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## Vietnam

### Exporter Guide

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**Report Highlights:** This report updates Vietnam trade policies, general information to assist U.S. exporters of agricultural products to Vietnam with a special emphasis on consumer-oriented food and drinks

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**DISCLAIMER**

This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in (Hanoi and Ho Chi Minh City, Vietnam) for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. **FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY**

**Country and Market Introduction**

This report provides U.S. exporters with basic information on exporting high-value consumer-oriented foods and beverages to Vietnam. With a dynamic, well-educated, young population of almost 85 million consumers, Vietnam is both an opportunity and a challenge for exporters. At times, the maze of regulations and procedures may seem a formidable barrier to trade, but Vietnam is evolving.

Vietnam is becoming more integrated into the world markets, and in January 2007, became the 150<sup>th</sup> member of the World Trade Organization (WTO). Vietnam has been implementing a wide range of market-opening provisions, and in accordance with WTO negotiated commitments has been reducing tariffs on an array of agricultural and consumer-oriented foods and beverages. Vietnam is a member of ASEAN and should be a full-member of the China-Asean Trade Area by 2010. Vietnam is also actively engaged in the negotiations for the Asean-Japan and Asean-New Zealand Free Trade Areas.

With an average annual growth rate of over 7% over the last five years, Vietnam's economy enjoys the second fastest growth in Asia after China. Its strong economic growth is expected to continue in coming years given Government commitments for continued reform in legal and financial systems as well as in other market liberalization measures. Vietnam is also enjoying solid growth rates for retail sales volume (8% for 2001; 12.5% for 2002; 11.5% for 2003, 17% for 2004, 20% for 2005 and 20.9% for 2006). The growth rate of retail sales volume in the first 7 months of 2007 was 23% higher than that of the same period last year.

Total exports for 2006 was valued at \$ 39.6 billion, an increase of 22.1% over 2005. The tourist industry continues to receive increasing numbers of foreign tourists, 2.3 million in 2001; 2.6 million in 2002, 2.8 million in 2003, 2.9 million in 2004, 3.47 million in 2005 and 3.6 million in 2006. The number for 2006 represents an increase of 4% over 2005. Earnings from tourists along with more than \$4 billion annually in remittances from Vietnamese living or working abroad are bringing an increasing amount of foreign currency to the country. Tourists contribute much to the boosting the hotel and restaurant industry, and are having a positive impact on demand for imported high-value food products.

Modern retail stores still only account for 10% of total food sales, but sales through these type of outlets has grown tremendously in the last six years with an average growth rate of 18% per annum (from only two supermarkets in 1999 to over 100 supermarkets in 2005) and continues to show strong potential for further development.

With such a large young consumer base along with improving per capita income and strong economic growth, Vietnam's best consumer years are still ahead and prospects for faster expansion of the retail sector, hotel and restaurant sector, and the food processing sector in the next five years are very promising.

In fact, consumption of imported consumer-ready food products is expanding quickly. Trade data indicate that, in 2006, Vietnam's import of consumer-ready foods totaled over \$500 million, compared with imports of \$330 million in 2005, \$260 million in 2004 and \$252 million in 2003. The actual level of consumer-ready imports is likely even higher, given Vietnam's porous borders and under-invoicing problems.

Among local consumers, U.S. food products enjoy a widespread positive reputation for their high quality, safety and innovativeness. After several year of hovering around the \$20 million mark, U.S. export of high value and consumer-oriented foods and beverages to Vietnam surged to over 51 million in 2004, and in 2005 reached almost 94 million, 84% higher than in 2004, though still only 28.4 percent of total consumer-oriented imports. In 2006, exports of U.S. consumer-oriented products to Vietnam reached 111 million, up 18% from 2005's level. Exports of U.S. consumer-oriented products to Vietnam in the first seven months of 2007 was \$73 million or 40% higher than the export value earned in the same period of last year. Export of U.S. high value consumer products is expected to increase at higher rate in coming time as result of Vietnam's lower import tariffs for these commodities set recently.

Key consumer items include dairy products (including for manufacture), fresh fruits (apples, table grapes, oranges), canned fruits and vegetables, confectionary products, snacks, canned meat products, chilled and frozen meat, and beverages.

The key question is "How to increase U.S. market share?" It often seems that U.S. suppliers are either unfamiliar with the market or unable to evaluate a potential importer. In addition, for some products the small order size (i.e., typically case-lot, not container loads or consolidated container loads) is a disincentive to target this market, and many U.S. products are transshipped through the regional ports of Hong Kong and Singapore, thereby adding handling costs and increasing delivery times. However, this market is set to continue growing for the foreseeable future. Marketing efforts made now will pay large dividends in the future.

### **Trade Shows and Fairs**

Almost everything in Vietnam is changing quickly, and so is the high-value product/consumer-oriented food market. Therefore, the Agricultural Affairs offices in Hanoi and in Ho Chi Minh City (HCMC) are ready to assist you in fine-tuning your export activities for Vietnam. We encourage you to assess market prospects first-hand, as face-to-face contact is very important. Each year our office organizes a USDA booth at Vietnam's major international food show, the Food & Hotel Vietnam in HCMC.

There are also regional shows in Hong Kong (HOFEX, often held on May) and Singapore (Hotel and Food/Asia (HFA) held every two years. Many leading Vietnamese firms are now attending the HOFEX and HFA shows.

This report should be used in conjunction with our other commodity reports, especially the Food and Agricultural Import Regulations and Standards (FAIRS) reports ([VM7055](#), [VM7070](#)). Despite our attempts to update all reports, some of the information will quickly become dated. Please contact the Hanoi and HCMC offices for the most up-to-date information.

## I. Market Overview for HVP/CO Foods & Beverages

Over the past several years, although the traditional retail sector still dominates the retail food sector, Vietnam's retail industry continues its steady transition away from the traditional trade to modern trade including modern mini-marts, supermarkets, hypermarkets and superstores. Modern trade has grown tremendously in the last six years and continues to show strong potential for further development. This trend alone has greatly increased imports of Western food products. Today, Hanoi has more than 24 large shops and supermarkets, while HCMC has in excess of 56 modern shops. Adding in the modern shops opening in regional urban centers, Vietnam has gone from just two supermarkets in 1999 to over 100 large shops and supermarkets in 2006.

However, one should not totally discount the open-air and enclosed traditional markets, often referred to as wet markets. Many case-lots of imported goods (canned goods, nuts, wine, and shelf-stable products) are sold through these markets, especially in the large proportion of the country where modern supermarkets have not yet been constructed. According to major food importers, volume to supermarkets is increasing but currently it is still under 40 percent of their total sales. To reach all Vietnamese consumers, exporters need to have a local partner capable of supplying both the modern (supermarket) and traditional (wet-market) channels.

Supermarkets in Vietnam carry a wide range of goods, including food, clothing, shoes, and furniture. Most supermarkets devote about 40-50 percent of the physical space to food, and the rest is divided among all the other commodities. The shop-owners are quite willing to rearrange the physical space to boost the floor allocation for whichever goods are doing best that month. Both large Wal-Mart-style single-store centers (e.g. Metro, Big C) and shops within a multi-store shopping mall (e.g. Diamond Plaza, Saigon Center, Pakson) are being built in Vietnam. Most of the shops have made some provision for parking -- more for motorcycles than cars.

Ho Chi Minh City (HCMC) is the biggest commercial center of Vietnam and also the most economically dynamic area in the country. With the highest annual GDP growth rates (9.5% for 2001; 10.2% for 2002, 11.2% for 2003, 11.6% for 2004, 12% for 2005 and 12.2% for 2006), HCMC has attracted the most foreign and domestic investment for a wide range of projects. Although the national average GDP per capita is just over \$540 per year, in HCMC it is estimated at over \$1,600. The city is currently home to some 630 hotels with 18,000 rooms, including 8 foreign-invested five-star hotels with more top-end hotels to open in 2006/2007.

In conjunction with strong economic growth, the supermarket sector in HCMC has grown tremendously in the last six years, going from only two supermarkets in early 1999 to more than 56 in 2005. Until early 1999, the only Western-style shopping center (multiple stores and a parking lot) in Vietnam was the joint venture (Singaporean investors and the Vietnamese Army) Superbowl Shopping Center. Since 1999, there have been at least 13 new shopping centers launched in HCMC. This retail revolution seems certain to continue as all the domestic and foreign-owned chains plan to develop additional shopping centers in HCMC suburbs and surrounding regional cities. According to trade sources, HCMC supermarkets are averaging 100,000 walk-thru customers a day, which is good, but still a very small percentage of a city population of 8 million.

The key domestically owned supermarket chains are Saigon Coopmart, Maximark, Citimart, Vinatex, FiviMart and Intimex. The two largest foreign-owned chains are Big C and Metro Cash & Carry.

The largest supermarket/shopping center (in terms of checkout lanes and parking spaces) is still the French invested Big C hypermarket (1998) in Dong Nai Province, 45 minutes outside of HCMC. Big C boasts 37 checkout lanes and carries a wide assortment of foreign and domestically produced foods and consumer goods. Big C has opened a fourth hypermarket in Hanoi. The Casino Company of France owns the Big C chain and has announced an investment plan to build more supermarkets in Vietnam.

Two new upscale shopping centers Pakson and Saigon Center opened in 2005. Pakson's Shopping Center, invested by Malaysians is located right in the center of HCMC with the goal of creating an attractive shopping center for foreign tourists and local people. Many additional projects (both large and middle-sized) are due to open in HCMC, Hanoi and the surrounding regions. Saigon COOPMART (a state-owned supermarket chain currently owning 16 stores) is constructing two more stores in Long Xuyen (An Giang Province) and Qui Nhon (Binh Dinh). Maximark has just opened one store in Can Tho City. Other supermarket chains like Intimex, FiviMart also opened new stores in other cities including Hai Phong, Hai Duong.

