



GLOBAL QUALITY
AND STANDARDS PROGRAMME

VIETNAM

Compliance for winning the market



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO





Photo by Khanh Phan



The Mekong River Delta is a vast region in southern Vietnam, which is vital to the Vietnamese economy and diet. Nature has gifted the region with a well-suited climate and fertile soil to grow a wide variety of fruits, including mangoes and pomelos. It accounts for nearly half of 87,000 hectares of mango grown in Vietnam.

Why GOSP



Vietnam is the world's
13th
largest mango producer,
but only accounts for
1.51%
of the global exports



Vietnam's Mango
Production (2021)
1,000,000
tons



But only
US\$ 211.7 MILLION
export revenue

To date, global trade is increasingly embedded within value chains and is governed by quality and standard requirements.

Supporting countries to benefit from global markets, the Global Quality and Standards Programme is implemented by the United Nations Industrial Development Organization (UNIDO) and funded by Switzerland, through its State Secretariat of Economic Affairs (SECO).

In cooperation with the Ministry of Agriculture and Rural Development (MARD), the Programme's overall objective is to promote trade and competitiveness through strengthening the quality and standards compliance capacity of SMEs to facilitate market access.



Vietnam's Pomelo
Production (2021)
833,000
tons

But only
US\$ 10.2 MILLION
export revenue



At a glance

▶ PHASE 1

Increasing quality and standards compliance capacity of mango and pomelo value chains in the Mekong River Delta



DURATION:

3.5 years
(start March 2020)



BUDGET:

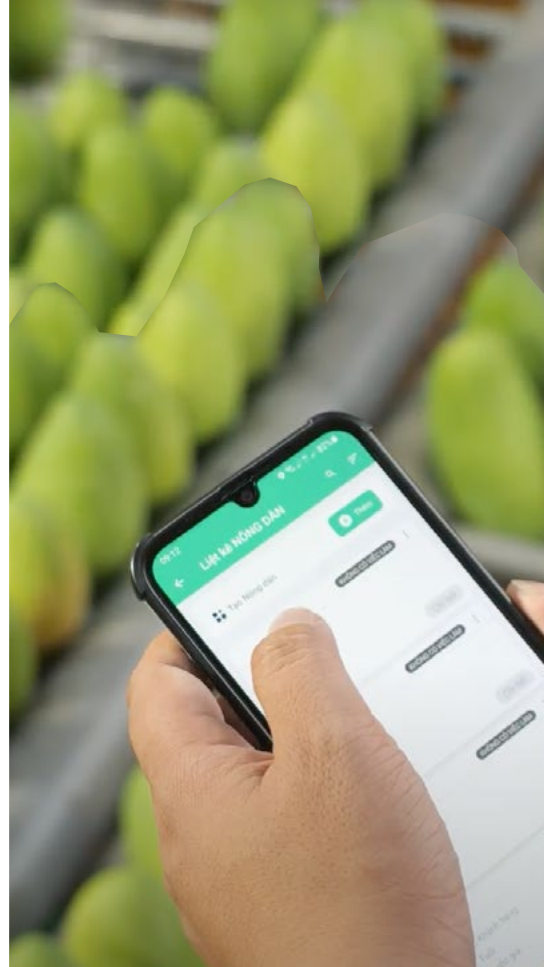
EUR

1,040,270

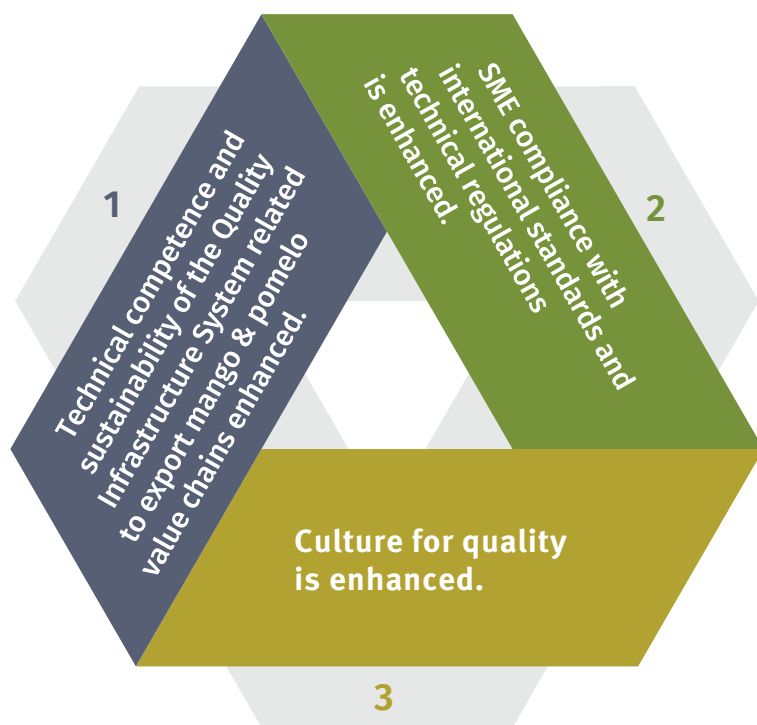


COUNTERPARTS:

