

VIETNAM 2024

Population	100 million
GDP Growth Rate	5.0% (Worldbank)
GDP per capita in US\$	\$ 4,324.05

Vietnam is a rapidly developing nation that has benefited enormously from a myriad of free trade agreements. Most notably of late, the EVFTA and CPTPP have seen trade with participating nations boom.

In the first 2 months of 2024, Vietnamese merchandise trade with trading partners in Asia was totaled USD 72.89 billion in value terms, which moved up 15.6% as compared to the same period of 2023. Trade-in-goods of Vietnam with America was followed, which reached USD 23.87 billion and increased by 26.5%. The values of other continents were Europe: USD 12.99 billion, up by 20.0%; Oceania: USD 2.43 billion, up by 8.8% and Africa: USD 1.24 billion, up by 15.5% in comparison with the same period of last year.

U.S. Agricultural Product Exports to Vietnam:

For Jan-Feb period, 4 exporting markets of Vietnam with turnover of over USD 3 billion were: The United States of America (reached USD 16.81 billion); China (reached USD 7.96 billion); Republic of Korea (reached USD 4.17 billion) and Japan (reached USD 3.62 billion).

Top U.S. Agricultural Product Exports to Vietnam (in Million USD)

No.	Product	2023
1	Cotton	750
2	Soybeans	378
3	Distillers Grains	342
4	Soybean Meal	244
5	Tree Nuts	238
6	Other Feeds, Meals & Fodders	188
7	Dairy Products	146
8	Wheat	145
9	Poultry Meat & Products	122
10	Fresh Fruit	105
11	All Other Agricultural Products	480
	Total Agricultural Products	3,137

* Excluding juice

Source: U.S. Census Trade Data, BICO HS-10

Top 10 Highest Volume Products in Vietnam:

- | | |
|-------------------------|-------------------------------|
| 1. Fresh fruit | 6. Processed vegetable |
| 2. Tree nuts | 7. Non-alcoholic beverages |
| 3. Dairy products | 8. Soup and other food preps. |
| 4. Fresh vegetable | 9. Bakery, cereals, pasta |
| 5. Beef & beef products | 10. Spices |

Advantages for U.S. Products:

Commodities:

- U.S. grains, animal feed ingredients, hardwood and cotton are considered consistent quality, sustainable supply and traceability. Vietnam wood processing, animal husbandry and yarn spinning have sustainably grown over years. •
- U.S. livestock and genetics ensure high productivity. Key local players continue to enlarge their cattle herd, providing opportunities for U.S. Exports.

Consumer Oriented Products:

- Vietnamese consumers view U.S. products as high quality and safe. • Heightened food safety concerns mean consumers are willing to pay a premium.
- Demand for high-value consumer-oriented products has steadily increased over the past five years.
- Modern food retail, food service, and food processing sectors are growing.

Transportation:

WB - Road freight transportation (80%) and inland water transportation (20%) account for 90% of freight transport in Vietnam.

The most Road freight transportation:

- Container trucks
- Trucks
- Auto/ Van/ Bus/ Motorcycle

The most inland water transportation:

- Container ship & Refrigerate cargo ship
- Ferry
- Cargo ship

Basic Documents to Import into Vietnam:

- Sales Contract signed
- Phyto-sanitary Certificate
- Bill of lading
- Commercial Invoice
- Packing List showing batch number
- Certificate of Origin showing the B/L number or Invoice Number issued by Chamber of Commerce (01 original and 1 copy)
- Certificate of Insurance (Original)
- **Health Certificate (Original): must be issued before the shipment date**

Country Language Labeling Requirements

Labeling requirements for goods circulated in the Vietnamese market, including imported food, are stipulated by Decree 43/2017. In short, all imported foods, except for those products destined for further processing and repackaging in Vietnam, must have secondary labels listing contents in Vietnamese that are consistent with the original label and supplement other mandatory contents that are required by the nature of the goods. On December 9, 2021, Decree 111/2021/ND-CP was issued to amend and supplement the labeling requirements for imported goods, especially food, beverages, and agricultural products. Some of the key changes are 1) the original label of imported goods must include the origin of goods and the name of the manufacturer or the entity responsible for the goods in the country of origin 2) the Vietnamese language label must include the mandatory content translated from the original label 3) the ingredients declaration must specify the name, group, and nature of additives, sweeteners, colorants, and flavorings 4) the nutritional composition and values must be labeled according to the Ministry of Health's guidance. Please refer to GAIN report VM2021-0110 and for further details.

Vietnam Current Market Trends

- Vietnamese citizens increase spending on essential dairy foods, healthcare products/supplements, and vitamins.
- Convenience stores/minimarts and e-commerce sales will play important roles retailers' success
- E-commerce is set to see compounded annual growth
- The 3 Most Concerns for developing New Products into market: Young generation (Millennials and Generation Z), Woman/ key household decision maker for family purchasing, Netizen (more than 60% of population using smart phones)

Understanding the retail market in Vietnam is key

Vietnam's retail market is experiencing remarkable growth, providing substantial opportunities for international retail brands to expand. Vietnam's sizable population, expanding middle class, and swiftly developing economy create an ideal environment for retailers to expand their operations. Brands entering the market can establish themselves as prominent players and profit from the Vietnam's highly optimistic growth potential. Nonetheless, there are challenges on the ground that must not be overlooked. These include the penetration of e-commerce, macroeconomic obstacles, competition with domestic retailers, and cultural disparities. Foreign retailers looking to expand in Vietnam are advised to consider these challenges and opportunity costs and should engage professional business advisory services to ensure their market entry is as seamless as possible.

Market Entry

WSDA Rep. recommends conducting extensive research to understand market demand, local business customs, import requirements, and identify potential buyers. WSDA Rep. assists new-to-market U.S. exporters, including lists of importers/traders/processors, market insights, and information on import procedures.

Participation in trade shows and trade missions offers good opportunities to better understand the market and engage directly with potential importers/distributors and local partners.

- Food & Hotel Hanoi 2025 from 18 – 20 March (<https://foodnhospitalityhanoi.com/>) the International food & drinks, hotel, restaurants, bakery & food services equipment, supplies & services exhibition.
- Livestock Vietnam 2025 from 25 – 27 June, in SECC, Ho Chi Minh City (<https://www.vietstock.org/en/>) the International Exhibition about Feed, Livestock, Aquaculture & Meat
- ILDEX Vietnam 2026 from 20 – 22 May (<https://www.ildex-vietnam.com/>): the 10th International livestock, dairy, meat processing and aquaculture exposition, Vietnam

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