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**Date:** 4/10/2015

**GAIN Report Number:** VM5019

## Vietnam

## Oilseeds and Products Annual

**2015**

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**Report Highlights:**

In Marketing Year (MY) 2013/14 (Calendar Year 2014), the United States became the largest exporter of soybeans to Vietnam, surpassing Brazil. U.S. soybean exports to Vietnam were 698 thousand metric tons (TMT), an increase of 26 percent from the previous year. In MY 2014/15, U.S. soybean exports are expected to reach about 750 TMT as Vietnam's domestic crushing increases. In MY 2013/14, total soybean meal (SBM) imports were 3.64 million metric tons (MMT), a 14 percent increase over the previous year due to increasing demand from animal and aquaculture feed industries. This sector continues to develop and Post forecasts 2015 and 2016 SBM imports to slightly increase, to 3.75 MMT and 3.85 MMT, respectively.

**Executive Summary:**

Vietnam's oilseed production continues to fall well below demand from the food industry and the livestock and aquaculture feed sectors due to low yield and strong competition from other field crops, such as corn. This competition will get even fiercer in the future as the Ministry of Agriculture and Rural Development (MARD) has approved the first corn biotech events for commercial cultivation.

This will further reduce the competitiveness of soybean cultivation as per hectare revenue for the new biotech corn varieties will also exceed revenue from soybean cultivation.

Total imports of soybeans in 2014 were 1.56 MMT, an increase of 21 percent over the previous year due to rising demand from the two soybean crushing facilities and from the food and feed industries. In MY 2013/14, the United States became the largest exporter of soybeans to Vietnam, surpassing Brazil, capturing a 45 percent market share. U.S. soybean exports to Vietnam were 698 TMT, an increase of 26 percent from the previous year.

In MY 2013/14, Vietnam imported about 3.64 MMT of SBM, an increase of 14 percent over the previous year due to increasing demand for protein feed. In 2014, U.S. SBM (mostly soy flour) exports were 368 TMT, a drop of 2.5 percent from the year before (378 TMT). U.S. soy flour exports to Vietnam have increased significantly over the past three years due to falling soy flour tariffs. In 2014, Vietnam's soy flour imports reached a record level at 367 TMT due to rising demand from both feed and food processing industries, and in part, due to the lower import duty for soybean flour, which dropped to 8 percent from 12 percent since 2013. Post projects soy flour imports will continue to increase in 2015 and in coming years as demand continues to grow reflecting population growth and rising incomes, as well as a growing food industry. Post forecasts 2015 and 2016 total SBM imports to increase slightly to 3.75 and 3.85 MMT, respectively, as rising demand from the food and feed industries.

Vietnam continues to rely heavily on imported crude and refined vegetable oils to meet consumer demand, although domestically-produced crude soybean oil has been available in the country since 2011. In 2014, Vietnam produced about 235 TMT of crude soy oil from commercial crushing facilities, but continued to import an estimated 812 TMT of crude and refined vegetable oils to meet local consumption and regional export demand. In 2014, refined vegetable oil imports were 723 TMT, an increase of 13 percent over the previous year, and crude vegetable oil imports increased 17 percent. Refined vegetable oil imports accounted for 89 percent of total imported vegetable oils as local oil producers continue to enjoy some protection from the Government's safeguard import tariff against Malaysia and Indonesia, which is 4 percent during the period May 2014-May 2015, and falls to 3 percent in the period May 2015-May 2016. Post forecasts that total vegetable oil imports in 2015 will remain in the 820-830 TMT range. Vietnam's exports of all types of vegetable/animal oil and fats skyrocketed in 2014 reaching an estimated 183 TMT, of which crude soy oil accounted for 49 percent, while refined soy oil exports were negligible, and palm and other vegetable/animal oil and fats accounted for 51 percent. Post estimates soy oil exports at 91 TMT and 100 TMT in MY 2014/15 and MY2015/16, respectively.

**Commodities:**

## Oilseed, Soybean

### Production:

Post's first forecast for Vietnam's MY 2015/16 soybean production is 181 thousand metric tons (TMT) on a forecasted 125 thousand hectares (ha). Soybean competitiveness vis-à-vis corn cultivation remains limited as per hectare revenue for soybean cultivation remains lower than corn cultivation. The major soybean cultivated area is concentrated in the Red River Delta the North of Vietnam.

FAS-Hanoi also revises Vietnam's MY 2014/15 soybean production of 192 TMT to 174 TMT on 120 thousand ha harvested area due to decreased growing areas. Vietnam's MY 2013/14 soybean production decreased 6.1 percent from the previous year to 158 TMT due to reducing yield and smaller harvested area (Table 1, Graph 1). The scale of soybean production remains small, compared to other crops, and continues to fall far short of domestic demand.