Metro, the international grocery chain, known in the developing world for their cash and carry operations, entered Vietnam by setting up two large (each roughly 10,000 square meters) wholesale centers in HCMC. The first store opened in April 2002 and the second store was established in December 2002. Those stores are operating as a cash and carry operation for wholesale customers but with additional services such as delivery for large customers. These stores have currently attracted more than 250,000 registered customers.

Recently, Metro opened five more stores, in Hanoi, Can Tho, Da Nang, Hai Phong and an additional store in HCMC. In September 2007, Metro opened its second store in Hanoi.

Metro has already had an impact on the grocery sector, but it is important to note that Metro is not directly importing commodities. Given Vietnam's current restrictions on distribution and importing rights (see below), only licensed importers may bring commodities into Vietnam. So, until the laws are changed (hopefully within 5 years or less), Metro continues to working with many local (and usually small) importers to source most of the imported goods that it needs.

Hanoi's modern retail sector has always lagged behind HCMC, but it is now rapidly catching up. In addition to the Metro Store already mentioned, the Big C chain has opened its first store in Hanoi. The Big C store has 6,500 square meters of space for a wide range of goods and an additional 6,000 square meters for restaurants. In 2007 several new supermarkets opened of which one was of Intimex and three of FiviMart supermarket chain. As of September 2007, there are about 43 large shops and supermarket in Hanoi of which 22 are supermarkets. In addition to large shops and supermarket, there are three Trade Centers and more than 100 small shops in the capital city. According to traders, supermarket chain will be expanding rapidly in Hanoi next year as income of Hanoi people improved rapidly and they are changing their habit to do shopping in convenient shopping places.

The five-day workweek, coupled with the expanding disposable income of the urban family, has accelerated the trend of purchasing ready-to-eat, snack, and luxury food items. Local food producers have begun to supply shoppers with ready-to-eat and semi-prepared food items. The pre-prepared food items consist of various food ingredients, chopped or sliced, and wrapped in a package for home use. This new trend is expected to trigger demand for more varieties of ready-to-eat and semi-prepared dishes.

Advantages	Challenges
Fascination with American culture (music,	Shipping costs and transportation time are

movies, fashion) carries over to American food.	much higher than from Asia, and Oceania.
U.S. foods are recognized as high quality items, and being a great value for the price.	Twenty-year absence from this market limits knowledge of U.S. foodstuff suppliers, and general preference is for European (particularly French) food items.
Strong tie between the U.S. dollar and the Vietnamese Dong (less currency risk).	Difficult direct shipments from the U.S. since small lot sizes results in transshipping through third-country ports like Hong Kong & Singapore.
Low level of competition from other U.S. suppliers in the market.	Low level of experimentation by Vietnamese urban dwellers with Western food.
	Low tariff applied for food products imported within China-ASEAN; Korea-ASEAN Free Trade Areas,

## II. EXPORTER BUSINESS TIPS

Below are some of the most important points to realize about doing business in Vietnam—from a U.S. agricultural exporter point of view. Please see our other reports—especially the FAIRS—Food and Agricultural Import Regulations and Standards reports, and check the web sites of the various trade-related agencies of the Government of the Socialist Republic of Vietnam listed at the end of this report, most of the web sites have information available in English.

### (1) Food Law—Legal Framework

U.S. companies wishing to know more about the complex and disjointed Vietnamese legal framework are well advised to contact one of the established law firms located in Hanoi or HCMC. A brief list of better-known law firms is found in the U.S. Mission's Country Commercial Guide (CCG). You can obtain a copy of the annual CCG from the Department of State or Department of Commerce web sites noted in Section V of this report.

The Vietnamese legal system is based upon the Constitution with additional guidance provided by resolutions, ordinances, laws, orders, decrees, decisions, directives, and circulars. This in itself leads to complexity but in addition there is poor coordination between Ministries issuing the working-level decrees, decisions, directives and circulars. Hence, the legal framework is complex, overlapping, and confusing. One of the most important features arising from Vietnam's WTO entry is the several enquiry points for coordination and publication of all regulations. In this regard, the nascent enquiry point for sanitary and phytosanitary rules and regulations (SPS Office) at the Ministry of Agriculture and Rural Development is of greatest importance for the agricultural trade.

As in all countries, there is a gap between the laws as written and the laws as applied. This report will focus on the applied rules and regulations for imports of U.S. agricultural commodities. In general, the government of Vietnam believes in facilitating trade and interpreting rules in such a way that trade is not overly restricted. However, after a period of 'development' for new rules and regulations, once the final rule is put in place all traders are expected to observe the law. The 'development' period frequently occurs after the central government (primarily through the National Assembly) adopts a broad new measure and then directs various Ministries to develop implementing guidelines. It can be several years, or longer, for all the kinks to be worked out.



As noted above, there is no unified food law. Instead there are a large number of food quality laws, labeling laws, safety laws, hygiene law, etc. There are also several special food categories that have additional requirements. In this report we focus on the regulations for imported food. These are generally equivalent to regulations for domestic food.

The 'food law' is based on various food quality laws, regulations and rules issued by various Ministries, primarily the Ministry of Health (MOH) and the Ministry of Science and Technology (MOST), with the Ministries of Trade (MOT), and Ministry of Agriculture and Rural Development (MARD) playing smaller roles. These ministries, coordinated by MOST's Directorate for Standards and Quality (STAMEQ), have developed a series of quality standards for a wide range of foodstuffs and goods. As STAMEQ has not yet adopted a quality standard, the Ministries usually follow appropriate international standards (WHO, FAO, CODEX) as an interim measure.

Certain special commodities, such as infant formula and nutritional supplements, are subject to additional quality standards and health requirements. For those, primarily non-mass market products, the best approach is to directly contact the Ministry of Health's Food Safety Administration (address below), and seek guidance.

### **Trading and Distribution Rights**

With only a few exceptions, the Vietnamese Ministry of Trade has restricted the rights to import and distribute goods to Vietnamese companies. This is changing with Vietnam's BTA with the United States and Vietnam's accession to the WTO. However, the change to allow foreign companies distribution rights will not be immediate or complete. Thus, for the mean time at least, foreign companies must find a suitable local importer and distributor to work with. In many cases there are separate importer and distributor companies to work with and separate fees associated with each.

In general, Vietnamese companies, that have been licensed as food and foodstuff businesses and have been issued import/export customs codes, are eligible to import and distribute food and foodstuffs in Vietnam. In many cases, the importer is a state-owned enterprise (SOE), which is capable of obtaining and using foreign currency financing from State-owned banks to purchase goods and charges a small fee for importing the goods on behalf of a private-sector Vietnamese distributor. In this case, goods would move to market through the local distribution company. In some cases, the local privately owned company has the proper import and distribution licenses and the SOE does not need to be involved. This is usually a better choice for U.S. companies trying to find local partners.

The restrictions on importation and distribution rights will be phased out for U.S. companies and U.S.-Vietnamese joint venture companies, according to the provisions of the U.S.-Vietnam Bilateral Trade Agreement (BTA). From mid-December 2004, under the BTA, U.S. companies, in the production and manufacturing sectors, may import products for processing and resale domestically. And from December 2004, U.S.-Vietnamese joint ventures (in any business sector) may engage in domestic trading activities in all products. The mid-December date was three years after entry into force of the BTA, which was December 10, 2001. Seven years from the start of the BTA, U.S. companies (in any sector) may engage in domestic trading activities. There are however various exemptions noted in Annexes B, C, and D - which must be viewed in conjunction with Annex G. These rights are also gradually being extended to other foreign companies through other agreements.

As a new member of the World Trade Organization (WTO), Vietnam is implementing its obligations to the WTO, including providing more rights for foreigners to trade and distribute goods. On February 12, 2007 the Government of Vietnam issued Decree No.23/2007/QĐ-CP



to promulgate "Detail regulation to implement the Commerce Law regarding granting rights for goods trading and other goods trading directly related activities for foreign invested companies in Vietnam"

In accordance with Decree No. 23/2007/QĐ-TTg, a foreign invested company can apply for a license to engage in import, export, distribution of goods and services in Vietnam. However, the kind of goods and services that foreign invested companies import/export/distribute must be in line with Vietnamese schedule of commitments stated in the International Agreement that Vietnam signed.

The Decree 23/2007/QĐ-TTg is applied for foreign invested companies; organizations, individuals that are directly involving in management of good trading or good trading related activities with foreign invested companies in Vietnam.

Conditions for foreign invested company to apply for a license for goods trading are as follows:

- a foreign invested company from countries or territories that are members of an International Convention of which Vietnam is also a member and has obligation to open market for goods trading and goods trading related activities
- has investment method in the line with Vietnam's schedule on its obligation and Vietnam's law
- Kind of good and service are relevant to Vietnam's schedule on its obligation to open market and Vietnamese law
- has a permission granted by a government authority as regulated in Article 5 of the Decree.

Ministry of Trade (now, Ministry of Industry and Trade) is assigned to provide Vietnam's Schedule of commitment on good trading and services.

To promulgate the Government's DecreeNo.23/2007/QĐ-TTg, on May 21, 2007 Vietnam Ministry of Trade (now Ministry of Industry and Trade) issue Decision No.10/2007/QĐ-BTM on "Vietnam's roadmap to implement good trading and good trading directly related activities".