Ministry of Agriculture and Rural Development (MARD)
& Ministry of Science and Technology (MOST)



OUTCOMES



5
new markets for the project's companies (US, Australia, Japan, EU, Korea)



2,000
tons of mangoes & pomelos in successful export pilots



Establishment of the first
MANGO ASSOCIATION
in Vietnam



PROJECT AREAS



4

new value-added
products developed



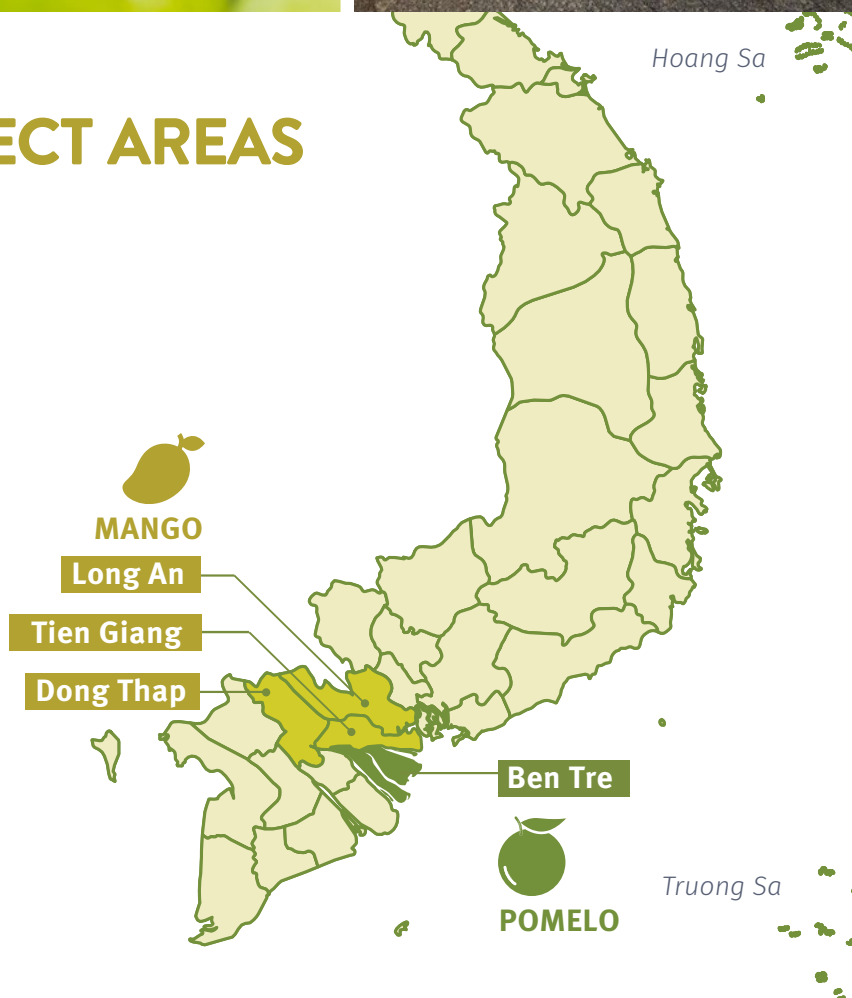
Increased shelf-life

35%



Post-harvest losses
reduced by

15-20%





“

Through GQSP, SECO aims at increasing the overall performance of the Vietnamese private sector in agriculture by supporting the rule-based TRADE system, with particular focus on technical and quality standards for Small and Medium-sized exporting Enterprises (SMEs).

”



Ms. Sibylle Bachmann
Deputy Head of Cooperation
State Secretariat for Economic Affairs (SECO)
Embassy of Switzerland in Vietnam

“

Together we have contributed to tackle challenges related to fruit and vegetable processing to increase the value of products, and enhance farmers' management capacity to face climate change but still resonate with each other to establish a product ecosystem and value chains of the fruit and vegetable industry.

”

Mr. Nguyen Quoc Toan
Director General
Agro Processing and Market
Development Authority
MARD



OUTCOME

01

Enhanced Quality Infrastructure

The Programme identified the impediments and limitations with current Quality Infrastructure System for industry adoption and servicing compliance requirements (Traceability, MRL and Testing capacity) and starts positioning the industry to integrate traceability into a compliance system (eg. GlobalGap, GS1.), have better monitoring and testing capacity for verification. Technical competence and sustainability of the Quality Infrastructure System related to export mango value chains has been enhanced.



