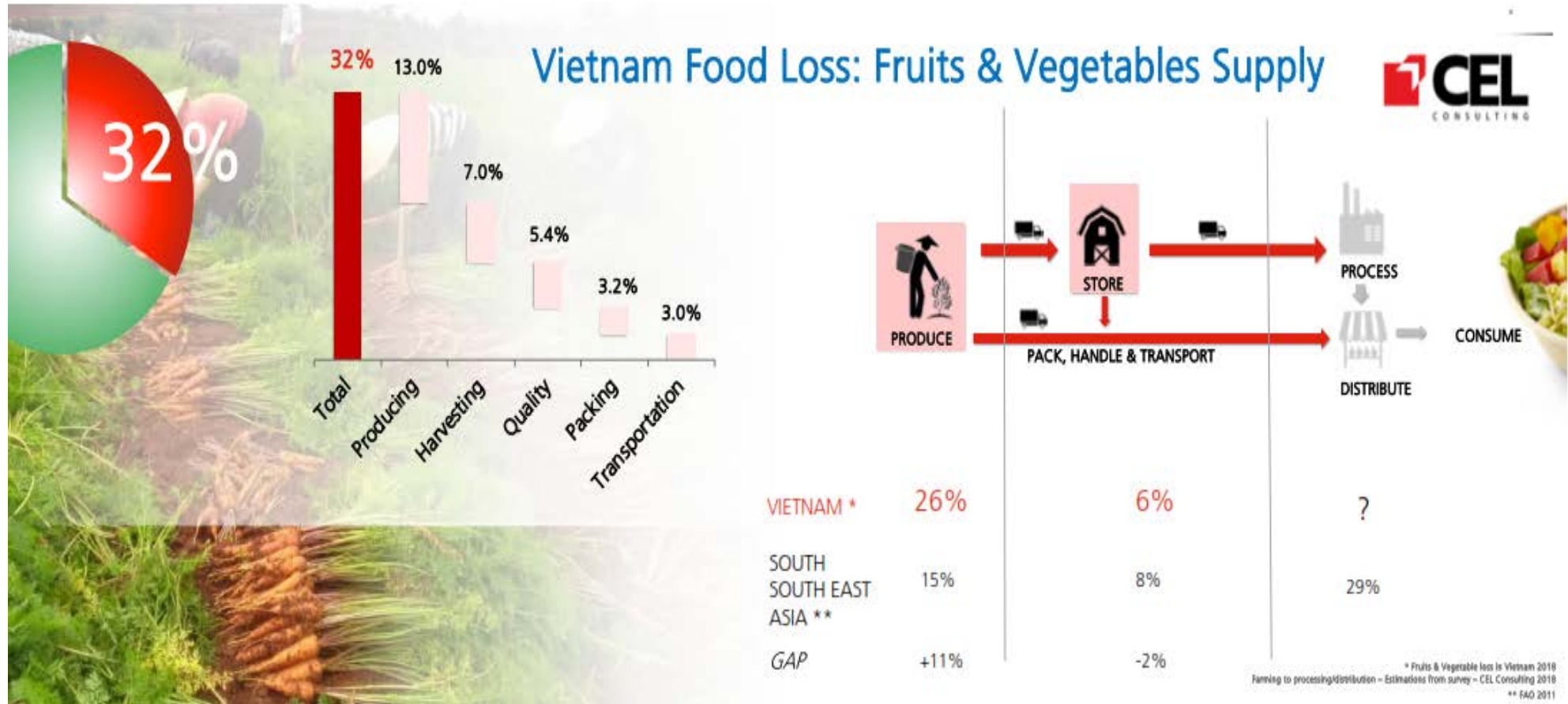


# A wide range of varieties with high potential for flowering manipulation (~20% of total areas)



# High pre- and post-harvest losses – High logistic cost

- Logistic cost accounts for about 21-25% GDP;
- Relatively higher than Thailand 6%, Malaysia 12%, and especially Singapore 300%.



# **F&V market outlook: domestic market**

- Spending on fruit and vegetable consumption is forecasted to continue to increase in the coming years with an expected average increase of around 7% per year.
- Demand for quality vegetables and fruits, ensuring high safety and pressure on domestic production.
- The system of supermarkets, safe vegetable shops is developing quite strongly, especially in big cities like Hanoi and Ho Chi Minh.

# F&V market outlook: international markets

- The world fruit market is growing fast, with a large market size (US \$ 83 billion, 6.2% per year (2006-2016)).
- Vegetables of Vietnam have been exported to 40 countries and territories, of which 10 main export markets.
- China is still the main market (70% of Vietnam's export value).
- Exporting Vietnamese fruits and vegetables to the strict markets accounts for a relatively small share (3% -4%), however the potential for export to these markets is very large.
- The United States has authorized the import of a series of fruits from Vietnam and is completing procedures to allow imports of mangos and breast milk (irradiation requirements).
- Japan has allowed the import of white dragon fruit, mango from Vietnam (treated with VHT at 46.5 degrees C in 40 minutes).
- Australia has officially opened for mango, cloth from the Vietnam market.



**Thank you for your attention!**