As stated in the Appendix A of the Decision 10/2007/QĐ-BTM, types of investments and scheme to implement good trading and good trading directly related activities as below:

No.	Activities	Types of Investments and implementing scheme
1	to implement import/export rights	100% foreign invested or join-venture between foreign and local investors
2	To implement distribution rights <ul style="list-style-type: none"> <li>- Good trading agencies</li> <li>- whole sale</li> <li>- Retail sale</li> <li>- Trade right concession</li> </ul>	<ul style="list-style-type: none"> <li>- a kind of join venture between foreign and local investor of which foreign contribution is not more than 49% of total investment capital; since January 1, 2008 there is no limitation for foreign contribution.</li> <li>- 100% foreign investment since January 1, 2009</li> </ul> <p>Distribution right is accompanying with the right to establish the first good trading agency; to grant permission for establishing the second good trading agency will be considered based on overview of economic demand (numbers of service providing agencies on an area, stability of market...)</p>
3	Trade advertisement (except	Joint venture or economic contracts between foreign

	for tobacco)	and local investor that have license for advertisement In the case of joint-venture, the contribution of foreign partner is not more than 51% of total investment capital; from January 1, 2009, there is no limitation for foreigner's contribution
4	Trade inspection (not including inspection of transportation means)	100% foreign invested or joint-venture between foreign and local investors Due to national security, trade inspection is limited to areas regulated by authorized agencies.

List of good and scheme to implement export right is stated in Appendix 02 of Decision No.10/2007/QĐ-BTM . Among food products, only rice is on the list of good exported according to the scheme , that is from January 1, 2011

The Appendix 03 of the Decision No.10/2007/QĐ-BTM refers the list of good imported and scheme to implement import right. There is no food product on the list

The Appendix 04 of the Decision No.10/2007/QĐ-BTM is about list of good and scheme to implement distribution right. Among food products, rice (HS code: 1006) and sugar (HS code: 1701) are on the list of good for that distribution right is not applicable. The scheme for implementation of distribution of wine (HS code: 2204; 2205; 2206; 2207 and 2008) is January 1, 2020.

On May 31, 2007 Vietnam Government issued Decree No.90/2007/ND-CP on " regulation on import/export rights for foreign businesses who do not have investment or representative in Vietnam".

### **(3) Representative Offices**

Foreign companies can enter Vietnam and establish a Representative Office. This type of office, requiring a business license issued by the Ministry of Trade, allows the foreign company to monitor marketing and sales activities of the local or joint-venture distributor. It does not give the foreign company the right to manage the distributor, sell products, or collect payments.

Many international companies have established 'rep' offices in HCMC or Hanoi. This allows them to closely monitor and work with their local partners—but does not allow them to directly trade or distribute goods. As time passes the restrictions on rep offices are slowly easing.

### **(4) Credit & Finance / Letters of Credit**

On any shipment exceeding a small sample amount, it is important to sell goods cash before delivery or against an irrevocable Letter of Credit (L/C). Other credit terms should not be contemplated until absolutely sure the importers and distributors being dealt with are reliable. There have been many cases of local companies locked in payment disputes with their foreign suppliers, and vice versa in the case of U.S. importers of Vietnamese goods, like coffee and cashew nuts.

In current normal practices between U.S. exporters and reliable importers, Vietnamese foodstuff importers usually make payment on either Money Telex Transferred (TTR) or Document against Payment (DP) basis as the banking fee for opening L/Cs is high compared with relatively small U.S. dollar payments needed for importing small lots of U.S. goods.

It is important for the American exporter to have a distribution relationship with a local company that has the financing to enter into a business relationship—both with the exporter and with local Vietnamese stores. The local distributor will give credit terms to buyers and collect payments due.

#### **(5) Supermarket Tips & Cold Chain Woes**

Local consumers have begun to purchase U.S. fresh fruit, canned goods, confectionary, condiments, sauces, snack food, nuts, soups, wine, and a variety of other products. While local products continue to be strong sellers because of price, the quality of most locally made produces has not yet reached international standards. Local consumers are now starting to pay more attention to the quality of the goods they purchase, so this new trend will help promote U.S. quality products.

FAS/Vietnam recently interviewed some of the major supermarkets in HCMC and found that approximately 40% of sales are from food, of which imported food already accounts for some 40 percent of total food sales. Supermarket managers reported that consumer demand for imported food was steadily increasing.

The cold chain—the system for preserving fresh, chilled and frozen commodities from producer to final consumer—is not good in Vietnam, but it is improving. Most of the large modern shops have some freezers and refrigerators, but smaller shops do not. While Vietnam has developed a fairly good export cold chain for frozen seafood, the import and domestic cold chains are weaker and more prone to power interruptions. Fresh produce suppliers have also found that many Vietnamese importers do not adequately supervise the temperature and humidity in their chillers, thereby shortening the useful life of perishable commodities.

Most consumers do not yet have refrigerators at home, but a growing number of middle-class consumers (primarily in Hanoi and HCMC) are now buying small units. The same is also true with purchases of microwave ovens.

#### **(6) Food Quality Examinations**

The newest Vietnamese food law, Ordinance on Food Hygiene and Safety (Ordinance 12 -- August 2003, see report FAIRS - VM-5048) provides a very general food safety framework. Details have yet to be filled in but are expected over the coming years. Until the new implementing guidelines are released, the following information describes the current system.

There are two types of Vietnamese government entities responsible for carrying out import food inspections. One group examines food safety and quality; the other handles tariff issues. The first set of inspection entities are technically referred to as State-Controlled Agencies (SCA), such as a national lab, which carries out inspection and clearance related to quality control on behalf of government Ministries. For food the relevant agencies are the Ministry of Industry and Trade (MOIT), the Ministry of Health's (MOH) Department of Foodstuff Quality, Hygiene and Safety Management, the Ministry of Agricultural and Rural Development's (MARD) Department of Plant Protection, MARD's Department of Animal Health, the Ministry of Science and Technology (MOST) and the Ministry of Natural Resources and Environment (MONRE).

The second inspection set consists of only one agency, the General Department of Customs. It determines and collects import duties, and assesses violation or compliance with necessary

Customs formalities on behalf of all concerned agencies (Ministry of Finance, Ministry of Industry and Trade, Ministry of Health, Ministry of Agriculture, etc.).

Seven national agencies (SCAs – State-Controlled Agencies), associated with the Ministry of Health (MOH) and the Ministry of Science and Technology (MOST) have been appointed to verify compliance with food quality control regulations:

Northern Region	National Nutrition Institute (MOH) Technical Center Number 1 (MOST)
Central Region	Nha Trang Pasteur Institute (MOH) Technical Center Number 2 (MOST)
Highlands Region	Epidemiological and Hygiene Institute (MOH)
Southern Region	Public Health and Hygiene Institute (MOH) Technical Center Number 3 (MOST)

## **(7) Safety Standards**

There are two basic categories of foods – ‘normal’ food that are subject to the general food standards and requirements, and then a few ‘special’ import/export foods that are subject to additional examinations. The terms ‘normal’ and ‘special’ are used in this report to try to make the system a little clearer, but are not part of the Vietnamese law. Both ‘normal’ and ‘special’ foods and goods can be manufactured locally in Vietnam or imported. There are several ‘extra-special’ foods, such as sugar and infant formula, which have additional requirements.

### **(7-1) Food registration to Food Administration Department (FA) of Ministry of Health (MOH)**

Locally produced and imported foodstuffs must obtain a Food Quality Registration Certificate (RC). The Food Administration Department (FA) of the Ministry of Health (MOH) is responsible for issuing these certificates for imported foods.

#### Details:

**Ref: Decision No.42/2005/QDBYT of the Ministry of Health dated December 08, 2005 promulgating the regulation on announcing standards of foods.**

Imported foodstuffs (as well as locally produced foodstuffs) must obtain a Food Standards Registration Certificate (RC) issued by Vietnam Food Administration (VFA) under Ministry of Health (MOH).

RC for imported foodstuff is issued by VFA to trader/importer of the foods upon receipt of his announcement of the food quality, safety and hygiene standards in compliance with binding provisions of Vietnamese law.

RC for imported foodstuff is valid for three (03) years

This decision directs food manufacturers, food importers and distributors in Vietnam to declare their foods’ quality and safety so as to bind their responsibility for food hygiene and safety. For imported food, documents required to be presented to FA/ Division of Food Registration and Announcements are as follows:

a/ Papers specified at Points a and b, Clause 1 of this Article.

b/ Business registration certificate, for Vietnamese traders, or permit for setting up of the representative office, for foreign manufacturing companies (notarized copies).

**c/ Product specifications of the manufacturer or a slip of testing results (principal quality criteria, quality indicators and relevant hygienic standards) of the manufacturer or an independent testing agency of the country of origin.**

d/ Product label or photos thereof and draft contents to be inscribed in the auxiliary label (affixed with the trader's stamp); labeled samples (if requested for testing).

e/ Copy of one of the following certificates (if any): Good Manufacturing Practices (GMP); Hazard Analysis and Critical Control Points (HACCP); or an equivalent certificate, notarized by a Vietnamese or foreign notary public.

f/ Copies of receipts of payment of dossier- examining fee and certification number-granting fee to agencies competent to grant certificates.

g/ Copy of the commercial contract (if any).

h/ Particularly for radiation-treated foods, genetically modified foods or foods with ingredients containing genetically modified or radiation-treated materials, statement dossiers must have copies of certificates of exporting countries permitting such foods to be used for the same purpose within such countries' territories and explanations of manufacturing process.

The MOH/FA is authorized to receive the application with required documents from food companies and within 15 days from the receiving date, the agencies have to reply to food companies whether their Registration Certificate is approved or not.

This registration process is cumbersome. The Ministry of Health imposes excessive documentation requirements with respect to imported food products. Importers are required to apply for registration for each food item imported even if only packaging or size differs. Also, documentation required to register food products is quite stringent. Certain documents requested are considered proprietary to U.S. manufacturers and in some cases cannot be provided.

Once registered, importers must supply the Registration Certificate to customs each time each item is imported. The whole process puts a large burden on both importers and exporters especially those who are dealing with consolidated shipments containing many different items.

