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Vietnam forecasts pepper and spices exports to reach $2B by 2025

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Vietnam's pepper exports have reached $1.1 billion in 2022, and is expected to reach $2 billion according to President of the Vietnam Pepper Association (VPA) Hoang Thi Lien.

President Lien further stated that, pepper and spices export revenue reached $1.4 billion, by referencing to the highest growth rate of this industry in post-COVID periods. In addition, Vietnam has standardized its production process along with boosting Organic production which is greatly expected to influence a improved purchase price in the global market.

The total global pepper production in 2023 is estimated to reach 526 thousand tons compared to 537.6 thousand tons in 2022. Vietnamese cinnamon production in 2023 is predicted to increase compared to 2022, reaching around 45,000 tons.

Le Viet Anh, Head of Office of Vietnam Pepper Association, anticipates that the pepper season in Vietnam in 2023 is relatively optimistic, with an estimated harvest output of 200,000 tons, up 9.3% compared to last year. Meanwhile, according to the International Pepper Community (IPC), the harvests from other producing countries such as Brazil, Indonesia, and India are all expected to decrease in comparison to 2022 yield.

Vietnam's pepper and spice industry contributed to a total of over $1.4 billion in export revenue in 2022. In the pepper and spice industry, pepper accounted for 69.4%; cinnamon 20.6%; Star Anise 5.1%; nutmeg and mace 2.3%; ginger and turmeric 1.6%; and chili peppers 0.8%.

According to the report of the Vietnam Pepper Association, in Q1/2023, Vietnam exported 76,727 tons of pepper, with export revenue reaching $235.9 million up 40.5% in quantity but down 7.3% in value compared to the same period last year. In addition, cinnamon exports reached 18,685 tons with $54.8 million, up 45.8% in quantity and 13.8% in value. Star Anise exports reached 3,369 tons worthing $21.6 million, up 261.9% in quantity.