

Vietnamese Market for Red Raspberries



Luis A. Ribera, Texas A&M AgriLife Extension
Landyn K. Young, Texas A&M AgriLife Extension



<http://cnas.tamu.edu>

Report Published December 2024 by the Center for North American Studies
CNAS Report 2024-002

Photo courtesy of Unsplash.

Center for North American Studies
Department of Agricultural Economics
2124 TAMU
College Station, TX 77843-2124

Website: cnas.tamu.edu
Twitter: [@cnastamu1](https://twitter.com/cnastamu1)
Infogram: infogram.com/cnas

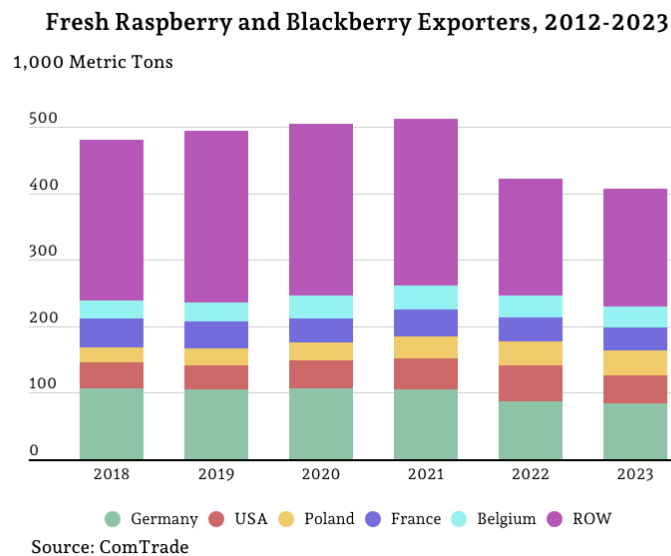
Vietnamese Market for Frozen Raspberries

Luis Ribera, Landyn Young¹

Introduction

During 2023, there has been a reported 406 thousand metric tons (TMT) of frozen raspberries and blackberries imported globally. When raspberries are mentioned throughout this paper it should be noted that the total will include blackberries. The two products are categorized together, and most international databases will not allow users to get to a level where the products are separated. Despite consistent growth from 2018-2021, reports of imports decreased by over 107 TMT in the two years since 2021. It is unknown if this fall is actually representative of what is happening in the industry because imports/exports are reported by the country, so it should be understood that there is a lack of reported values in the world market.

Over the last six years Germany has been by far the largest global importer of frozen raspberries, ranging from 84-108 TMT. More than 20 percent of all frozen raspberry exports annually have been destined for Germany, this includes the lowest total of 84.4 TMT in 2023. Following, with less than half of the annual import total, is the United States which totaled 41.5 TMT imported in 2023. Poland, France and Belgium follow closely behind the United States with 30-40 TMT of frozen raspberry imports per year. Since 2018, frozen raspberry imports for these five largest markets accounted for 47-57 percent of the world.



The world's leading exporters of frozen raspberries for 2023 based on most recent reports is Poland. Annually since 2018, Poland has been the source of 13-25 percent of all frozen raspberry and blackberry exports for the world. Following is Serbia, over the same period Serbia has been the source of 11-29 percent of global raspberry exports.

¹ Prepared by Luis A. Ribera and Landyn K. Young with assistance provided by Dr. Trang Dang; Dr. Marco Palma, Director of Texas A&M Human Behaviour Lab. For additional information, please contact Iribera@tam.u.edu or call 979-845-3070

From 2018-2021, these two countries were the source of more than 30 percent of global frozen raspberry exports. While production did fall for these two exporters in recent years causing their share of exports to decline, another cause for their fall was due to German exports exploding in 2020. Reported German exports of frozen raspberries and blackberries grew nearly six hundred percent in 2020. The other two largest global exporters are the United States and Ukraine which, since 2018, have accounted for 4-13 percent of the world's export volume.

U.S. Raspberry Production

During 2023, production of red raspberries in the United States totaled 62.6 TMT. Production of red raspberries for the country has been on the decline annually since 2020 falling 32 percent, or 30.5 TMT from 92.1 TMT.