The Food Administration (FA) of the Ministry of Health (MOH) exercises a great deal of discretion in determining whether to issue a Registration Certificate. If a food ingredient is not on the approved list (see below), the MOH/FA will quickly review international standards and then decide. If the imported food product is new to Vietnam, the MOH/FA may decide to approve the product (particularly if it has been widely sold in the United States and other countries), or it might decide to form an expert committee to review the new food's safety and quality results. Usually, the MOH/FA will decide within 20 days whether to grant the RC or to pursue a more detailed review.

The Registration Certificate is valid for one year, but may be extended by submitting a letter and additional material, defined by the MOH/FH depending on the product, to the MOH/FH.

**Trademarks** – If the product contains a trademark or some other industrial design or IPR symbol, the symbol must be registered with the National Office of Industrial Property (NOIP). See the U.S. Mission's Country Commercial Guide for more details regarding that topic (see VM7055).

#### **(8) Location of Inspection**

Customs inspections (separate from the work of the Ministry of Health) may take place at a seaport, river port, airport or even an importer's warehouse—if certified by Customs. If the importing company would like to have cargo inspected in a certified warehouse, the company must submit a request to Customs authorities for approval.

#### **(9) Inspection Procedure**

Generally, Customs officials will simply assess and collect import duties. The SCA will check the quality and safety of the products in the shipment by any of the following methods:

- 1) passing the goods without inspection,
- 2) conducting a reduced inspection in which only a representative sample of the cargo is inspected (used mainly for commonly imported goods),
- 3) conducting a full inspection (this entails individual verification of every item imported).

#### **Inspection of imported live animal/plant products is given priority.**

If the goods pass inspection, then the SCA issues a Certificate of Attainment of Import Quality to the receiving party. If the goods or samples do not meet the necessary requirements, then the SCA is required to send the import company a written notification and explanation for the cargo's failure. In this case, cargo re-export or destruction is the final step.

If the Certificate of Attainment expires before the importing company removes the cargo from customs storage, or the packaging is changed while awaiting pick-up, then the importer must apply for re-inspection of the cargo.

#### **(10) Import Duties & Fees**

The total cost of import duties and inspection fees levied is calculated by the General Customs Department and the SCA.

Vietnam is now working to implementing GATT Article 7 and thus generally uses transaction value for import duty calculations with only a few exceptions.

On March 16, 2007 Vietnam issued Decree No.40/2007/ND-CP on "regulation on calculation of Customs value for imported/exported good". As stated in Article 7 of the Decree, the customs value for calculation of import tax will be based on actual value that importer need to pay directly or indirectly to the exporter that include:

- Value of good stated in commercial invoice



- Other payment that the importer already paid in advance and its not stated in commerce invoice (for example: payment for insurance, deposit for purchasing good, payment for third party as requested by the seller...)

Inspection fees are calculated based on the total retail value of the cargo inspected. The fee for food quality inspection is 0.1% of the retail value of the goods, but the total amount cannot be less than Vietnamese Dong (VND) 300,000 which is approximately U.S. \$20.00

Customs has prescribed a specific procedure that it feels combats fraud. They annually issue a book of reference prices for imports. If enterprises declare prices lower than the reference price, Customs consults with the enterprise. After the consultation, if an indication of trade fraud is found, the case file is forwarded for further investigation as per regulations. Within 15 days from the date of applying for customs clearance of the case, Customs office has to inform the importer about determined Customs value for import duty. An appeal process is in place.

These procedures have drawn complaints from importers of U.S. agricultural products, particularly for high-value branded commodities. They complain that often the reference prices, which often only set prices at a 4-digit tariff code level, is significantly inaccurate and that Customs officials are reluctant to stray from reference-price valuations even when invoices have been clearly proven valid. However, after complaints from trading partners, the process appears to be improving, particularly for long-established importers.

### **(11) Food Quality, Hygiene Standards, and Food Ingredients/Additives**

The Ministry of Health (MOH) is charged with establishing hygiene-related standards for food imports entering Vietnam. See our FAIRS reports for all the details. MOH is fairly flexible about considering new food ingredients when contacted before a shipment, and fairly rigid if contacted after a shipment has arrived. For more detail, see VM7055

#### **Product Labels (it was updated in VM7055)**

The Ministry of Health requires that each food product have labeling that lists:

- 1). Name of food
- 2). Name and address of the premise where food is made
- 3). Quantity/volume of food
- 4). Components of food
- 5). Main quality measures of food
- 6). Manufacture date, expiry date and shelf life
- 7). Instruction for use and preservation
- 8). Origin of food

Bulk food containers must clearly list:

- 1). the country of origin
- 2). the manufacturer's name
- 3). the name of the packing and bagging center.

### **(13) Document Package**

When importing, all necessary documents must be compiled into one dossier and presented with a Vietnamese-language translation of the sales and purchase contracts.

The necessary documents include:

- 1) Customs declaration application / Registration for inspection form;
- 2) Copy of trade contract or letter of credit (L/C);

- 3) Bill of Lading;
- 4) Invoice;
- 5) Packing List (see note below)
- 6) Certificate of Origin (See note below).
- 7) Documents certifying the safety and quality of the cargo

Note: Additional documents might be necessary, based on the nature of the shipment. If there is any doubt, please check with MOH before finalizing the sales terms.

#### **(14) Special Foods and Goods Subject to Additional Quality Control Examinations**

Unlike the 'normal' foods, the following 'special' foods are often held pending more detailed food quality examinations. The process follows all the procedures noted above, plus an extra level of review (and perhaps more detailed examination) before the products are released.

Periodically the Government of Vietnam releases a list of special traded (import and export) goods subject to additional State quality control examinations. The latest list issued in March 2000 is as follows:

- Uncondensed, unsweetened milk and ice cream (0401.10-0401.20-0401.30)
- Condensed, sweetened milk and ice cream (0402)
- Flour or meslin powder (1101.10)
- Oils—Soybean, groundnut, olive, palm oils, and other types of fats and vegetable oils (1507/1508/1509/1511/1515)
- Processed Meats and edible animal organs (1602)
- Processed Fish (canned sardines (1604.13) and canned tuna (1604.14)
- Bread, cakes, biscuits and other types of cakes (1905)
- Vegetables, fruits, and edible parts of trees (2001)
- Fruit juices (2009)
- Various types of alcohol made of wheat and their conductors (2905)
- Organic artificial colors used for coloring food (3204)
- Mixed flavorings used in producing of foodstuffs or soft drinks (3302)
- Mineral fertilizers or chemical fertilizers with nitrogen (3102)
- Superphosphate Fertilizer (3103.10)
- Fertilizers containing nitrogen and phosphorus and other types of fertilizer (3105.51/59)
- Pesticides (3808.10); Fungicide (3808.20); Herbicides (3808.30); Sterilizing Agents (3808.40) and other food-related chemicals (3808.90)
- Mixed feed tablets used for breeding shrimp (2309.90)

Imports of item from the 'special' list must fulfill all the quality testing procedures noted above, be cleared by Customs authorities (pay any tariffs) and then are held in storage until they have received an additional certificate. The additional certificate is based on the importer submitting all the normal documents as noted above, plus additional safety and food quality information to the MOH or The Vietnamese Directorate for Standards and Quality (STAMEQ).

At least, five days before the shipment arrives, the importer must notify MOH and STAMEQ that a 'special' food shipment will be arriving. All the documents should be compiled into one dossier and presented with a Vietnamese-language translation.

- 1) Request for Examination Form
- 2) Copy of Sales Contract and/or the Letter of Credit (L/C)

- 3) Bill of Lading
- 4) Invoice
- 5) Packing List
- 6) Certificate of Origin
- 7) Documents certifying the safety and quality of the cargo including Vietnamese certificates like the MOH Registration Certificate already granted to products in the cargo.
- 8) Documents stating where the food products will be delivered and stored pending the quality determination

Note: Additional documents might be necessary, based on the nature of the shipment. If there is any doubt, please check with MOH before finalizing the sales terms.

Within three days of receiving the documents, MOH and STAMEQ will issue either an exemption for the goods or authorize the importer to move the goods to a storage location pending a more detailed examination.

After further reviewing the documents, MOH and STAMEQ may issue:

- Quality Certificate allowing import
- Quality Certificate allowing reprocessing within Vietnam
- A notice that the shipment is exempt from additional Quality Testing

MOH and STAMEQ may grant an exemption based on information that the shipment has been certified by authorities in the country of origin or based on prior inspections the food safety and quality has been accepted.

### **~~(15)~~ Labeling**

On August 30, 2006, Prime Minister Nguyen Tan Dung signed Decree No. 89/2006/ND-CP on goods labeling. This replaces Prime Minister Decision No. 178/1999/QDTTg of August 30, 1999 that promulgated the Regulation on labeling of domestically circulated and exported and imported goods, and Decision No. 95/2000/QD-TTg of August 15, 2000 that provided adjustments and supplements to it. The new decree would normally have been effective in March 2007, six months after publication in the Official Gazette, but due to delay in issuing the implementing guidelines, it is effective from September 2007. (see VM7037)

The new ordinance applies to all kind of circulated goods including imports and exports. Labeling is exempted for un-packed foods including those sold directly to consumers or for goods not sold to consumers.

Label contents are based on the type of goods. The label for simple unprocessed food must containing:

- Quantity
- Production date
- Expiry date

Label for processed food must contain:

- Quantity
- Production date
- Expiry date
- Composition or quantified composition
- Information, warning of safety and hygiene
- Instruction on preservation and use

For alcohol products labels must contain

- Quantity
- Alcohol content
- Instruction on preservation (for wine)

For food ingredients, the label must contain:

- Quantity
- Production date
- Expiry date
- Quantified composition
- Instruction on use, preservation

The Ministry of Science and Technology (MOST) has been assigned as the lead government ministry in forming relevant regulations to implement the ordinance. The Ministry is also responsible for monitoring of the ordinances implementation and for handling violations. The Vietnamese Directorate for Standards and Quality (STAMEQ) has been appointed as the key assisting agency to MOST in management of good labeling . April 6, 2007, the Ministry of Science and Technology issue a guideline for its implementation (see VM7038)

Vietnam Food Administration (VFA) of Ministry of Health is working on a guideline for implementation of new label law for food products. Post will update the document when its approved.