**Development of
traceability system**

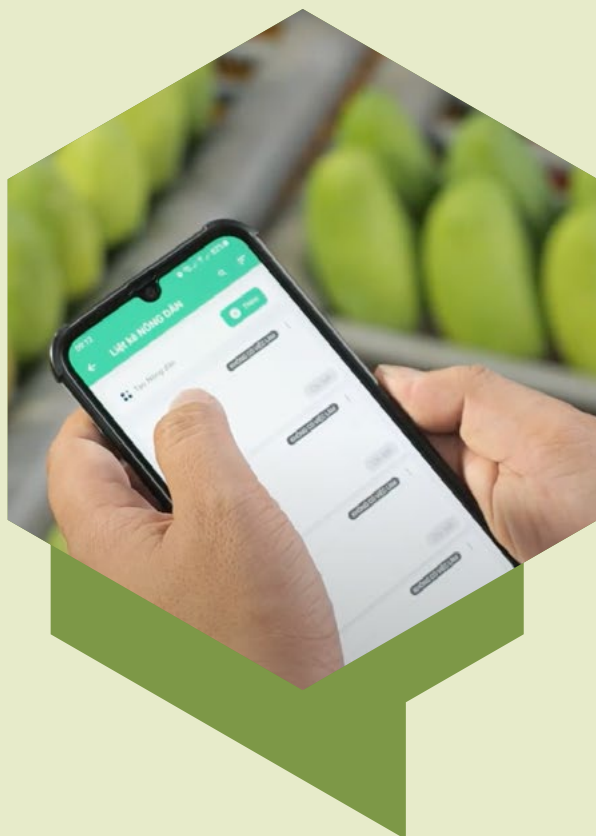


**Pesticide residue
management &
controls**



**Testing labs
capacity**

Development of traceability system



01

farm diaries system connected to the national PUC and PHC database



400 & 100

farmers & companies
trained for pilot using

The proposed **farm diaries** will help farmers, packing houses, phytosanitary inspectors and managers along the value chain to record any activities to a product on an electronic platform instead of traditional paper-based records. Data will be available for cross checking by central and local authorities who are responsible to manage farm production unit codes (PUC) and packing house codes (PHC).

The data will be used by MARD and related authorities for the purpose of traceability compliance management, and the development of supporting policy.

Pesticide residue management & controls



01

pilot and model
residue monitoring
programme
designed



01

guideline to
regulators and
operators on
global MRLs for
key fruits

Non-compliance based on testing of Vietnamese products in export markets has revealed examples of unauthorised chemical usage and some authorised chemicals in excess of allowable MRLs.

A well-designed residue monitoring programme which applies scientifically structured (i.e. risk-based) sampling and testing exercise to determine the nature and extent of non-compliance is an essential foundation for improved controls and compliance with standards. This sets out, for the first time, a reasoned approach to the design of a residue monitoring programme for the determination of pesticide residues in Vietnamese mango.

Testing labs capacity



30

staffs of

8

testing centers

built capacity on quality assurance quality control in pesticide residue analyses



2

centers
(DEVOTEC & SPCC) with

9

labs

upgraded for annual ISO 17025 accreditation and performance improvement



Turning around time reduced by

2

days

Besides an insufficient and fragmented residue-monitoring programme, the weak compliance of producers to international standards is largely due to under-developed systems for ensuring validity and reliability of testing laboratories.

Through capacity building for residue testing labs, key pesticide residue laboratory staff now have a greater appreciation of modern approaches to internal quality control, implementing sampling principles and practices, and interpretation of pesticide residue analytical results.



“

After participating in training courses of UNIDO, we have access to the regulations of the countries we export mangoes. This helps us access new materials, and learn the skills and experience of top experts.

Ms. Huynh Thi Ngoc
Vice Head of Division for Testing and
Analyzing Products, Dong Thap Verification
and Testing Center

”





Policy and standards harmonization



2 organizations' standards (TCCS) on PHC and PUC revised and upgraded into national standards (TCVN)



Pesticide registration procedures legal framework (the Plant Protection and Quarantine Law 41/2013/QH13 and 7 related policies) was reviewed in light of current international practice.

OUTCOME

02

SME Compliance with International Standards

SMEs play a central role in Vietnam's economic growth, job creation and poverty reduction. However, a large number of SMEs still face significant challenges such as lack of productivity and skilled workers, inadequate access to finance and international markets. In this Outcome, SMEs' compliance with international standards and technical regulations is enhanced to diversify markets to reduce reliance on exports to China.



**Improved farming &
processing practices**



**New post-harvest
treatment
technology**



**Innovation &
Value addition**

Improved farming & processing practices

By adopting Standard Operation Procedures (SOPs) developed by the program, SMEs can access the instructional road map for producing and exporting fruits that comply standard and quality requirements of modern retail markets.