While production also decreased in Washington during the 2019 COVID pandemic, falling 9.6 TMT from 2019-2021, it has been on the rise again in recent years. Production for the state totaled 26.7 TMT in 2023, 42.7 percent of the total for the country. Since 2018, 99 percent of the red raspberries grown in Washington come from Whatcom country.

Of the other states producing red raspberries, California leads the nation as the largest raspberry producer, though the volume for the state was unavailable. California red raspberries are typically sold fresh to major North American markets. Meanwhile more red raspberries are grown and frozen in Washington than any other state. The Washington red raspberry producer group, Washington Red Raspberry Commission, estimates that around 98 percent of the annual volume harvested will be frozen.

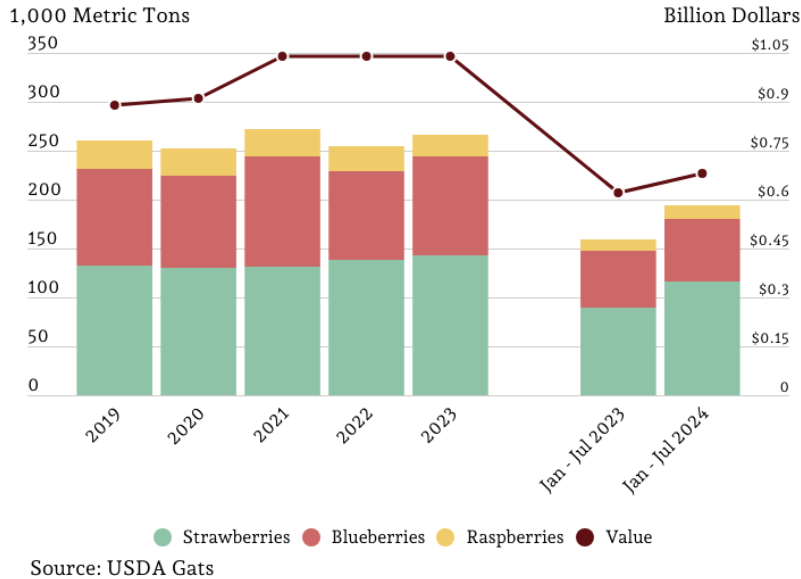
U.S. Red Raspberry Production, Metric Tons

	2018	2019	2020	2021	2022	2023
Washington						
<i>Whatcom County</i>	33,662	29,768	28,877	20,214	22,349	26,583
<i>Puget Sound</i>	135	115	138	134	110	130
<i>Southwest WA</i>	187	126	109	74	50	57
WA Total	33,983.5	30,009.4	29,123.7	20,421.7	22,509.9	26,770.2
<i>Other U.S. States</i>	66,334.0	58,652.7	62,985.2	53,818.7	50,551.3	35,860.2
United States Total	100,317	88,662	92,109	74,240	73,061	62,630

Source: Washington Red Raspberries (Redrazz) Resources, USDA NASS QuickStats

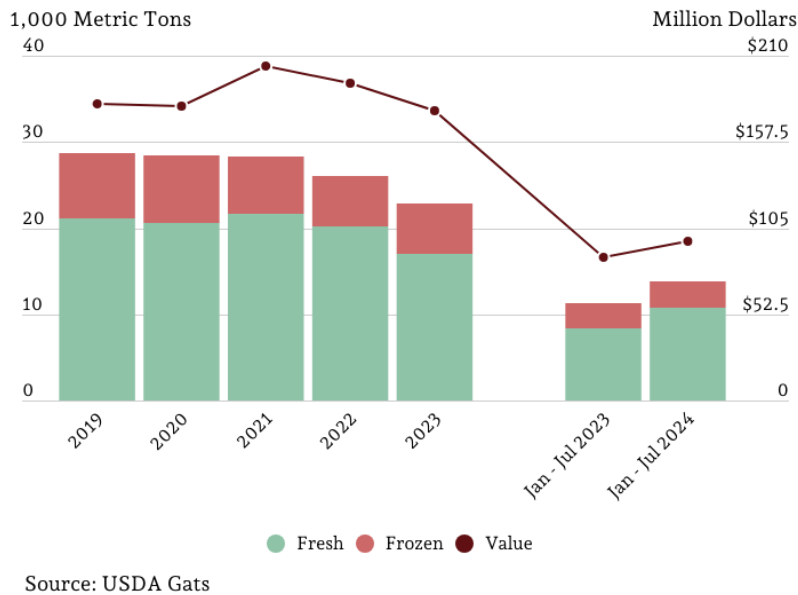
The United States exported 266.8 TMT of berries during 2023 worth \$1.04 billion. This includes 22.8 TMT of raspberries and blackberries, 101.2 TMT of blueberries and cranberries, and 142.7 TMT of strawberries. Since 2019, U.S. berry exports have ranged from 252-272 TMT and over this time period raspberry exports account for 8-12 percent of the total.