## **(16) Phytosanitary and Sanitary Inspection**

Phytosanitary and sanitary health inspection is done before Customs clearance for imports of live animals and plants as well as foodstuffs like nuts, fruit juices, canned and processed vegetables, fresh and dried produce, various kinds of fresh and frozen meat, and dairy products. The Ministry of Agriculture and Rural Development's Plant Protection Department and the Department of Animal Health (DAH) handle all phytosanitary and sanitary inspections.

Regarding animal health inspection service DAH requires:

Application dossier for imports of live animal includes:

- a) A letter requesting inspection for imports of animals/animal products (form 1- KDVD)
- b) A notarized copy of the importing company/agency's trading license indicating appropriate trading products. (Each importing company have to submit copy of the trading license one time and only need to send another copy if their trading license is amended or supplemented by new trading products)
- c) Other permissions granted by relevant authorities in accordance with regulations

Application dossier for import of animal products used for human consumption (meat, eggs, milk and products made from meat, eggs and milk....) includes:

- a) A letter requesting inspection of imports of animal products
- b) Trading license as prescribed in point b, 1.1, I
- c) HACCP certificate from food producing agencies (for milk products from the U.S., the certificate by USDA/AMS can replace HACCP)

- d) Certificate of free sale (a copy with the company's stamp)
- e) Other permission granted by authorized agencies in accordance with regulations.

Effective from August 4, 2006, MARD/DAH eliminates HACCP and Certificate of Free Sale from their requirement on dossier for inspection permit to import of beef, pork and poultry meat from the United States.

Although imports of dairy products are continuing with little hindrance import clearance procedures are unclear. Most importers are able to import with the Registration Certificate issued by MOH. However there seems to be some disagreement between MOH and DAH as to whether DAH should be involved in this case. Exporters should monitor the situation and report any problems to the FAS/Vietnam.

#### **(17) Damage During Shipment**

Technically, the cargo's "external appearance and sensorial perception" cannot be altered or compromised during shipment. If so, this may trigger a more detailed inspection by an SCA.

#### **(18) Special Warning regarding Certificates of Origin and Packing List**

According to Circular No.09/2000/TTLT-BTA-TCHQ dated April 17, 2000, Certificates of Origin (C/O) must be issued by competent agencies as prescribed by the exporting country. These agencies usually include organizations such as the Ministry of Trade, Ministry of Industry, Ministry of Finance, and other organizations designated by the government of the exporting country, such as Chamber of Commerce, Chamber of Commerce and Industry, etc. If the C/O is issued by the manufacturer, it must be certified by the concerned competent agency or organization of the issuing country.

An C/O submitted to Vietnam's customs office must be an original containing the following contents:

- 1- The issuance number of the C/O.
- 2- Name and Address of the exporter, the exporting country.
- 3- Name and Address of importer, the importing country.
- 4- Information on transportation of the good.
- 5- The trademark and label; quantity and type of packs; description of goods.
- 6- Weight
- 7- The goods origin
- 8- The enterprise requesting the C/O issuance (Enterprise's name and date of request for issuance).
- 9- The C/O issuing organization (Name, date of issuance and its stamp)

#### **(19) Certificate of Origin Stamp**

Although Customs appears to becoming more reasonable on this point, FAS/Vietnam has in the past assisted in many cases where Customs officials have refused to accept U.S. certificates of origin without 'raised' seals or official circular stamps. If the C/O has an oblong or rectangular stamp, Customs may reject that document. In Vietnam, only circular stamps are considered official.

Furthermore, many U.S. bodies issuing certificates of origin do not clearly stamp the paperwork. If Customs cannot read the stamp – it does no good. Likewise, if the stamp is one that produces a 'raised' seal, please make sure it is clear. FAS/Vietnam has developed a

good working relationship with Customs officials. Please notify us if you experience any problems with certificates of origin.

Vietnam assumes the C/O will be issued by a 'relevant' body observing all applicable regulations of the country granting the C/O. By 'relevant' body, they mean a Ministry of Trade, Industry, Finance, Customs Office or other organization authorized by the State, such as a Chamber of Commerce or Chamber of Trade. In cases where the C/O is issued by the manufacturer (or on the letterhead paper of the manufacturer), it should be certified (and stamped) by the relevant organization or body of the country of origin.

## **(20) Samples**

Customs and an SCA may require samples of every item in the shipment, as well as extra samples for reference against future shipments of the same item. Exporters should consult with their importer and freight forwarder prior to shipment regarding necessary samples and proof of inspection documentation. Foreign quality control and inspection companies, such as SGS, are also a good source of information. While this intense sampling seems to be less practiced than previously, it might still arise.

## **(21) Import Permits or Import Licenses for Special Commodities (Sugar/poultry eggs/salt and tobacco materials)**

When Vietnam first opened to international trade, all imports were strictly controlled by a system of import licenses and permits. That system has almost disappeared.

The Government of Vietnam liberalized the food import system, by eliminating most import licenses, in Decision No.242/1999/QD-TT, dated December 30, 1999. Under that decision, the Ministry of Trade only required import licenses/permits for just a few items, such as refined vegetable oils, refined sugar, and some liquors.

The list was further reduced in April 2001, when (former) Deputy Prime Minister Nguyen Manh Cam signed Decree 46/QD-TTg on Vietnam Management Mechanism for 2001-2005 period (See our Report VM1007 dated Sept. 5, 2001 for full details). Accordingly, refined vegetable oil no longer needs an import license. However, imports of certain products including refined sugar, poultry eggs, salt and tobacco materials are managed by using import quota (see VM7017).

Refined sugar imports are still under control by import licenses issued by the Ministry of Trade in coordination with Ministry of Agricultural and Rural Development.

## **(22) Enforcement Concerns**

Traders have said that the enforcement of import regulations is not completely consistent. Moreover, laws and duties are often changed and are almost impossible to predict. Frequently this inconsistency is tied to corruption as officials attempt to extort money from importers. The best means of finding up-to-date information regarding food export to Vietnam is to contact people working in the trade. Vietnamese government agencies can provide information, but response time may be slow and miscommunication between ministries and regional offices is possible. Contacting the USDA/FAS Ag Affairs Offices in Hanoi and HCMC is a good starting point. Even after you have established contact with an importer, timely updates (before any shipments) are important. The government realizes that corruption in import procedures is not in Vietnam's long-term interest and efforts are being



made to remedy the situation. The ongoing introduction of a more regular trade where large often foreign-owned retailers import directly should help lessen corruption as well.

### **(23) Biosafety**

The Ministry of Natural Resources and the Environment is the leading ministry in developing a biosafety regulation. In August, 2005, the government promulgated signed Decree 212/QĐ-TTg on regulation of GMO products. The Regulation consists of 8 Chapters and two Annexes that cover the following issues: General Regulation; Research/Technology Development and Trails; Production, Trade and Use; Imports/Exports/Storing and Transportation; Risk Management and Biosafety Certification; State Management; and Implementation. The regulation was effective from September 2005. However, guidelines from different ministries are needed to implement the regulation. (see [vm5062](#)).

For more update information on biosafety, please see [VM7048](#), [VM7059](#), [VM7060](#)

## **III. MARKET SECTOR STRUCTURE AND TRENDS**

With such a large young consumer base, the improving per capita income and strong economic growth, Vietnam's best consumer years are still ahead and prospects for faster expansion of the retail sector, food service sector and food processing in the next five years are very promising.

The best way to enter the Vietnamese market is to develop a relationship with one of the established food trading companies working with wet/open-air markets, supermarkets, hotels and restaurants. Currently, there is only a handful of well-organized food trading and/or distribution companies in Vietnam; so the selection process need not take too long. There is typically some sort of foreign involvement in each of the better-known companies. As these companies tend to be somewhat transient, it is advisable to visit Vietnam and research the company's customer lists and achievements.

Meetings will probably be conducted in English, but it is quite helpful to have an interpreter to make sure that everyone completely understands the terms of an agreement. What may sound simple and clear may not be so simple and clear in Vietnamese, or in the Vietnamese business context. Any verbal agreement should be quickly followed by a written agreement.

Since the majority of the chefs and hotel food and beverage managers come from Australia and Europe, the HRI sector has a strong preference for products from those countries. Moreover, Australian products enjoy both a freight and delivery time advantage. U.S. products in most cases are new to market, which may or may not be an advantage depending on consumer knowledge of how to use the product. In-store promotions are popular and a recommended part of an advertising campaign. Point of purchase (POP) displays and other advertising materials are important to attract local consumers that may have a limited knowledge of foreign food products.