11

SOPs developed for mango & pomelo



800

mango & pomelo value chain actors trained face-to-face in SOPs



200+

SOPs e-learning modules



15-20%

reduction in post-harvest losses



5

new markets for the project's companies (US, Australia, Japan, EU, Korea)



2,000

tons of mangoes & pomelos in successful export pilots

New post-harvest treatment technology



01

study to determine anti-fungal efficacy and compliance of mango treated with post-harvest fungicide treatment



40

days preservation time for mangoes



35%

increase in shelf-life for mangoes and pomelos, enabling sea-freight export



120

days preservation time for pomelos with new coating technology to replace PVC film





Adopting SOPs for fresh mangoes to confidently sail the sea

Two successful pilot demonstration chains adopting Standard Operating Procedures – SOPs, one to Korea using the Vapor Heat Treatment market entry protocol and Australia using irradiation market entry protocol, have opened up new opportunities for mango producers and exporters in Vietnam.

The shelf life has increased from 30 days to 40 days, allowing enough time for sea freight and distribution of the fruits through wholesale and retail chains. Sapburn was reduced from 30 to 3% dramatically improving the quality outturn.

The success of this demonstration will continue to be replicated to other mango exporters, developing technical and business skills needed for SMEs to meet the higher compliance requirements of high-value markets.



GQSP's technical advice enables first batch of Vietnamese pomelos exported to the US

Viet Nam's first batch of fresh pomelos was exported by Chanh Thu Fruit Import-Export Group JSC to the United States in November 2022 after nearly six years of negotiations.

The project has been providing technical assistance in extending the shelf life by up to 90 days without using plastic wrap by applying new coating technology.

A synchronized pre-processing system for pomelo processing with a capacity of 4-5 tons/hour has been designed, manufactured and installed, including major steps of washing, chemical treatment, draining, waxing, and drying. The treated pomelos were accepted by the US Animal and Plant Health Quarantine (APHIS) meeting export market requirements.



Innovation & Value addition

Processed products from fresh fruits, such as dried mangoes, pomelo juice, and pomelo oils also received assistance in improved technology and capacity building to value add thereby reducing the risk of dependence on a single product.

To improve the quality of dried mango at Loc Thinh Phat (Trang Group), GQSP experts have helped implement the process for drying ripened mango and supported the increase of the factory's capacity to 4 times the current level.



4 new value-added products developed



5 processing equipment systems designed

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This will significantly increase productivity, bringing more income to farmers and creating more jobs in the community."

Le Minh Thuy Trang
Founder & Director of
Trang Group

”

OUTCOME

03

Culture for Quality

Despite the efforts made by the government there is a substantive lack of knowledge of the policies, regulations, and support mechanisms related to quality culture. Therefore, GQSP seeks to:



Improve
the awareness raising
capacity within
industry



Facilitate
institutionalization
of public & private
dialogue



Strengthen capacity for
business supporting
organizations -
(BSOs)





Proposed
QUALITY AWARD
scheme for mango



**EXPORT
PROMOTION PLAN**
for Vietnamese mango



9

Public-Private Dialogues
on identified critical issues,
sharing feasible solutions,
translating into



5

evidence-supported policy
recommendations



Establishment of the first
MANGO ASSOCIATION
in Vietnam



6

BSOs supported,
providing better services to

1700+

enterprises annually (estimated)



Assessing major compliance challenges of Vietnamese food and feed products in export markets

The “Standards Compliance Analytics Report” for Viet Nam focuses on analyzing the trends and patterns of Vietnamese agri-food import rejections in 5 major international markets: Australia, China, the European Union (EU), Japan, and the United States (US).

The collected evidence helps to identify the key compliance challenges faced by Vietnamese exporters, particularly in the area of quality, certification, labeling, etc, and to enhance the targeting of investments in building relevant compliance capacities.

Mango Association - the first comprehensive institutional forum between the private sector, institutions, and policymakers

GQSP Vietnam has been working intensively with the mango industry in Vietnam and soon identified a lack of mutual voice of public and private mango value chain actors. Without it, mango producers failed to identify critical issues along the value chain, present their needs and apply industry-wide standards.

Under GQSP Vietnam's advocacy effort, the Vietnam Fruit Association (VinaFruit) successfully established Vietnam Mango Association in July 2022 to address those gaps.





GQSP Vietnam Phase 2

The overall objective of Phase 2 is Enhanced competitiveness and sustainability of Vietnamese tropical fruit exports through innovation, diversification, quality improvement, and standards compliance that meet modern market requirements.

**Expanding to
other tropical
fruits**



**Expanding to
other provinces in
the Mekong River Delta
and Central Highland**



**Sustainability of
the value chains**



Value addition



OUR PARTNERS



SIAEP

Agrotrade
Vietnam



syngenta



KOLTIVA





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