U.S. Berry Exports, 2019-2024

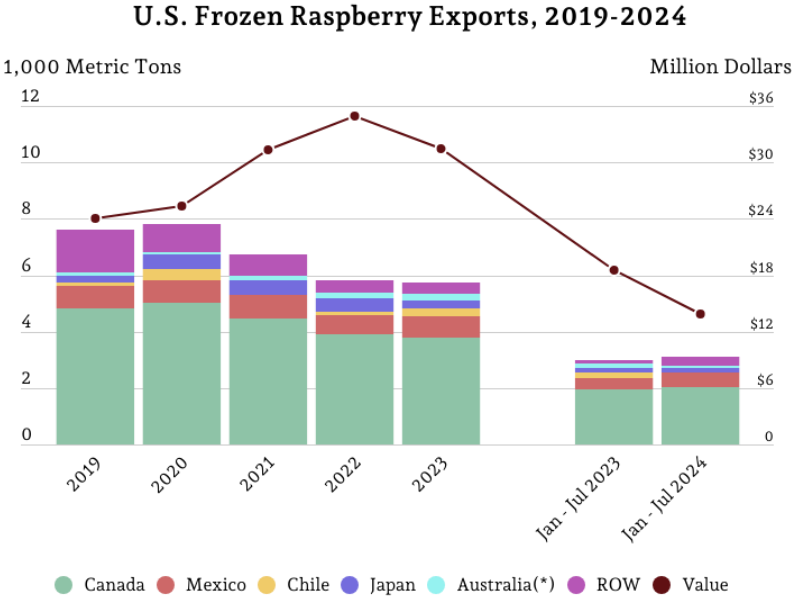


Since 2019, raspberry exports have ranged from 22-29 TMT, falling every year. This trend of falling raspberry exports seems to change during the partially reported year of 2024. During 2023, raspberry exports totaled \$176 million and can be further divided into 17 TMT of fresh and the remaining 5.8 TMT were frozen. Raspberry exports from the United States over the past five years have been between 22-28 percent frozen.

U.S. Raspberry Exports, 2019-2024



Since 2019, U.S. frozen raspberry exports have totaled \$31.4 million. Annual exports every year since 2021 have been over 31 TMT and increased annually from 2019-2022, the total for this time increased by 10.9 TMT. The leading destination for these frozen raspberries is Canada, with 3.8 TMT in 2023 has received more than 60 percent of the total from the United States since 2019. Mexico follows, importing 726 metric tons (MT) of frozen raspberries from the United States in 2023. After these two are Chile, Japan, and Australia to make up another 825 MT of frozen raspberry exports in 2023.