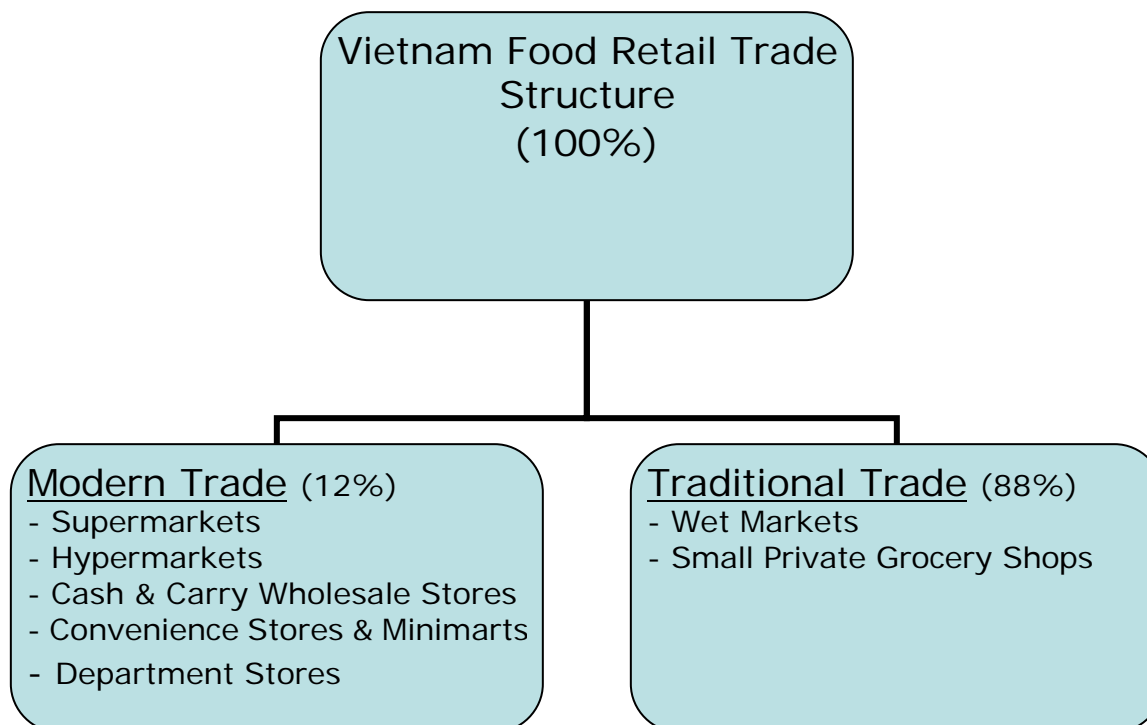
While HCMC and Hanoi have a growing number of modern outlets, the rest of the country still heavily relies on traditional marketing channels. Although small "mom and pop" shops and wet markets continue to play a major role in food distribution

Retail Sector

Strong economic growth and improved per capita income has contributed to the robust expansion of Vietnam's retail trade. Nationwide retail sales of goods and services have enjoyed a high growth rate of over 10% per year for the last five years. Food retailing in Vietnam has been growing at an average rate of over 9 percent per annum. The retail food

sector's total sales for 2006 is estimated to reach \$9.0 billion, but only 12% of this amount is attributable to modern trade.

The chart below provides an overview of Vietnam's food retail sector, including traditional channels and modern channels:



Although the traditional retail outlet still dominates the retail food sector, Vietnam's retail industry is steadily transitioning away from the traditional trade outlets to the more modern mini-marts, supermarkets, hypermarkets and wholesale centers. Modern trade has grown tremendously in the last seven years, from only a few supermarkets in 1999/2000 to over 100 supermarkets, 4 hypermarkets and 8 wholesale centers in 2007, and all indicators point to a strong potential for further development. Almost all existing big retail chains in Vietnam (Coopmart, Maximark, Citimark, Fivimart, Intimex, Vinatex, and foreign-invested Big C, Pakson and Metro) have committed to further expansion both in big cities like Hanoi and Ho Chi Minh City (HCMC) as well as in smaller cities such as Binh Duong, Da Nang, Hai Phong and Daklak. Some big foreign retail chains have already obtained permits to set up supermarkets in Vietnam and others have closely studied this market sector for future investment.

Rapid growth of modern trade in Vietnam's retailing sector continues to be fueled by strong economic growth, rising income levels (especially disposable income), a growing middle class, an increasing young population and expanding exposure to western lifestyle. Over the last seven years, modern trade in Vietnam grew at an average rate of 18% per annum and it is expected to continue at this level or higher for the next five years.

Among the locally owned supermarkets, Coopmart is the largest chain, having grown from 13 stores in 2004 to 23 by 2007. Similarly, Citimart has expanded from 6 stores to 15

during the same period, while Fivimart has grown from 3 stores to 10, and Intimex from 4 stores to 10.

Convenience stores (modern small shops) have also experienced rapid growth in recent years, led by Saigon Co-op with 35 co-op stores; Trung Nguyen with 600 G7 marts; and Vissan with 30 stores.

Supermarkets all have modern frozen food sections and handle a number of food products from the United States. Metro Cash & Carry now imports a significant percentage of meat (poultry and beef), fresh fruits (apples and grapes) and vegetables (potatoes, mixed vegetables) directly from the United States.

Shelf life labeling regulations can be both costly and challenging for food importers /distributors and inventory controllers.

Supermarkets rely heavily on merchandising services offered by importers/distributors.

Many supermarkets also earn significant revenues from suppliers in the form of listing fees, shelf space rentals and various fees and discounts.

It is not unusual for major supermarket chains to receive up to 45 days credit terms from their suppliers.

Promotional and advertising activities always create much better sales.

Further growth and sophistication in the retail sector will create additional opportunities for U.S food exporters. Local importers will continue to play a major role in the introduction, distribution, and promotion of imported food products in Vietnam. U.S. food products with the best prospects are chicken, beef, dairy products, fresh fruits (apples, grapes, pears); dried fruits (raisins and cranberries), grocery snack foods (especially potato chips), frozen potatoes; packaged foods (i.e. canned food), condiments (mayonnaise, sauces) and peanut butter.

### **Food Processing Sector**

Together with the growth of Vietnam retail sector, Vietnam food processing industry has expanded rapidly over the past few years. Post believe the overall food processing industry has enjoyed an average growth rate of over 10% per annum. With more transparent regulation and less burdensome paperwork, the Government of Vietnam has successfully attracted not only foreign investors but also local investors to put remarkable investments in Vietnam in food processing industry. Large population base, rising income levels, a growing middle class and an increasing young population have ensured long-term development of the food industry. Government of Vietnam has also tried to protect local food manufacturers by imposing high import tariffs (from 20 percent up to 50 percent) on selected imports that compete with locally produced products (confectionary, snack foods, juices, ice cream etc).

Dairy products (UHT milk, milk powder, ice cream, yoghurt etc), canned foods (canned meat, canned seafood, canned fruit and vegetable), bakery products, snack foods (potato chips, dehydrated fruits, wheat-based snacks); juices, confectionary (biscuits, cookies, candy, chocolate etc), hot sauces are all locally produced with acceptable quality. Most of the big manufacturers have got good manufacturing practice certificates or equivalent (ISO 9002, HACCP).

Consumer oriented food products "produced" in Vietnam still rely on imported food ingredients and additives.

Best prospect for USA food ingredients including dairy products, seafood (for further processing and re-exports), Turkey MDM (for sausages), Lysins (for meat processing), potato powders (for chips), dried fruits and nuts (for bakery), sweetening, flavorings.

### **Food Service Sector**

Average per capita income in Vietnam is about \$690 per year, which is significantly lower than other countries in the region, such as Thailand and the Philippines. For this reason, foodservice in Vietnam tends to be on a much smaller scale. Moreover, as only 25% of the population lives in urban areas, where foodservice is more accessible, the demand for foodservice is also more limited. Foodservice outlets are chiefly in the form of small restaurants, cafés, and beer garden type restaurants, which serves mostly local products. Foodservice outlet chains are still in its infancy here and number very few. Management of foodservice chains is weak, thus hampering development and expansion. Notwithstanding this, the sector is expanding as it responds to economic forces and shifts in demand spurred on by rural to urban migration and rising tourism, at a growth rate of about 10 percent per annum.

Family-owned restaurants continue to dominate the sector. These independent outlets are mostly located on crowded city streets and serve mainly Vietnamese food. A recent market survey revealed that most Vietnamese still prefer Vietnamese food when dining-out as they consider it healthier, more balanced and made from fresh ingredients. Vietnamese cuisine remains dominant in this market.

Such other cuisines as Japanese, French, Italian and Korean are more expensive and less suitable for most Vietnamese due to low income. Nevertheless, in urban area (chiefly HCMC and Hanoi), these cuisines have become popular among the Vietnamese middle and upper classes. While in the past, these restaurants mainly catered to expatriates and tourists, more and more locals now frequent these restaurants, even at five-star hotels.

International fast food chains such as KFC (USA), Lotteria (Japan), Pizza Hut have already entered into this market, mainly in HCMC and Hanoi and saw strong growth. From only a few outlets in 1999, today KFC has got 40 outlets and Lotteria is 35 outlets. Local chains such as Pho 24, Monaco continue to expand. Pho 24 has expanded to 40 outlets nationwide. These international fast food chains and selected local outlets such as Monaco use a significant share of U.S. food products i.e. condiments (tomato sauces, mayonnaises, mustard sauces), potato, chicken, beef.

Booming of Cafeteria outlets in HCMC and Hanoi is remarkable in the last five years. From small and independent family-owned coffee shops, cafeteria now needs big investment to turn it into big size modern outlet with big kitchen suitable to serve not only drinks and sweet bakery products but also some Vietnamese foods as well as Western-style fast foods (hamburgers, pizza, spaghetti). Vietnamese people usually get together at cafeteria for breakfast in early morning and/or for chatting after work. This entertainment model is really a part of Vietnamese culture. The booming of this sub sector brings more demand for bakery products, dairy products including ice cream and more sophisticated drinks like cocktail blends, grapes fresh juices, milk shakes.

Vietnam is a new destination for tourists and foreign investments. All four-star and five-star hotels have enjoyed a very high occupancy rates. According to trade source, Vietnam need to build up at least 20 more five-star hotels to meet the rising demand from foreign tourists and business visitors. The number of resorts in the beautiful coastal areas has increased significantly in the last 5 years. Many have been built in Baria Vung Tau, Mui Ne, Nha Trang and Danang. According to trade source, Vietnam is home of over 60 resorts nationwide. The expansion of resorts also help spur demand for imported high quality foods and drinks.

