

China and Vietnam strengthen bilateral horticulture business

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Following the establishment of the Comprehensive Strategic Partnership between China and Vietnam in 2008, China's consumption and production have facilitated growth in bilateral trade with Vietnam. By 2023, trade between the two neighbors is expected to increase from \$20.8 billion in 2008 to nearly \$172 billion. The figure is estimated to have surpassed \$112 billion so far this year, with Vietnam's exports accounting for \$32.56 billion and imports for \$79.61 billion. China is the biggest source of Vietnam's imports and the second largest export market after the U.S. Vietnam is China's top trading partner in ASEAN and fifth largest market and ninth largest source of imports globally.

In August 2024, Vietnam's Ministry of Agriculture and Rural Development and China's General Administration of Customs have signed several protocols allowing shipments of frozen durian and fresh coconut. With the new protocols signed, frozen durian exports are expected to reach \$400-500 million this year, while fresh coconut exports are set to increase by \$200-300 million.

Some other agricultural exports to China include swallow nest, sweet potato, dragon fruit, longan, rambutan, mango, jackfruit, watermelon, banana, mangosteen, grass jelly, lychee, and passion fruit.

Vietnam sold nearly \$2.2 billion worth of vegetables and fruits to the country in the first half, up 33% year-on-year, making it China's second largest source of agricultural products after Thailand.

Dang Phuc Nguyen, general secretary of the Vietnam Fruit and Vegetable Association, says China, which has a population of 1.4 billion, is a highly lucrative market that even distant countries like the U.S. and Chile seek access. In the first half of this

year, China bought more than \$1.2 billion worth of Vietnamese durians, a 46% increase from the same period in 2023. Vietnam has only been shipping fresh durians to China since 2022 when they got the green light for official import.

A decade ago China's imports of Vietnamese goods were around \$15 billion annually, a figure that quadrupled to \$61.2 billion in 2023. Coffee giant Trung Nguyen Legend, which has been exporting the bean to that country for over 15 years, is a prime beneficiary of this growth. It said it now has 15 importers, 300 secondary distributors, 30,000 retail locations and thousands of online stores in China, the fastest-growing coffee market in the world. It estimates that out of every 18 cups of coffee sold in China one is Trung Nguyen Legend's. It has also opened 14 "Coffee World" stores, its global coffee shop chain, in China in less than two years since its launch. Some other key exports in the bilateral trade include rubber, fruits and vegetables, agricultural aquatic products and feedstock.