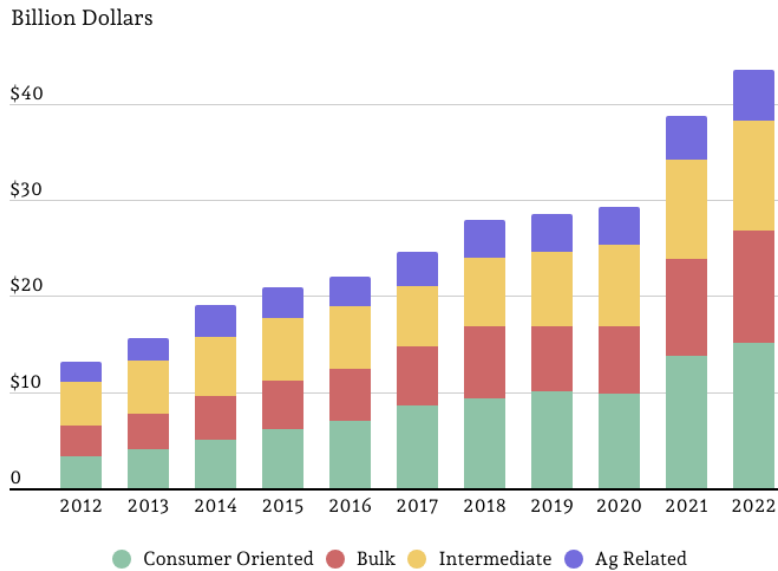
Source: USDA Gats

Vietnamese Market

From 2014-2023 Vietnam’s GDP per capita nearly doubled from \$2,559-\$4,347, an average annual increase of 6.99%. Through this ten-year period the population of Vietnam grew by only 7.6 million, to 98.86 million, while the GDP for the country rose by \$196 billion, to \$429.7 billion.

Agricultural Imports from 2013-2022, the ten most recent years of reported values, nearly tripled to \$43.5 billion, ten years prior agricultural products imported totaled \$15.7 billion. The largest category of these products was consumer oriented, growing by \$11 billion, which totaled \$15.1 billion in 2022. Intermediate agricultural products, which was the leading product type in 2013, ranked as the third largest product group in 2022 at \$11.5 billion.

Vietnam Agricultural Product Imports, 2012-2022



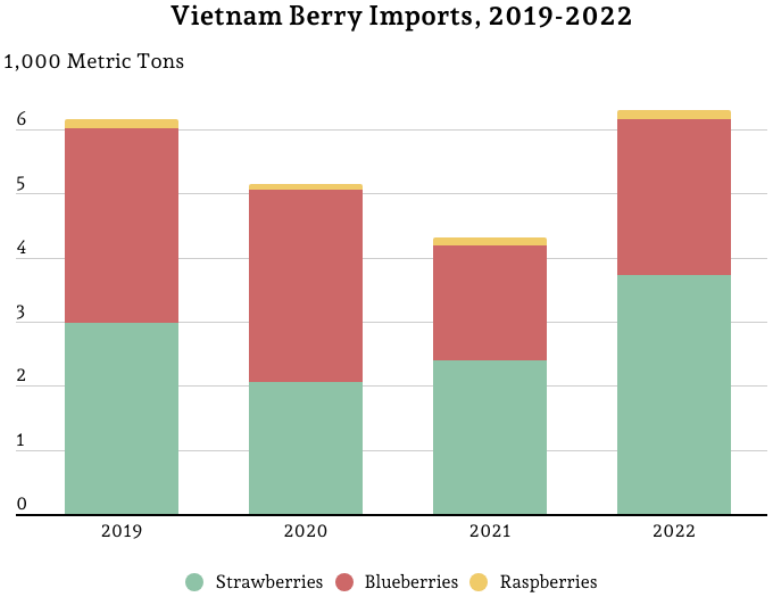
While discussing the industry with a local businessman, he explained that when purchasing products the primary focus for his company is cost, specifying that tariff rates make a significant impact on where he chooses to source his ingredients. The research team was also told that if price is competitive between source markets, taste of the fruit is what he focuses on. Currently, his primary source of berries is from Canada as well as China, Australia, and Egypt based on the availability of product. This company focuses on two primary product types: smoothie mixes and fruit puree. Both of these products are sold to other businesses where they are used as ingredients for retail sales to consumers, either as baked goods or smoothies. He saw relatively little market penetration outside of urban areas of the country. Despite this, he said that sales for all berry products had been on the rise, estimating that in the past decade it has increased annually by around ten percent.

Later in the trip there was a meeting organized with fresh produce managers at Annam supermarket. One of the first points that the team wanted to discuss at this meeting was the main consumer population for frozen berries, it was explained that two groups make up the majority of frozen berry sales in the country. The larger consumer base being foreigners living in Vietnam who have already established a taste preference for frozen berries. The second, smaller, group consuming them in the country is the younger health-conscious population living in Vietnam. When asking about growing the berry market it was explained that it would take educating consumers on the product and what can be done about it. Some hesitancy exists for consumers already having established taste preferences and not wanting to use a portion of their smaller disposable income on a product they do not know if they will enjoy.