Due to the large number of expats and the increasing number of foreign visitors to Vietnam (expecting 4.5 million visitors in 2007 creating \$3.5 billion in value), demand for institutional-sized food products and chicken meat by the catering sector has been increasing in recent years. With the averaged growth rate of 10%, the tourism industry will further increase demand for food products especially high quality foods like US beef, California wine.

#### **IV. BEST HIGH-VALUE PRODUCT PROSPECTS**

Vietnamese consumer confidence in Western products is high. Perception of American-made goods is automatically one of premium quality. Vietnam's trade infrastructure and general level of economic development are expanding quickly but still very undeveloped even compared to most of its Southeast Asian neighbors. So, too, is the level of brand awareness. Therefore, different products will face different opportunities and challenges. Establishing an early base during Vietnam's developing stage is essential for future success.

The following is a list of some consumer ready food products with high export potential:

##### **Snack Foods**

American-made snack foods are extraordinarily popular with consumers who can afford them. Many shop owners, from street stalls to new mini-shops, report high turnover of snack products such as potato chips, nuts, biscuits and cookies. Several Japanese companies have established factories and joint venture partnerships with Vietnamese confectioners. Pringle's and Lay's potato chips are very well received, particularly in Ho Chi Minh City and Hanoi. Now Foreign-invested snack manufacturers as well as local manufacturers have begun production in Vietnam.

Snack foods have traditionally been subject to stiff import rates, especially as investment in domestic manufacturing increases. Vietnamese are consummate snackers; exporters should find a way to service this market with high-quality products.

##### **Fresh Fruit**

Fruit is an important part of the Vietnamese diet, and consumption of fresh fruits is high. Products such as Washington apples, U.S. pears, and table grapes have become increasingly popular in recent years. However, inadequate handling and distribution facilities (poor cold chain infrastructure) hinder greater sales of these products, which are sold at a premium to domestic varieties. Fierce competition from Australia, New Zealand, China, South Africa, and Chile has developed over the past five years.

Ho Chi Minh City is the primary market for U.S. fresh fruits. Sales in Hanoi are rising as well, but the city's small number of high-end markets, less frequent shipping links to major ports, and proximity to China—a major source of cheap fruit—all constrict higher sales in Hanoi.

As a new member of WTO, Vietnam has committed to reduce tariffs on apples from 40% to 20%, grapes and pears to 25% and are slated to decline significantly in the five year phase starting from 2007. As a result, U.S. exporters hope to increase sale of these products into Vietnam.

Large quantities of pineapples, citrus fruit (oranges and limes) and table grapes (just developed recently) are grown locally and sold at very low prices during the harvest season. Some importers have reported some success selling California oranges against cheaper oranges and clementines from China. U.S. exporters will need to convince consumers that their products are of a quality superior enough to justify a premium price. Florida juices might find a market in international hotels and up-market restaurants.

### **Canned Fruit & Vegetables**

Canned fruit and vegetables enjoy strong demand in both Hanoi and Ho Chi Minh City. This is in part due to the lack of cold storage facilities, but also because of the slow and fragmented distribution system. One vendor claimed that he would like to sell harder-to-find goods like canned asparagus, peach, fruit cocktails and olives.

### **Canned Meat Products**

As with canned fruit and vegetables, canned meat products are another area that is doing well but in a crowded market because of the wide assortment of both imported and local products. Canned pork products still can find a market here despite a currently very high tariff of 40%.

### **Tree Nuts**

Vietnam boasts a large local supply of nuts, such as cashews and peanuts, which are increasing finding lucrative markets abroad. This raises domestic price and creates opportunities for imports of alternatives like U.S. pistachios and almonds. Recent efforts to introduce California produced pistachios and almonds have been successful. Marketing programs to introduce premium nuts and nuts not grown in Vietnam could yield good results. More over, given the fast growing bakery industry in recent years, nuts used in baking are also increasing.

### **Dried fruits**

California raisins are becoming popular in Vietnam. These products are mainly sold as snack foods and as ingredients in the bakery industry. As a result of tariff reduction under US-Vietnam Bilateral Agreement and WTO commitment, raisins have enjoyed lower tariff rate of 25% (from 40%) since December 2004 and raisins exports to Vietnam have increased significantly.

### **Wine**

Alcoholic beverage sales are one of the fastest-growing sectors in Vietnam's food market. Beer leads this growth, due largely to the availability of cheap, locally made beers. Whisky is also extremely popular. Wine, seen primarily as a luxury good, is also realizing increased sales, although at a slower rate. Several mid-range Californian brands have entered the market and are doing well. Heavy import tariffs impede greater distribution of these products. However, as wealth and living standards increase, it is anticipated that Vietnamese consumers will increase supermarket purchases of wine to entertain guests in the home and for home consumption. French wine is still considered the most desirable wine (despite the awful product sold under some dubious 'French' labels). Keen competition is supplied by wine from Europe, Australia, Chile, South Africa and Argentina.



### Chilled and Frozen Meat

Meat consumption is rising in Vietnam. Pork has long been the country's major meat product. For imports, long run beef seems the most promising market due to constraints on local cattle production. During the past several years, increasing imports of Australian, New Zealand, Argentina and U.S. beef have been entering the country. To date, sales of these products have mostly gone to high-end outlets such as luxury hotels and restaurants aimed at expatriates (and the very well-to-do Vietnamese) but supermarkets have recently been exploring beef imports as well.

Poultry meat and pork imports should not be discounted either. Currently chicken meat imports of dark-meat leg quarters and drumsticks are the United State's biggest export in this category. A kill off of birds as a result of Avian Influenza combined with strong growth in domestic demand has led to high prices, and U.S. imports have been able to take advantage of an Vietnamese affinity for dark meat not found in the United States.

Edible offal exports to Vietnam also hold promise, but to date importers have not found the appropriate range of products (at a good price) to offset high tariffs and some stiff health (meat safety) inspection requirements.

Current reduction of tariffs for beef and poultry from 20% to 12% and on pork from 30% to 20%, we hope to gain better exports of these products into Vietnam.

### Dairy products

From a very low base, Vietnam consumption of various kinds of dairy products has grown rapidly. The current rate of growth is at least 18% per year. This growth is creating a very good opportunity for US dairy products in this market now and in coming years. The most important U.S. dairy export on the food side to Vietnam is non-fat dry milk which is used in the processing industry.

Current drop in import tariffs on most of dairy products (from 20% to 10%) will help increase U.S. dairy exports to Vietnam.

Due to un-availability of Vietnam import data on specific products, Post is unable to provide the Table of the best consumer oriented products. For the reference, U.S. exports of consumer products are illustrated in the below table:

AREA/COUNTRIES OF DESTINATION AND COMMODITIES EXPORTED	JANUARY - DECEMBER					JANUARY - AUGUST			
	VALUES IN 1000 DOLLARS					COMPARISONS			
	2002	2003	2004	2005	2006	2006	2007	%CHNG	
<b>VIETNAM DAIRY PRODUCTS</b>	<b>6,028</b>	<b>6,553</b>	<b>29,140</b>	<b>50,595</b>	<b>53,689</b>	<b>37,625</b>	<b>33,329</b>	<b>-11.42</b>	
TREE NUTS	359	867	683	357	12,560	1,071	5,436	407.56	
RED MEATS, PREP/PRES	24	3	3,007	13,673	11,777	9,236	16,765	81.52	
FRESH FRUIT	4,881	4,357	4,158	8,049	8,461	2,299	3,636	58.16	
RED MEATS, FR/CH/FR	263	268	3,370	10,917	7,210	4,195	9,289	121.43	
POULTRY MEAT	694	155	8,739	1,228	7,023	2,144	9,644	349.81	
OTHER CONSUMER ORIENTED	3,044	3,210	2,594	3,651	3,721	2,066	2,201	6.53	
PROCESSED FRUIT & VEG	1,955	1,991	1,431	2,831	3,081	1,500	1,808	20.53	
SNACK FOODS	785	1,374	1,249	1,242	1,955	946	1,363	44.08	
WINE AND BEER	266	295	412	514	486	209	269	28.71	

PET FOODS	12	34	46	8	417		93	423	354.84
FRUIT & VEG JUICES	518	610	232	513	285		106	524	394.34
EGGS & PRODUCTS	0	0	20	55	151		29	87	200.00
NURSERY PRODUCTS	0	0	0	182	24		18	87	383.33
BREAKFAST CEREALS	95	267	0	17	14		11	7	-36.36
FRESH VEGETABLES	0	0	0	569	0		0	17	--
<b>TOTAL</b>	<b>18,925</b>	<b>19,984</b>	<b>55,083</b>	<b>94,399</b>	<b>110,852</b>	<b> </b>	<b>61,550</b>	<b>84,886</b>	<b>37.91</b>

## V. KEY CONTACTS AND FURTHER INFORMATION

### U.S. Department of Agriculture / Foreign Agricultural Service (USDA/FAS)

First point of contact for updated reports and trade data is the USDA/FAS Web Page:

<http://www.fas.usda.gov>

The FAS web site provides information about the staff, resources, and programs coordinated by FAS to promote international trade.

### State Regional Trade Groups

The State Regional Trade Groups (SRTG) are four regionally focused, non-profit trade development organizations that help U.S. food producers and processors sell their products overseas. USDA's Foreign Agricultural Service (FAS), the State Departments of Agriculture and private industry fund the SRTG's. They carry out promotional activities that increase exports of U.S. high-value food and agricultural products. Activities of the organizations are directed by state departments of agriculture and state agricultural promotion agencies, and are coordinated with FAS' Washington and overseas offices. Activities include: international trade exhibitions, overseas trade missions, reverse trade missions, export education, in-country research, and point-of-sale promotions in foreign food chains and restaurants in markets around the world. The SRTG's also administer a cost-share funding program called the "Branded" program, which supports promotion of brand name food and agricultural products in overseas markets.

