



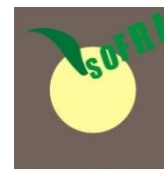
Food and Agriculture  
Organization  
of the United Nations



International Tropical  
Fruits Network



Ministry of Agriculture and  
Rural Development



Southern Fruit Research  
Institute

## International Symposium on Superfruits: Myth or Truth?

# DEMAND TREND, MARKET, PRICE DEVELOPMENT AND PROMOTIONAL REQUIREMENTS FOR DRAGON FRUIT

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- 2 Demand trends, market and prices of dragon fruit
- 3 Results on Vietnam's Dragon fruit
- 4 Issues, recommendations of Vietnam's Dragon fruit



# 1. Dragon fruit production in Vietnam





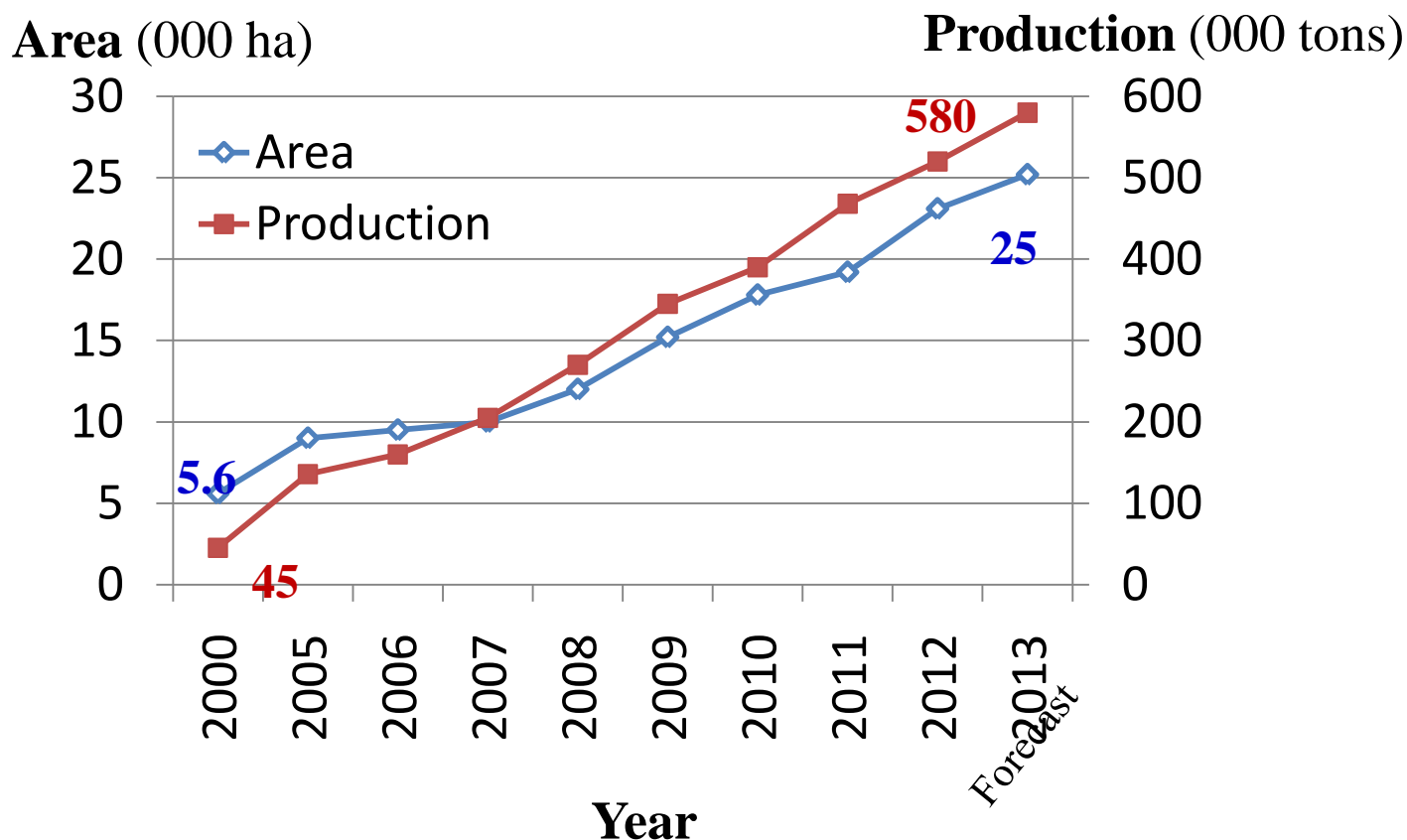
## Area and production of Dragon fruit in Vietnam

