

MEDIA COVERAGE

Date: 18 May 2018

Publication: Vietnam Investment Review

Title: **Business opportunities for EU organic producers** (print version)

European organic food and beverage producers will be looking for local partners as part of EuroSphere 2018 in Ho Chi Minh City from 18 to 20 May 2018.

Over 40 European organic food and beverage producers from 14 different European Union (EU) Member States will embark on a week-long business mission to Singapore and Vietnam this May to introduce their quality products to the South East Asia market, and to meet local distributors, exporters/importers, supermarket and retail chains, and hotel/café/restaurants (HORECA) buyers. The mission will be participating in EuroSphere 2018 in Ho Chi Minh City from 18 to 20 May 2018.

According to Mr. Bruno Angelet, Ambassador of European Union Delegation to Vietnam, "The EU organic certification encompasses an in-depth, stringent list of processes that organic food producers have to undergo yearly even after approval to ensure quality of organic food during all stages – from production and processing to control and labelling.

As the EU covers a wide geographical region, the European Commission appoints Member States to take responsibility of organic food producers within their individual areas by carrying out annual control checks. These checks help to ensure that organic food producers continue to uphold high quality standards even after being certified.

Food safety is one of the biggest concerns in Vietnam. Consumers are increasingly looking for chemical-free products or organic products. The EU has a stringent legal framework that governs not only production and processing but also the control and labelling of organic food and beverages.

"Checks are carried out at every stage of the organic chain, on a regular basis. Therefore, we are confident of the quality of the organic food and beverages from Europe. Through this business mission, we wish to introduce these organic products to South East Asia market", Mr. Bruno Angelet further added.

According to Mr. Jacobo Rodriguez, Manager, Josenea, pesticides are commonly used on conventional farms as a useful tool that protects agriculture against harmful organisms. However, these substances are also hazardous to human beings – this includes farmers who have direct contact with these chemicals and customers. By contrast, there are no chemicals used in organic farming, thus ensuring high levels of food safety.

Speaking on his experience in organic farming, Mr. Florian Mathieu, Manager, Chateau De Manissy believe the biggest investment are the purchase of mechanical tools and organic products.

"There were also several sacrifices I had to make to build the company. Following natural harvesting methods meant that I had no help in dealing with natural hazards such as the weather or overgrown weeds – things that normal farmers could easily manage with chemicals. Harvesting an organic farm requires a lot more care and attention, which meant

MEDIA COVERAGE

more manual work. Non-organic farming is more profitable because chemicals help to drive production at maximum levels, increasing margins to a point that companies can never achieve in conventional agriculture".

Mr. Joonas Püvi, Manager, Salvest Ltd agreed that organic farming requires a lot more time and attention, but the rewards make it all worthwhile. "The organic food market has great potentials. Disposable incomes have also increased, and consumers are willing to pay more for better quality food products, especially baby food. Young parents today are generally well-educated and therefore, tend to make an informed decision on the type of food that's best for their babies. We believe there is an opportunity for us to introduce Salvest to consumers."

When asked about partnership opportunities between EU and Vietnam organic food players, Ms. Vu Kim Hanh, President of High Quality Vietnamese Goods Business Association, Organic food has become a hot trend in Vietnam. According to a study on Vietnamese organic enterprises, the current market capacity is estimated to be VND3,500 billion a year. Vietnamese companies are keen to share knowledge on organic food production and support the expansion of the organic food markets through partnerships with EU organic producers.

According to a study on Vietnamese organic enterprises, the current market capacity is estimated to be VND3,500 billion a year. Today, nearly 80 food and beverage enterprises in Vietnam manufacture products that have been certified by the EU as organic, including Vinamit, Vinamilk, TH True Milk, ST24 rice, Trung An rice, Luong Quoi rice, and Betrimex.