



POLICY BRIEF

VIET NAM

STANDARD OPERATING PROCEDURES (SOPs) FOR TRANSFORMING TROPICAL FRUITS VALUE CHAIN TOWARDS SUSTAINABILITY AND COMPETITIVENESS IN EXPORT MARKETS

Vietnam export mango industry whilst significant is currently dominated by the China market which accounts for some 90% of its exports. This imbalance of market diversity has been recognized as a potential risk for the long-term sustainability of mango export industry.

In order to develop new mango export markets particularly in developed countries the industry needs to be able to access the modern retail markets. Whilst the opportunities in these markets are significant adequately meeting the market requirements has been challenging.

Export mango consignments are experienced a number of technical constraints that are limiting the ability to meet market requirements. These include limited shelf life due to high levels of disease, inconsistent grading and packaging, lack of cool chain, inappropriate field practices and limited traceability. This is also exacerbated by limited technical capacity within the supply chain.

Exports to most developed countries from Vietnam are currently limited to wholesale markets and small retail shops often servicing the Vietnamese diaspora. These market segments are often small and very price sensitive, whereas the main expansion opportunities exist in the modern retail segments.

INCREASING QUALITY AND STANDARDS COMPLIANCE CAPACITY OF MANGO AND POMELO VALUE CHAINS IN THE MEKONG DELTA RIVER

AT A GLANCE - PHASE 1

Main counterparts	Ministry of Agriculture and Rural Development (MARD), Ministry of Science and Technology
Duration	3.5 years, starting Jan 2020
Executing Agency	United Nations Industrial Development Organization (UNIDO)
Donor	Switzerland, through the State Secretariat for Economic Affairs (SECO)
Budget	EUR 1,040,270



A series of 6 SOP's were developed which target the practices needed for the mango industry to meet the requirements and standards for the modern retail section. These SOP's covered the areas of field practices, packhouse disease, cool chain and transportation management. An additional SOP was also developed addressing traceability.

A series of training modules were developed to build capacity with the value chain participants in understanding the SOP's and their role in the value chain and potential impact on quality outturns and the technical aspects of each practice. This is to be further by the development of these modules into a recognized training course.

BENEFITS

The SOP's specifically address the current shortcomings in the mango export chains. Dissemination of this information via technical training both online, and practical demonstrations serve 2 purposes.



Firstly it raises awareness of the current issues and impediments that are constraining the entry into the modern retail export markets and the potential impact that the trainee's current role may have on this.



Secondly, they offer solutions through practice change that will either overcome or reduce the current impediments.

POLICY RECOMMENDATIONS

It is recommended that the practices after being review be able to be endorsed by MARD. The SOP's have highlighted a number of areas where policy intervention would assist the industrial development, particularly in chemical use, registration, storage and record keeping that meet international standards. Other areas would include working towards better alignment of VietGap with International standards.



When applying SOP at Hoang Phat, we has addressed impediments in fungicides treatment, temperature management, and post-harvest loss rate in the system, ensuring quality consistency in exported mangoes.



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