- ◆ The tropical climate, soil, water conditions... in southern of Vietnam are favorable for dragon fruit production.
- ◆ Farmers had lots of experience in fruits production.
- ◆ Extension system was developed.
- ◆ In recent years, dragon fruit is considering of major fruits in Vietnam.





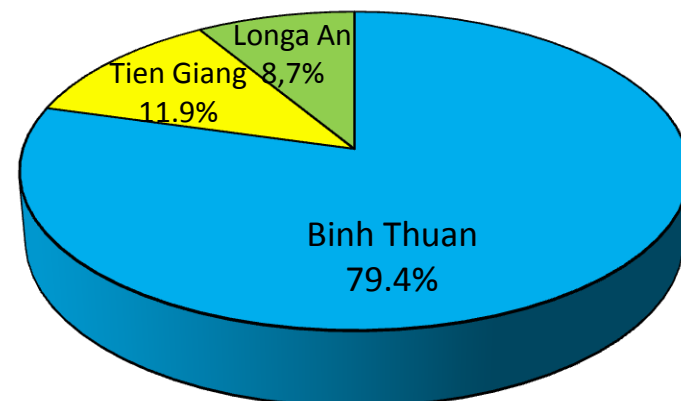
## Area and production of Dragon fruit in Vietnam



**2013/2000:** + **Area:** 4,5 times  
+ **Production:** nearly 13,0 times



## Distribution of Dragon fruit in Vietnam



**Binh Thuan: 20,000 ha**

**Long An: 2,200 ha**

**Tien giang: 3,000 ha**



## Varieties of Dragon fruit in Vietnam

There are three varieties of dragon fruit viz.

- + White flesh: 95% of total area
- + Red flesh: 5% of total area
- + Pink flesh (new variety)







## GAP standards for Dragon fruit

- ◆ To enter and meet demand of international markets, Vietnam's dragon fruit had applied the GAP standards since 2002.
- ◆ End of 2012, there was reached 6,800 ha of dragon fruit GAP certificated, with 8,200 famers (VietGAP: 6580 ha and GlobalGAP: 223 ha).



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## 2. Demand trends, market and prices of dragon fruit





## Demand trends and market of dragon fruit

- ◆ Consumption of fruits and vegetables in Vietnam: 78.0 kg/person/year.
- ◆ Average increase: about 10% / year.
- ◆ Dragon fruit: fresh consumption.
- ◆ Domestic markets: consumed only 20% of total production.



