

DEVELOPING VIETNAMESE AGRICULTURAL EXPORTS TO THE UNITED STATES

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Abstract

The study aimed at analyzing the current status of Vietnam's agricultural exports to the United States by focusing on some key agricultural products like coffee, vegetables, cashew, and rice. The Vietnamese export value of these items is relatively high, but in the period 2017-2020, export scale and value tend to decrease. Based on that study, the author has offered some solutions to develop Vietnam's agricultural exports to the United States.

Keywords: Export, Agricultural Products, Vietnam-USA

I. INTRODUCTION

Over 70% of the country's population is engaged in agriculture, makes Vietnam one of the countries with strong agricultural potential. Moreover, nature has provided incentives for agricultural production in Vietnam. In addition to having good quality products, Vietnam has made its agricultural production competitive with other countries in the region and worldwide because it uses cheap labor.

As international economic integration deepens, Vietnam has actively embraced commercial networks and organizations and strives to forge strategic partnerships globally. With the signing of bilateral agreements, multilateral agreements, participation in the World Trade Organization (WTO), by participating in regional economic organizations like ASEAN and APEC, Vietnam has taken steps to transform as well as promote trade exchanges in particular and economic development in general.

Exports of agricultural products are one of the most important and strategic partners of Vietnam's commodity exports in general and agricultural exports in particular. In terms of quality, Vietnamese

agricultural products exported to the United States are typical of Vietnamese products, meeting the strict standards of the United States as those of the global market.

Vietnam is gradually applying standards for the production of agricultural products in a clean direction, criteria such as GLOBAL GAP or specific technical standards of countries being studied and utilized by Vietnam to Vietnamese products to be able to meet the requirements of the markets of the importing countries.

Despite the available strength, exports of Vietnamese agricultural products to the US market have not yet reached the potential; therefore, the value and volume of exports remain limited.

The goal of the study was to examine the current situation of Vietnam's agricultural exports to the United States so that we could understand their achievements, limitations, and suggestions about how Vietnam could better promote its agricultural exports to this potentially lucrative but challenging market.



II. RESEARCH METHODOLOGY

Data collection methods: It is based on the data obtained from the annual summary report of the General Statistics Office, specifically, the import and export statistics for Vietnam by country, territory, and category.

As a reference, the author also employs documents from specialized scientific journals to complete this research.

Data analysis methods: Based on the collected data, applying descriptive and inferential statistical

methods, and interpreting research results, the writer will consider the current state of agricultural exports from Vietnam to the United States. A detailed overview of Vietnamese farming products export trends is necessary to determine export trends to the US market.

III. FINDINGS

According to statistics, the export value of some key agricultural products of Vietnam to the US market during 2017-2020 is as follows:

Table 1: The export value of some key agricultural items of Vietnam to the US UNIT: 1000 USD

Items	2017	2018	2019	2020
Fruit and vegetable items	102 142	139 947	150 035	168 825
Cashew	1 219 398	1 210 661	1 027 817	993 069
Coffee	406 544	340 222	246 851	254 891
Tea	8 056	7 335	7 035	7 024
Pepper	221 160	152 957	1 027 817	142 566
Rice	12 609	11 909	11 859	13 941

Source: GSO

The following items are among the most important agricultural products exported from Vietnam to the United States: vegetables, cashew nuts, coffee, tea, pepper, and rice. Here are the export values of each type:

The export value of vegetables and fruits reached about 102142 thousand USD in 2017, increasing progressively to 168825 million USD in 2020. Veggies are one of Vietnam's strengths and have achieved positive results in its efforts to export to the United States.

In the group of principal agricultural export products of Vietnam, cashew nuts have the highest export value. Nevertheless, the export value tends to decrease between 2017 and 2020, particularly in 2017, the cashew nut exports fell to roughly 1.219.398 thousand USD, it drops to 993 069 thousand in 2020. Probably due to the effects of the Covid-19 pandemic on Vietnam's export products, the value of commodities in general and agricultural products, in

particular, has reduced dramatically, and Vietnam's export items have faced many difficulties. Taking action is necessary to deal with this worldwide issue. Vietnam's main export is rice, which is its most significant strength; however, the value of Vietnamese rice exports to the United States is not high, only about 12,609 thousand USD in 2017 and about 13941 thousand USD in 2020. A part of the low export value in the US is due to consumer habits and the consumption of rice products.

Coffee is among Vietnam's top export products to the United States; in 2017, Vietnam's export was 40.654 crores USD, but this figure continued to decline, only reaching 254.891 crores USD in 2020.

A continuous decline in the export value of Vietnam's main agricultural products, aside from observing the impact of the Covid-19 virus, it is also necessary to take into account other factors such as standards, technical barriers, and product quality of Vietnam to take timely remedial measures.

Table 2: The volume of Vietnam's key agricultural products exports to the US

Items	UNIT	2017	2018	2019	2020
Cashew	Ton	120 761	132 550	147 322	159 645
Coffee	Ton	182 713	182 576	146 254	142 482
Tea	Ton	7 026	6 102	5 662	5 472
Pepper	Ton	38 861	43 987	147 322	55 765

Rice	Ton	23 086	18 761	18 181	20 168
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Source: GSO

Vietnamese products are exported to the US market in large amounts every year,

The total volume of cashew nuts exported to the US market in 2017 was about 120761 tons. Coffee products accounted for 182713 tons, tea for 7026 tons, pepper for 38861 tons, and rice for 23086 tons.

Although the export scale of these items varied during the study period, cashew nuts were the biggest exportation, at about 159645 tons, followed by coffee at 142482 tons, tea at 5472 tons, pepper at 38861 tons, and rice at 20168 tons.

Table 3: The proportion of Vietnamese agricultural exports to the US out of total exports

Years	2017	2018	2019	2020
The total export value	41607546	47525547	61346590	77077317
The proportion of agricultural exports value / The total export value	4,73	3,92	4,03	2,05

Source: GSO

Agricultural exports of unique keys items to the US are still relatively low in comparison with the total export value of Vietnam's goods; it requires drastic policies to promote agricultural exports from Vietnam to the US, take advantage of Vietnam's strong export products.

The share of agricultural production value to Vietnamese exports in 2017 was about 4.73%, but it dropped to 2.05 percent in 2020.

IV. CONCLUSION

After studying the current state of Vietnam's agricultural exports, especially the exports of Vietnam's most important agricultural products to the United States, to encourage Vietnam's agricultural exports to the United States, the following recommendations are suggested:

As a first step, the quality of agricultural products must be improved, using technology in production and packaging to make sure agricultural goods meet the requirements of the US market.

A second critical step is to build distribution channels in the United States so that products can be delivered as fast and as efficiently as possible while maintaining high quality.

Thirdly, it is necessary that Vietnamese agricultural products be registered and to have a plan to protect them, such as trademark registration and trademark identification registration.

The fourth step should be to organize more trade conferences and fairs to promote Vietnamese agricultural products in the US market.

The fifth step would be the signing of memoranda of understanding and exchange agreements between businesses and localities to develop conditions for Vietnamese agricultural products to be exported to the United States.

Lastly, studying the characteristics of the US market is essential to satisfy the requirements of each market in terms of traditions, tastes, and religion.

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