Post remains doubtful that soybean production will increase in the coming years and reach the level that the Government has set for the sector in the Master Plan for Oilseeds, 350 thousand ha and 700 thousand tons by 2020, due to generally low yields and lack of meaningful expansion of growing areas. Competitiveness is a major disincentive to the expansion of the soybean sector overall.

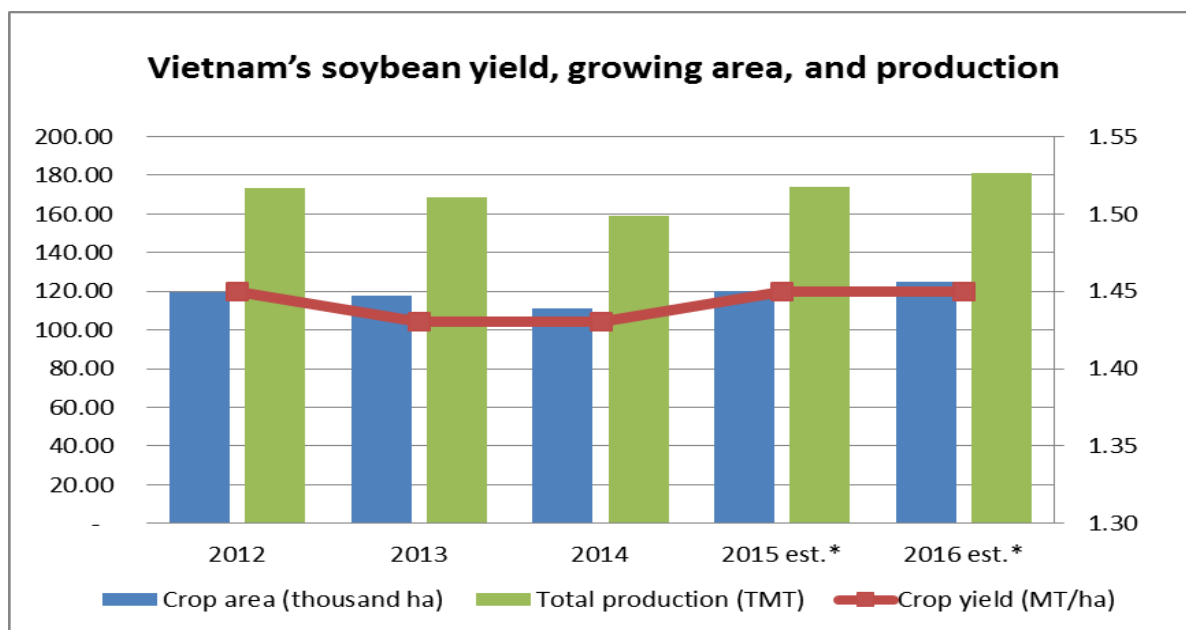
On January 24, 2014, the Ministry of Agriculture and Rural Development (MARD) signed Circular 02/2014 to promulgate the regulatory process for reviewing the safety of agricultural biotechnology for use as food and feed. All biotech traits, including soybean traits, must be certified for safety to be used as food and feed. Regarding commercial cultivation of biotech soybeans in Vietnam, as of yet, the biotech developing companies have not pursued the commercial release of biotech soy in Vietnam. The GOV has, however, approved four corn biotech events for cultivation. This will further reduce the competitiveness of soybean cultivation as per hectare revenue for the new corn varieties will also exceed revenue from soybean cultivation.

**Table 1: Soybean production**

	2012	2013	2014	2015 est.*	2016 est.*
Crop area (thousand ha)	119.6	117.2	110.2	120	125
Crop yield (MT/ha)	1.45	1.44	1.43	1.45	1.45
<b>Total production (TMT)</b>	<b>173.7</b>	<b>168.2</b>	<b>157.9</b>	<b>174</b>	<b>181</b>

Source: General Statistics Office (GSO), MARD, \*Post estimates

**Graph 1: Vietnam's soybean yield, growing area, and production**



Source: General Statistics Office (GSO), \* Post estimates

### Consumption:

Approximately, 80 percent of imported soybeans went to the crushing industry, the remaining 20 percent were for human consumption and direct animal feed. Domestically produced, full fat soybeans are mainly used for the food processing industry (tofu and soymilk) and household-scale soybean oil production. Imported soybeans continue to feed Vietnam's two industrial-scale crushing plants (one in the North and one in the South of Vietnam) to produce soy oil and soybean meals.

Currently, Vietnam's two crushing facilities remain operational with total maximum crush capacity of 4 TMT of soybeans per day. In Calendar Year 2014 (MY 2013/14), total reported crush of the two facilities was approximately 1.24 million metric tons (MMT), about 85 percent of total capacity. The resulting soy products production was 889 TMT soymeal, 235 TMT crude soy oil, 59 TMT soy hulls, and 4 TMT of feed grade Lecithin.