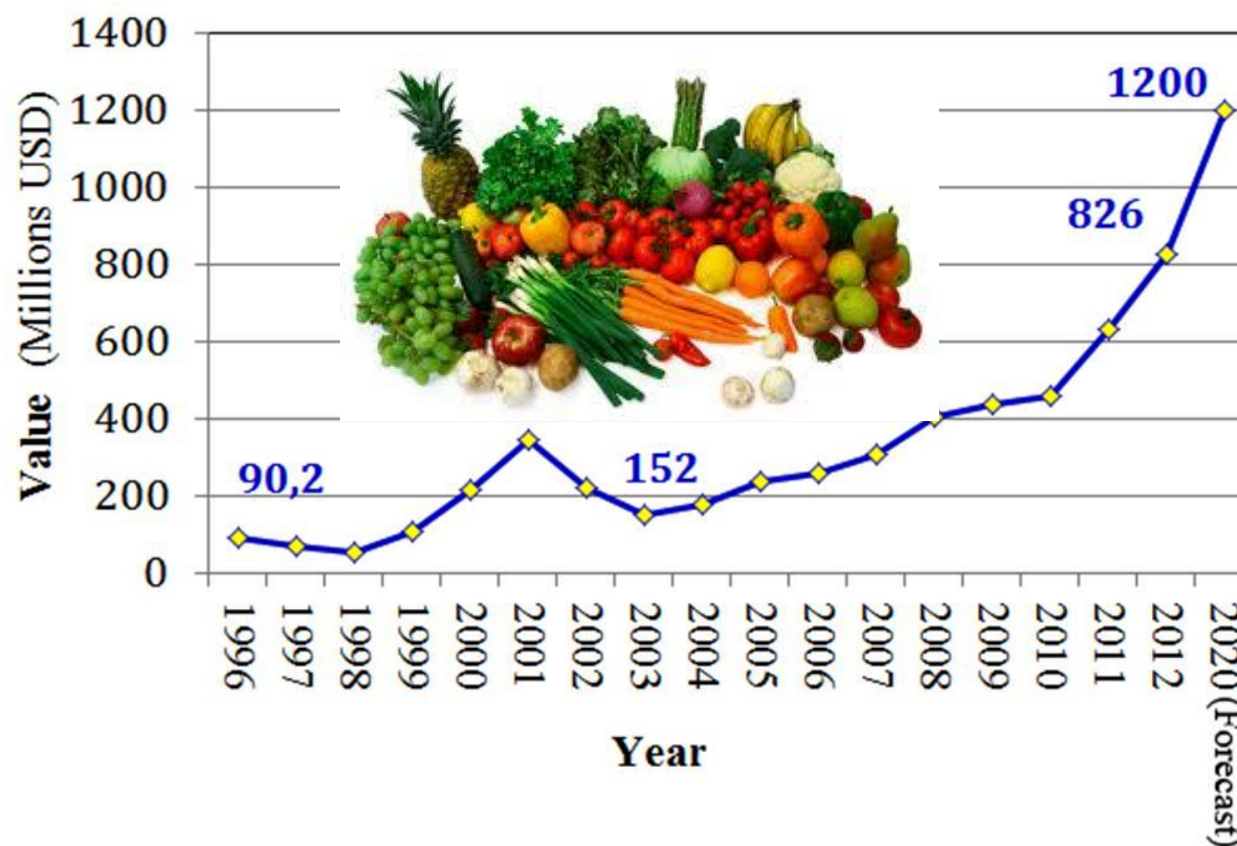
## Demand trends and market of dragon fruit

- ◆ Vietnam's Dragon fruit is mainly exported to the international markets, contributed 80% of total production.
- ◆ The world market is high demand for dragon fruit.
- ◆ Vietnamese dragon fruit are highly export competitive in international markets.
- ◆ The average growth rate of dragon fruit export value: 70%-80%/year.