The SRTG's are comprised of: the Western U.S. Agricultural Trade Association (WUSATA), in Vancouver, Washington, the Food Export Association of the Midwest United States in Chicago, Illinois, the Southern U.S. Trade Association (SUSTA) in New Orleans, Louisiana, and Food Export USA-Northeast in Philadelphia, Pennsylvania. See the FAS web site for more details.

### FAS Cooperators and Participants

The American food and agriculture industry benefits from a large number of associations and organizations that support export market development. These groups, referred to by FAS as "cooperators" receive support from FAS to conduct activities overseas such as trade missions, pavilions at trade shows and informational seminars.

A database of these organizations, including contact information, is available at

<http://www.fas.usda.gov/scripts/mos/HomeOffDir.asp>.

Partners and Cooperators which offer on-line databases and directories of suppliers are listed at

<http://www.fas.usda.gov/agx/Buying/Partners.htm>

### USDA/FAS Offices in Vietnam

Agricultural Affairs Office (Ag Hanoi)  
U.S. Embassy – Annex Building  
Rose Garden Building, 3<sup>rd</sup> Floor  
170 Ngoc Khanh, Ba Dinh District

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U.S. Consulate General – Annex Building  
Saigon Center Building, 9<sup>th</sup> Floor  
65 Le Loi Street, District 1  
Ho Chi Minh City, Vietnam  
Tel: 84-8-825-0502 Fax: 84-8-825-0503  
Email: [AtoHoChiMinh.group@usda.gov](mailto:AtoHoChiMinh.group@usda.gov)

Staff:

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Mr. Tran Quoc Quan - Agricultural Specialist  
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## Key Government Contacts

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2 Ngoc Ha Street, Hanoi, Vietnam  
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Department of Ag & Rural Development  
176 Hai Ba Trung, District 1  
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Contact: Mr. Nguyen Phuoc Thao, Director

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Email: [quanganh.dah@fpt.vn](mailto:quanganh.dah@fpt.vn)

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Fax: (84-8) 8444029

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Contact: Mr. Dong Manh Hoa, Director

Ministry of Health

Vietnam Food Administration

138A Giang Vo Street- Hanoi- Vietnam

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Health Department/HCMC

59 Nguyen Thi Minh Khai St

District 1, Ho Chi Minh City, Vietnam

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Cell: 84.903 758 104  
Fax: (84-8)856-3164  
Email: [vienvsytc@hcm.vnn.vn](mailto:vienvsytc@hcm.vnn.vn)  
Contact: Dr. Nguyen Xuan Mai, Deputy Director

### **Vietnam Directorate For Standards and Quality (STAMQ)**

**Address:** 08 Hoang Quoc Viet, Cau Giay, Ha Noi

**Tel:** (84-4) 7911606; **Fax:** (84-4) 7911595

**E-Mail:** [vptdc@tcvn.gov.vn](mailto:vptdc@tcvn.gov.vn)

website: <http://www.tcvn.gov.vn>

QUATEST 1 (Quality Assurance and Testing Center 1)

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E-mail: [Quatest1@fpt.vn](mailto:Quatest1@fpt.vn); Quatest1@vnn.vn

QUATEST 3 (Quality Assurance and Testing Center 3)

49 Pasteur, District 1,

Ho Chi Minh City, Vietnam

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Website: <http://www.quatest3.com.vn/>

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10 Nguyen Cong Hoan Street – Hanoi – Vietnam

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Department of External Relations  
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Vietnam Chamber of Commerce and Industry (VCCI)  
9 Dao Duy Anh Street  
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(Cellphone: 84-913-024-244)  
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171 Vo Thi Sau St, District 3, HCMC  
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Cell: 84-903-811-378  
Fax: (84-8) 824-2391  
Email: [itpc@hcm.vnn.vn](mailto:itpc@hcm.vnn.vn)  
<http://itpc.hochiminhcity.gov.vn/>

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Email: [herb.cochran@amchamvietnam.com](mailto:herb.cochran@amchamvietnam.com)  
Contact: Mr. Herb Cochran, Executive Director

## Vietnamese Websites:

NOTE: Most Vietnamese websites contain both English and Vietnamese documents.

Vietnamese Embassy in Washington	<a href="http://www.vietnamembassy-usa.org">http://www.vietnamembassy-usa.org</a>
Ministry of Health	<a href="http://www.moh.gov.vn">www.moh.gov.vn</a>
Directorate for Standards & Quality	<a href="http://www.tcvn.gov.vn">www.tcvn.gov.vn</a>
Vietnamese Customs Agency	<a href="http://www.customs.gov.vn">www.customs.gov.vn</a>
Ministry of Foreign Affairs	<a href="http://www.mofa.gov.vn">www.mofa.gov.vn</a>
Ministry of Finance	<a href="http://www.mof.gov.vn">www.mof.gov.vn</a>
Ministry of Fishery	<a href="http://www.fistenet.gov.vn">www.fistenet.gov.vn</a>
Ministry of Trade	<a href="http://www.mot.gov.vn">www.mot.gov.vn</a>
Ministry of Ag and Rural Development	<a href="http://www.mard.gov.vn">www.mard.gov.vn</a>
Agricultural Market	<a href="http://www.vitrinet.com.vn/agr">www.vitrinet.com.vn/agr</a>
Vietnam Fruit	<a href="http://www.vietcam.com">www.vietcam.com</a>
Contact Vietnam	<a href="http://www.contactvietnam.com">www.contactvietnam.com</a>
Local exporters list, commercial law	<a href="http://www.hcmctrade.gov.vn">www.hcmctrade.gov.vn</a>
Hanoi Dept. of Planning and Investment	<a href="http://www.sokhdthanoi.gov.vn">www.sokhdthanoi.gov.vn</a>
Info on Mekong River Delta	<a href="http://www.viic-mekong-delta.com">www.viic-mekong-delta.com</a>
Info on Mekong River Delta's capital	<a href="http://www.cantho.gov.vn">www.cantho.gov.vn</a>
Legal documents	<a href="http://www.vietlaw.gov.vn">www.vietlaw.gov.vn</a>
Representative office up procedures	<a href="http://www.vietbig.com">www.vietbig.com</a>
Vietnam Trade	<a href="http://www.viettrade.gov.vn">www.viettrade.gov.vn</a>
HCMC airport	<a href="http://www.saigonairport.com">www.saigonairport.com</a>
HCMC tourism	<a href="http://www.saigontourist.net">www.saigontourist.net</a>
HCMC Tax Bureau	<a href="http://www.hcmtax.gov.vn">www.hcmtax.gov.vn</a>

## Trade Shows info:

[http://www.vietnamtradefair.com/fair/hc\\_th12.htm](http://www.vietnamtradefair.com/fair/hc_th12.htm)

## Government and Ministries:



## Government and Cities' Websites

[http://www.chinhphu.vn/portal/page?\\_pageid=33,1&\\_dad=portal&\\_schema=PORTAL](http://www.chinhphu.vn/portal/page?_pageid=33,1&_dad=portal&_schema=PORTAL)

## National Assembly

<http://www.na.gov.vn/>

## Ho Chi Minh City

[http://www.hochiminhcity.gov.vn/home/left/tin\\_tuc/tin\\_noi\\_bat/2005/06/22-06-2005.01](http://www.hochiminhcity.gov.vn/home/left/tin_tuc/tin_noi_bat/2005/06/22-06-2005.01)

[http://update.hochiminhcity.gov.vn/home/index\\_cityweb](http://update.hochiminhcity.gov.vn/home/index_cityweb)

## Ba Ria Vung Tau

<http://www.baobariavungtau.com.vn/viet/phapluat/6629/>

**Ministries:**

## Ministry of Industry

<http://www.moi.gov.vn/News/Detail.asp?Sub=4&id=11534>

## Diplomatic Organization

<http://www.vietnamembassy-usa.org/>

## Biotech Vietnam

<http://www.agbiotech.com.vn/en/?mnu=preview&key=349>.

<http://www.hcmbiotech.com.vn>

## Vietnam Companies Info

<http://www.info.vn/?rcom=1&comid=5502&lang=en>

## Vietnam Vegi and Flower info

<http://www.rauhoaquavn.vn/>

[www.rauhoaquavietnam.vn](http://www.rauhoaquavietnam.vn)

## Yellow Pages

<http://www.yellowpages.com.vn>

**APPENDIX**

Table 1: Key Trade and Demographic Information

Agricultural Imports From All Countries (\$Mil) / U.S. Market Share (%) <sup>1/</sup>	3,350/ 8.6
Consumer Food Imports From All Countries (\$Mil) / U.S. Market Share (%) <sup>1/</sup>	515/21.47
Edible Fishery Imports From All Countries (\$Mil) / U.S. Market Share (%)	95.82/7.18

Total Population (Millions) / Annual Growth Rate (%) in 2006	84.16/1.26
Urban Population (Millions) / Annual Growth Rate (%) in 2006	22.8/2.18
Number of Major Metropolitan Areas	4
Size of the Middle Class (Millions) / Growth Rate (%)	N/A
Per Capita Gross Domestic Product (U.S. Dollars) in 2006	690
Unemployment Rate (%) (in urban areas) in 2006	5.6
Per Capita Food Expenditures (U.S. Dollars) in 2004	150
Percent of Female Population Employed in 2006	41.4
Exchange Rate (US\$1 = X.X local currency) As of October 12, 2007	VND 16,100

Source: Traders; Vietnam General Statistical Office and World Bank in Vietnam

Table 2: Imports of consumer food and edible fish products to Vietnam

Vietnam does not provide reports on import data of consumer food and edible fish products on the U.N trade data system

Table 3: Top 15 suppliers of consumer food and edible fishery product (N/A)

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