

Vietnam has favorable conditions for growing fruit due to its monsoon tropical climate. The country's fruit growing area has seen a rapid growth from 373,000 hectares in 1990 to 500,000 hectares in 2001 (approximately 1.8 times as compared to 1990 and accounting for 5.4% of farmland). The total fruit output reached 5 million tonnes in 2001. The major regions producing fruit include the northern midland, Hồng River Delta, Central Highlands, southeastern provinces and the Mekong Delta. The southeastern region has a lot of potentials to develop into a great center of tropical fruit over the whole country because of its large area with a variety of tropical fruit including famous fruits as Long Khánh rambutan, Lái Thiêu mangosteen, Biên Hoà grapefruit...

Over the past years the fruit growing area in the southeastern provinces has risen steadily, from 42,000 hectares in 1990 to 70,000 hectares in 2002. The output also goes up accordingly. This is because the southeastern region has made the best use of advantages of land potentials and climate; organized farm-style production; and found concentrated consumer market. However, the region's fruit sector is facing not a few shortcomings.

First, the varieties of plants are not homogeneous. The selection of varieties is mainly determined by farmers. Nevertheless, their preference is very different. In addition, the access to necessary information and supply of varieties remains re-

stricted. As a result, when the market needs a certain kind of fruit, there are at least 3 or 4 species with different sizes.

Second, the planting technique is rather backward. For fruit trees, the agricultural extension and diffusion of advanced technique have not yet been widely applied. Especially, farmers still utilize chemicals in the process of growing fruit, so when

ratio is high, the requirement of foreign and local markets for food hygiene and safety is not met and the sector's competitive edge will thus become blunt.

The above facts reveal that the market of southeastern region's fruit in particular and the country on the whole is encountering a lot of difficulties and challenges.

According to calculation of ex-

TO SHARPEN COMPETITIVE EDGE OF FRUIT PRODUCTS IN THE SOUTHEASTERN PROVINCES

by MEcon. TRẦN BÌNH HOÀNG

harvesting, it is hard to meet requirements of foreign markets for food hygiene and safety. This reduces the sector's competitiveness in export.

Third, the post-harvest technology is still simple and almost manual. When reaped, fruit is not nice and attractive and its price is lower. After harvesting, farmers usually heap up fruit on the ground or expose it to the sunlight or rain before putting it in boxes. Therefore, it is usually withered and deformed, the loss

perts from the Ministry of Agriculture and Rural Development, the demand for fresh fruit on the local market is about 3 million tonnes per year. Moreover, the need for fruit materials of processing factories currently reaches 150,000 tonnes per year. As such, the total need for fresh fruit on the local market is only some 3.15 million tonnes per year. In the 2000-2001 period, Vietnam exported some 20,000 tonnes of various kinds of fruit to China, Taiwan, Singapore, EU, and Canada. This figure is



rather modest as compared to regional countries including Thailand and China. In short, the total demand for Vietnam fresh fruit on local and foreign markets currently reaches 3.17 million tonnes per year.

In the meantime, the Ministry of Agriculture and Rural Development estimates the country produced 5 million tonnes of fruit in 2001. That implies the supply has exceeded the demand in the local market. Therefore, to expand export markets for Vietnam's fruit is extremely essential. Nevertheless, local fruit still faces the status of no trade name, no quality guarantee, no stable price, and no firm consumer market.

In fact, although the southeastern region has some famous fruit specialties but these products have no brand name. As a result, farmers not only cope with price decline in a bumper crop, but also compete against fake goods. The brand faking destroys customers' confidence. The absence of brand will cause obstacles in fruit consumption, especially when Vietnam implements AFTA and brings an end to the process of its CEPT.

Due to its obsolete process of production, the southeastern region's fruit has not really yet satisfied quality requirements of both foreign and domestic markets. Furthermore, the fruit sector's production is not associated with the consumer market. Most farmers often think "to sell what can be produced" but not "to sell what the market needs" in the market economy, especially for agricultural products. Consequently, while local farmers make great efforts to seek markets for their products, domestic supermarkets still have to import foreign fruit for sale. The fruit processing factories must temporarily halt production due to lack of input materials (local materials cannot meet requirements of quantity and quality). The exporters do not have enough high quality products for foreign markets. Moreover, farmers cannot forecast price trends for investment, so the market is not stable.

To promote the competitiveness of the southeastern region's fruit, great efforts should be concentrated on enhancing productivity, applying advance technologies to production, giving incentives to link four factors including the Government, scientists, businesspersons and farmers, and securing to buy up farmers' fruit. The following suggestions may help the southeastern region fruit sector sharpen its competitive edge:

1. Regarding the Ministry of Agriculture and Rural Development:



2. Regarding the Ministry of Trade:

- To devise and announce the master plan the areas specialized in growing fruit in terms of scale and category soon.

- To establish the Southeastern Fruit Center like SOFRI to assist farmers in varieties reform, technical improvement and application of advanced technologies to production.

3. Regarding the Ministry of Agriculture and Rural Development:

- To gather fruit exporters, study and forecast export markets.

- To support enterprises in signing contracts of consumption and export.

- To supply market information, train farmers in marketing and evaluate the standards for fruit exports.

- To build trade names for Vietnam's fruit.

3. Regarding local governments:

- To set up focal marketplaces in specialized areas and organize sample market sessions like the models of marine product marketplace in Cần Giã, HCMC.

- To build roads for transport of farm products.

- To organize contests, exhibitions and fairs on fruit.

- To recommend farmers to grow fruit in accordance the plan and supervise the multiplication of and trade in fruit varieties.

- To make supports and agricultural extension through the plant protection centers and agricultural offices and stations and provide information for farmers via books, newspapers, radio and television.

4. Regarding farmers:

- To reform and renovate plant varieties in accordance with of the Government's guidelines.

- To establish the association of fruit producers of provinces to boost trade promotion.

- To connect specialized areas to make preparations for construction of modern processing factories in the future.

In short, with existing large area of growing fruit and diverse categories of fruit, if the Government gives support policies to overcome these above shortcomings, the southeastern region will likely become a great fruit producing hub of the whole country, not only for local consumption and but also for export ■