## Vietnam's fruit and vegetable export by value





## Vietnam's fruit export by value

360 mill.\$US

Year 2012

↑  
40%

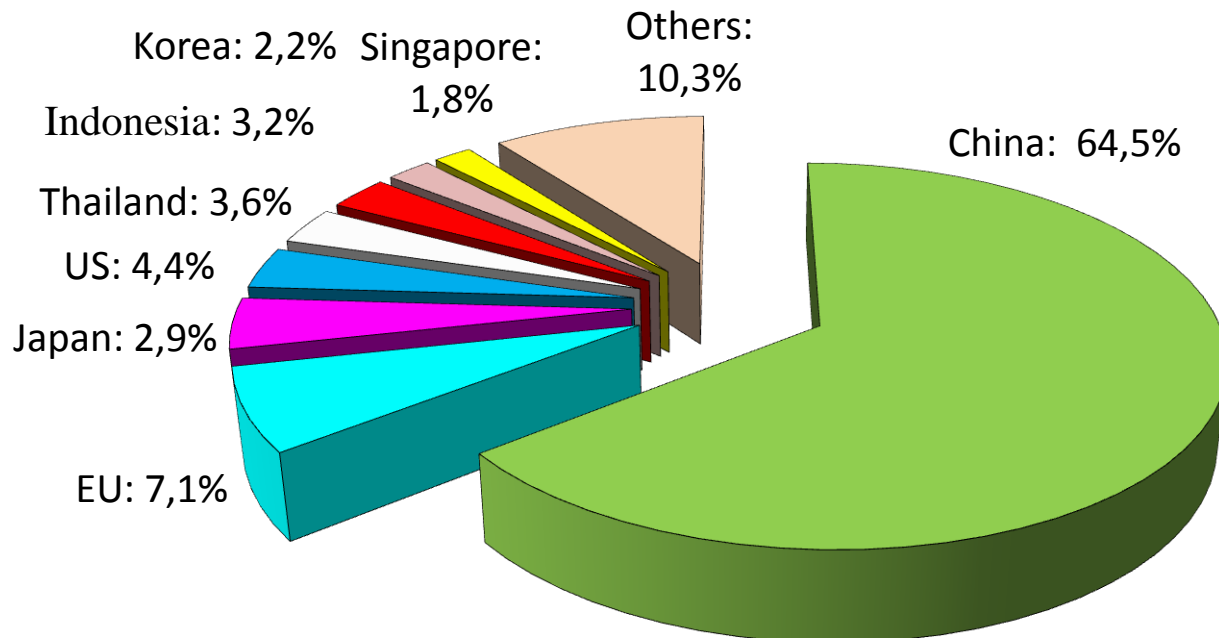
260 Mill.\$US

Year 2011

185 mill.\$US

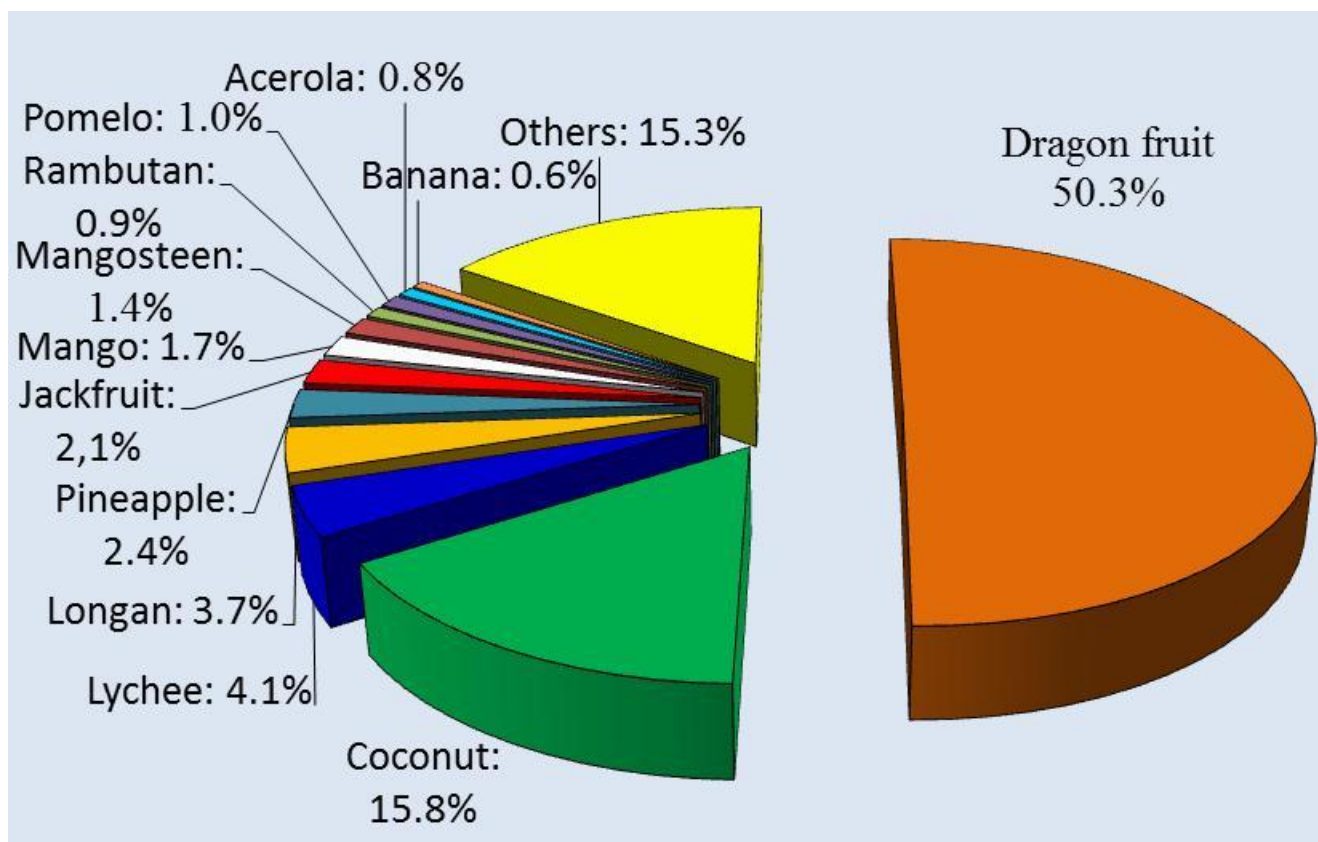
Year 2010

## Share of Vietnam's fruit exports value by market, 2012





## Composition of fresh fruit exports by value, 2012







## Vietnam's dragon fruit exports by value, 2003-2012





## Vietnam's dragon fruit exports market

- ♦ Vietnam' dragon fruit exports to 30 countries in the world.
- ♦ Mainly exported to China by the border trade.
- ♦ Export to other countries: ASEAN countries, EU, US, Japan, Korea, Hongkong...





## Vietnam's dragon fruit exports to European United market

- ♦ 2005: Enter to the European United market.
- ♦ Market requirements:
  - + Global GAP standards
  - + Packing house code

| Items/Year         | '2009 | '2010 | '2011 | '2012 | 2012/2009 |
|--------------------|-------|-------|-------|-------|-----------|
| Value (mill. \$US) | 4,1   | 5,4   | 7,8   | 6,7   | + 2,6     |





## Vietnam's dragon fruit exports to United State market

- ♦ 2008: Permitted enter to the United State market.
- ♦ Market requirements:
  - + Irradiation
  - + Production code
  - + Packing house code
  - + VietGAP standards

| Items/Year         | '2009 | '2010 | '2011 | '2012 | 2012/2009 |
|--------------------|-------|-------|-------|-------|-----------|
| Quantity (tones)   | 100   | 890   | 1,200 | 1,650 | + 1,550   |
| Value (mill. \$US) | 0,7   | 2,5   | 3,6   | 5,2   | + 4,5     |



## Vietnam's dragon fruit exports to Japan market

- ♦ 2009: Permitted enter to the Japan market.
- ♦ Market requirements:
  - + VHT (Vapor Heat Treatment)

| Items/Year         | '2009 | '2010 | '2011 | '2012 | 2012/2009 |