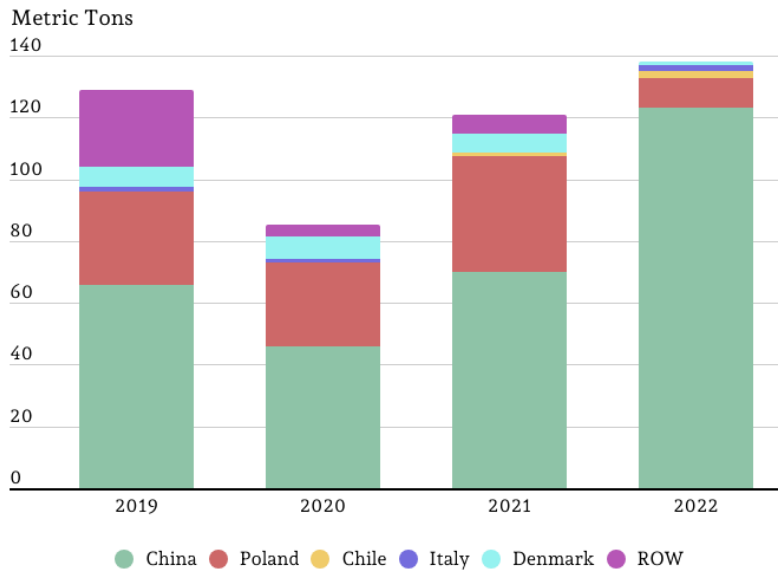
A manager at Megamart that agreed to meet with the research team echoed remarks that were made in previous meetings. The consumer group mostly purchasing frozen berries are foreigners living in the country. Despite the small consumer group that purchased these products primarily, she informed the team that through recent years they have experienced growth of around ten percent annually for berry sales.

Frozen Raspberries in the Vietnamese Market

During 2022, Vietnam imported 6.3 TMT of fresh or frozen berries, strawberries were the largest contributor to that total. Raspberry imports by Vietnam, fresh or frozen, accounted for 138 metric tons (MT). All of the raspberries imported since 2019 have been frozen. The largest exporter of frozen raspberries to Vietnam is China, totaling 123 MT in 2022 near double the year prior where only 70 MT were exported to Vietnam. Poland, the world’s largest frozen raspberry exporter, ranks as the second largest market exporting raspberries to Vietnam. From 2019-2021, Poland exported more than 28 MT annually, but in 2022 saw exports fall to less than 10 MT. The other markets that were reported to have exported raspberries to Vietnam in 2022 are Chile, Italy, and Denmark which together totaled less than Poland.



Vietnam Frozen Raspberry Imports, 2019-2022



Source: ComTrade

Between meetings with industry professionals, the research team visited six grocery stores to track the prices of a basket of goods. The stores visited include: Megamart, Annam Supermarket, Aeon Market, Lottemart, and Winmart each from various districts of Ho Chi Mihn city. Additionally, another 332 price points were reported by a contributor to the research team residing in Vietnam from various districts at Ho Chi Mihn city and Hanoi from stores not visited during the trip. Prices for Texas and Washington were found through online pickup order options. Texas grocery stores included HEB and Walmart in the Brazos Country area as well as Houston, Dallas, and Austin. Washington grocery prices are from various Safeway's and Walmart's in Seattle, Spokane, Tacoma, and Vancouver.

Note: the green highlighted values on the table below indicates a lower average price for a product relative to the other two markets, meanwhile when highlighted in red indicates the price is higher. Moreover, a large percentage of the Vietnamese population do not shop at supermarkets, rather they buy their food in more traditional/artisanal open markets. The research team concentrated in Vietnamese supermarkets because that is the share of the population most likely to try raspberry products.

The products chosen for this basket of groceries were based on a mix of a typical Vietnamese diet based on research completed by the International Dietary Data Expansion Project (INDDEX) in 2021. Also included are some U.S. produced products that were commonly available in Vietnamese supermarkets.