|--------------------|-------|-------|-------|-------|-----------|
| Value (mill. \$US) | 0,8   | 1,4   | 2,1   | 2,5   | + 1,7     |



## Vietnam's dragon fruit exports to Korea market

- ♦ End of the year 2010: Permitted enter to the Korea market.
- ♦ Market requirements:
  - + VHT (Vapor Heat Treatment)
- ♦ Export value to Korea: 1,5 millions \$US per year.





## Standards for dragon fruit export

- ♦ Minimum requirements: clean, free of pest and damage...
- ♦ Classification:
  - + Grade I: > 460g /per fruit
  - + Grade II: 300-460g /per fruit
- ♦ Shape and colour;
- ♦ Packing;



## Price of Dragon fruit

### Average export price of dragon fruit by month (Unit: \$US/ton)

| Sr. | Month/year     | Year 2009  | Year 2010  | Year 2011  | Year 2012  |
|-----|----------------|------------|------------|------------|------------|
| 1   | January        | 470        | 390        | 462        | 746        |
| 2   | February       | 550        | 457        | 550        | 780        |
| 3   | March          | 490        | 553        | 555        | 940        |
| 4   | April          | 610        | 575        | 615        | 725        |
| 5   | May            | 520        | 584        | 500        | 600        |
| 6   | June           | 410        | 523        | 479        | 522        |
| 7   | July           | 410        | 415        | 445        | 426        |
| 8   | August         | 390        | 389        | 420        | 574        |
| 9   | September      | 390        | 457        | 430        | 630        |
| 10  | October        | 530        | 423        | 513        | 675        |
| 11  | November       | 460        | 473        | 589        | 702        |
| 12  | December       | 400        | 541        | 619        | 781        |
|     | <b>AVERAGE</b> | <b>469</b> | <b>482</b> | <b>515</b> | <b>676</b> |



## Price of Dragon fruit

### Average domestic price of dragon fruit by month (Unit: VND/kg)

| Sr. | Month/year     | Year 2009    | Year 2010    | Year 2011     | Year 2012     |
|-----|----------------|--------------|--------------|---------------|---------------|
| 1   | January        | 9,467        | 11,510       | 14,100        | 15,300        |
| 2   | February       | 11,190       | 12,070       | 12,670        | 16,000        |
| 3   | March          | 15,460       | 13,380       | 15,620        | 19,000        |
| 4   | April          | 12,600       | 7,700        | 17,450        | 14,500        |
| 5   | May            | 4,860        | 7,300        | 8,150         | 12,200        |
| 6   | June           | 3,295        | 6,190        | 5,290         | 10,600        |
| 7   | July           | 4,530        | 3,870        | 2,500         | 7,500         |
| 8   | August         | 4,680        | 6,540        | 5,400         | 11,600        |
| 9   | September      | 7,370        | 8,000        | 4,200         | 12,500        |
| 10  | October        | 8,690        | 5,875        | 11,200        | 13,200        |
| 11  | November       | 5,725        | 7,900        | 16,500        | 14,100        |
| 12  | December       | 5,396        | 15,700       | 17,350        | 15,400        |
|     | <b>AVERAGE</b> | <b>7,772</b> | <b>8,836</b> | <b>10,869</b> | <b>13,533</b> |



## Price of Dragon fruit

### Export price of Dragon fruit by regions

| No. | Regions                   | Price                   | Notes                         | Domestic price (in imported countries) |
|-----|---------------------------|-------------------------|-------------------------------|--|
| 1   | ASIA<br>(including China) | 0.7-1.5<br>USD/kg       | Depend on<br>quality and time | 1.5-2.5 USD/kg                         |
| 2   | European<br>United        | 2.5 USD/kg<br>5,5USD/kg | Shipping<br>By air            | 1.5-2.5 USD/fruit                      |
| 3   | United<br>State           | 5.5-6.0<br>8.5-9.0      | Main season<br>Off season     | 11-15 USD/kg                           |
| 4   | Japan                     | 4-6                     |                               | 12-16 USD/kg                           |





## Overview: Vietnam's dragon fruit export markets

| Markets      | Demand | Price | Quality     | Market Access | Competition | Risk   |
|--------------|--------|-------|-------------|---------------|-------------|--------|
| China        | High   | Low   | Low, medium | Easy          | Low         | High   |
| US           | Medium | High  | High        | Hard          | Medium      | Medium |
| EU           | Medium | High  | High        | Hard          | Medium      | Medium |
| Japan, Korea | Medium | High  | Very high   | Hard          | Low         | Low    |



### **3. Results on Vietnam's dragon fruit**



## Results on Vietnam's Dragon fruit

- ♦ To establish the concentrated area of dragon fruit, improving productivity and quality, supply large quantities.
- ♦ Vietnam can produced dragon fruit year around.
- ♦ United State had granted production code for Vietnam's dragon fruit.
- ♦ Export value of dragon fruit was sharply increased in the last ten years.
- ♦ There are 4 treatment factories (Irradiation and VHT).



#### **4. Issues, recommendations of Vietnam's Dragon fruit**





## Issues of Vietnam's Dragon fruit

- ♦ Small land holder (farm size 0.3-0.5 ha per household).
- ♦ Packing house and storage facilities are limited.
- ♦ Transportation costs is higher than other countries in the region.
- ♦ Limit to export the dragon fruit to the far markets.
- ♦ Promoting Vietnamese fruit in the international markets is limited.



## Recommendations...

- ♦ Implementing GAP standards for dragon fruit area remaining.
- ♦ Exploiting seasonal factor in produce of dragon fruit.
- ♦ Policy support to build the packing house (international standards).
- ♦ Boost exports to United State, Korea, Japan... and searching new market.
- ♦ Promotion on Vietnamese dragon fruits in the world markets.

XIN CHÂN THÀNH CẢM ƠN  
SỰ LẮNG NGHE CỦA QUÝ VỊ!



**Thank you!**