Prices (USD) for a Similar Basket of Groceries, Vietnam and U.S., Spring-Fall 2024

Products	Unit	Vietnam (Avg Price/Unit)	Texas Average (Avg Price/Unit)	Washington (Avg Price/Unit)
Plain White Rice	LB	\$0.53	\$0.86	\$1.04
White Eggs	18-Count	\$1.72	\$4.44	\$5.17
Banana	LB	\$0.87	\$0.52	\$1.09
Raw Shrimp	LB	\$3.55	\$9.33	\$11.44
Pineapple	Each	\$2.20	\$3.87	\$4.22
Orange Juice (Tropicana), Shelf Stable	L	\$0.79	\$2.67	\$3.20
Black Beans	LB	\$1.25	\$1.80	\$2.92
Ground Beef	LB	\$3.37	\$5.19	\$7.44
Ground Pork	LB	\$2.19	\$3.11	\$4.12
Coca-Cola	L	\$0.47	\$1.46	\$2.23
Snickers Bar	Bar	\$3.89	\$1.37	\$1.99
Heinz Ketchup	20 oz Bottle	\$2.53	\$3.62	\$5.29
Heinz/Hunts Mustard	20 oz Bottle	\$7.17	\$2.26	\$4.49
Heinz Mayonaise	15 oz Jar	\$4.68	\$4.14	\$4.82
Whole Milk, Refrigerated	Gal	\$6.53	\$3.45	\$5.27
Whole Milk, Shelf-Stable	1/2 Gal	\$6.25	\$10.16	\$14.68
Potatoes, Yellow	LB	\$0.43	\$1.54	\$1.09
Onion, White	LB	\$0.57	\$1.23	\$1.49
Tomatoes, Roma	LB	\$0.57	\$0.93	\$2.99
Canola Oil	L	\$2.55	\$3.32	\$3.50
Raspberries, Frz	LB	\$4.72	\$5.49	\$5.82
Strawberries, Frz	LB	\$4.97	\$2.56	\$4.54
Blueberries, Frz	LB	\$6.76	\$3.10	\$4.45
Blackberries, Frz	LB	\$4.72	\$3.91	\$4.41
Sweet Potato	LB	\$0.78	\$1.04	\$2.94
Berry Medely (Straw/Blue/Black/Cran), Frz	LB	\$6.12	\$3.66	\$3.82
Sliced Sandwich Bread	Loaf, 24 oz	\$1.18	\$2.82	\$4.32
Total Price for One Item or Lb. Purchased		\$81.36	\$87.85	\$118.74

Unless noted, prices converted to per/lb. basis. Vietnamese prices were converted to U.S. dollars using the daily exchange rate

When looking at the different areas for groceries the first note is the stark price difference of total cost. The basket of groceries in Vietnam is \$81.36, this is \$6.49 lower than Texas and \$37.39 cheaper than Washington, by 8 and 46 percent respectively. If meat products, raw shrimp and ground beef/pork, were removed the total for the groceries in Texas would fall below the price of Vietnam. Overall, food prices in Vietnam are relatively cheaper than the two U.S. states being compared. Vietnam food prices benefit from the proximity to China and free trade agreements in place. One point that was expressed throughout the research teams' trip was that the Vietnamese population was very price conscious, this is reiterated again through the USDA's Global Ag Information Network (GAIN) exporter guides for Vietnam.

All of the available varieties of frozen berries in the Vietnamese market are a higher price than either Texas or Washington, except for raspberries which are slightly cheaper than Washington, and nearly a dollar cheaper than Texas. All berry products at both Texas and Washington were found as store branded products, the majority of frozen berries sold in Vietnam were from the French brand Andros.

Barriers to Trade with the Vietnamese Market

The base tariff rate for frozen raspberries exported to Vietnam is 30 percent, this is the tariff rate the U.S. exporters are required to pay. Competitors like Australia, Canada, China, and Egypt who have trade agreements in place receive no tariffs on raspberries exported to Vietnam.

Along with the import tariffs, U.S. raspberry exporters can expect non-tariff barriers to trading with Vietnam. Fruit exported from the United States is required to receive a phytosanitary certificate (PC) as well as an import permit (IP). In addition to these documents, all fruit from the United States must have come from an area certified free of *ceratitis capitata* and may be subject to on arrival inspection and quarantine.

An IP is obtained by the foreign importer. A PC may be obtained by contacting the USDA Animal and Plant Health Inspection Service (APHIS). Contact information for the Texas APHIS is found at:

https://www.aphis.usda.gov/aphis/ourfocus/planthealth/sa_export/sa_ecs/texas/.

Producers in the United States raised additional concerns about Vietnamese maximum residue limits (MRL) on pesticides. At the time of this publication the list of limited and banned pesticides can be found in MARD Circular 09/2023 in appendix 1 and 2, respectively. More information about MRLs in Vietnam can be found under Section V of GAIN Report VM2024-0010. Additional information on Vietnamese MRLs can be found in GAIN Report VM 7026.

Conclusion

The volume of berries exported from the United States in 2023 totaled 266.7 TMT; of this total only 22.8 TMT were raspberries. Over the past five years, between 73-75 percent of the exported volume of U.S. raspberries were fresh. This leaves 5-8 TMT of exported frozen raspberries that are exported annually from the United States, more than 60 percent of this has been exported to Canada in recent years.

Vietnam has grown drastically in the last decade with imports of consumer-oriented food products rising by an average of 26.8 percent annually, from \$5.57 to \$11.67 billion. Industry professionals selling frozen raspberry products have related that the sales of berry products have consistently been growing also; around ten percent annually through recent years.

While these values could lead to optimism for the market, there will also be challenges to U.S. exporters. The consumer population will be very sensitive to the

tariff rate that is in place on U.S. raspberries compared to the countries already active in the market. The small urban consumer base for frozen raspberries in Vietnam will force U.S. exporters to compete with these major exporters already in the market, or market and educate to the Vietnamese population to grow consumption abroad.

References

- Department of the Treasury and Bureau of Economic Analysis. Currency Exchange Rate Converter. Online public database. <https://fiscaldata.treasury.gov/currency-exchange-rates-converter/>
- Foreign Agricultural Service (FAS). Global Agricultural Trade System (GATS). Online database. <https://apps.fas.usda.gov/gats/default.aspx>. Online public database accessed June-August 2024.
- Kim, Chungmann, Cristina Alvarez, Abdul Sattar, Arkadeep Bandyopadhyay, Carlo Azzarri, Ana Moltedo, and Belyou Haile. "Production, Consumption, and Food Security in Viet Nam Diagnostic Overview." 2021. International Dietary Data Expansion Project (INDDEX).
- Pham, Thu. FAIRS Country Report Annual [VM2024-0010]. USDA/FAS, Global Agricultural Information Network (GAIN). https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Country%20Report%20Annual_Hanoi_Vietnam_VM2024-0010.pdf
- Pham, Thu and Benjamin Petlock. MOH Revises MRLs for Pesticides in Foods [VM7026]. USDA/FAS, Global Agricultural Information Network (GAIN). https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=MOH%20revises%20MRLs%20for%20Pesticides%20in%20Foods_Hanoi_Vietnam_5-31-2017.pdf
- United Nations Department of Economic and Social Affairs. Comtrade. Online public database. <https://comtradeplus.un.org/> accessed July-August 2024.
- USDA Animal and Plant Health Inspection Service (APHIS). Phytosanitary Export Database (PExD) with Requirements by Country. <https://pcit.aphis.usda.gov/PExD/faces/ViewPExD.jsp>. Online public database accessed September–October 2024.
- USDA Foreign Agricultural Service (FAS). Global Agricultural Information Network (GAIN), various reports. <https://gain.fas.usda.gov/>. Online public database accessed July-October 2024.
- USDA National Agricultural Statistics Service (NASS). Quick Stats. <https://www.nass.usda.gov> accessed August 2024.
- Vietnam National Trade Repository. Import and Export Tariff Schedule of Vietnam. Online Public Database. <https://vntr.moit.gov.vn/tariff/tfta>.
- Washington Red Raspberries. Industry Statistics. <https://redrazz.org/industry/resources/>.
- World Integrated Trade Solutions (WITS). Online public database accessed September 2024. <https://wits.worldbank.org/tariff/trains/country-byhs6product.aspx?lang=en>