Both facilities anticipate increasing crush in Calendar Year 2015 (MY 2014/15) as prices dynamics keep crush margins positive. Post estimates MY2014/15 crush at 1.3 MMT. Post's forecast for Calendar Year 2016 (MY 2015/16) is 1.35 MMT.

The livestock and aquaculture industries continue to drive the demand for soybeans, and this is driving the further development of the domestic crushing industry. In 2014, of the 14.7 MMT of commercial animal feed production, about 3 MMT (20 percent) was soybean meal, and of the 3.53 MMT of aquaculture feed, about 900 TMT (25 percent) was soybean meal. According to local feed producers, animal and aquaculture feed production continues to grow in 2015 with MARD estimating demand for locally-produced industrial feed at 16.4 MMT, up about 12 percent from 2014. Aquaculture feed demand will grow to 3.6 MMT.

Food use domestic consumption of soybean products (such as soy milk, tofu, soy oil and other drinks using soybeans) continues to grow. Post estimates the growth in food use consumption of soybeans at

about 4 percent a year. Post’s MY 2014/15 and 2015/16 food use consumption estimates are 365 TMT and 380 TMT, respectively.

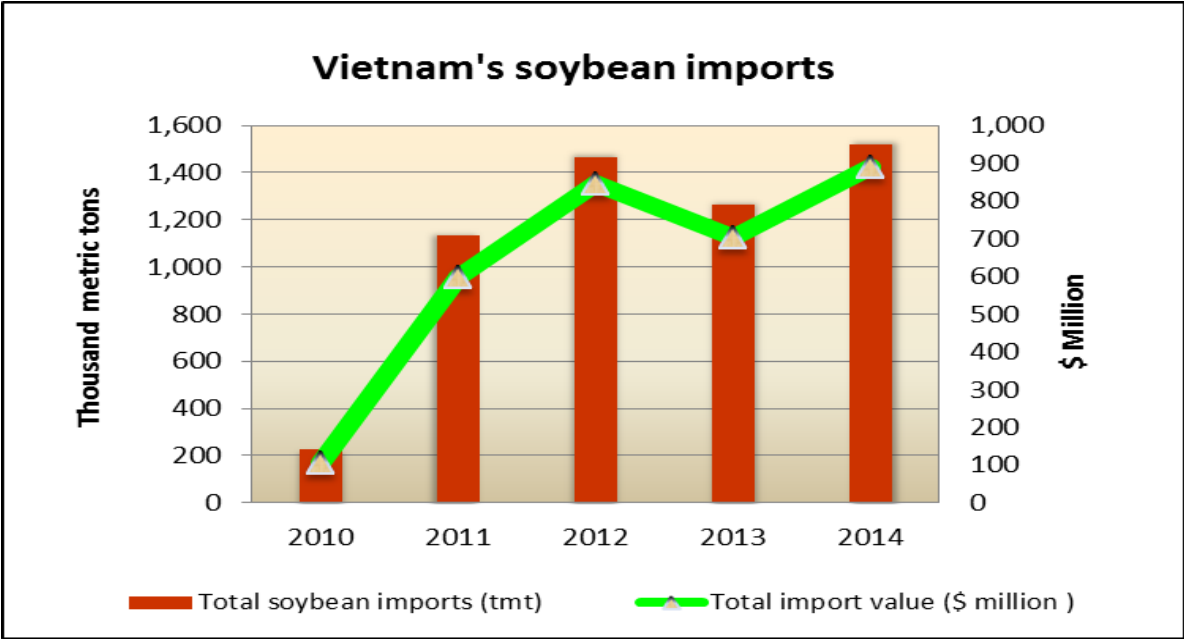
**Trade:**

**Imports**

In 2014, Vietnam imported about 1,564 TMT of soybeans, of which approximately 45 percent came from the United States, 35 percent from Brazil, and the rest sourced from Argentina, Canada, Paraguay, and other countries (Table 2, Graph 2 and Table 5). United States became the largest exporter of soybeans to Vietnam, surpassing Brazil. Soybean imports from the United States reached a record of 698 TMT in MY 2013/14, an increase of nearly 26 percent over the previous MY (556 TMT). U.S. market share continues to grow in the Vietnamese soybean market, reaching 45 percent in 2014, up from 44 percent in 2013 and 39 percent in 2012. Overall, soybean import value reached a record \$913 million in 2014 over the past three years.

Under the current tariff structure, soybeans enjoy a zero percent tariff for imports from WTO member countries. Post forecasts MY2014/15 soybean imports at 1,600 TMT, based on Post’s projections for the operation of Vietnam’s crushing plants and demand from the food sector. Post’s initial MY 2015/16 import estimate is 1,630 TMT as the growth in imports slows as the crushing facilities near their respective crushing capacities. Any expansion in crush capacity, either by expanding existing plants or the construction of new plants, will result in large increases in soybean imports.

**Graph 3: Vietnam’s soybean imports (2010-2014)**



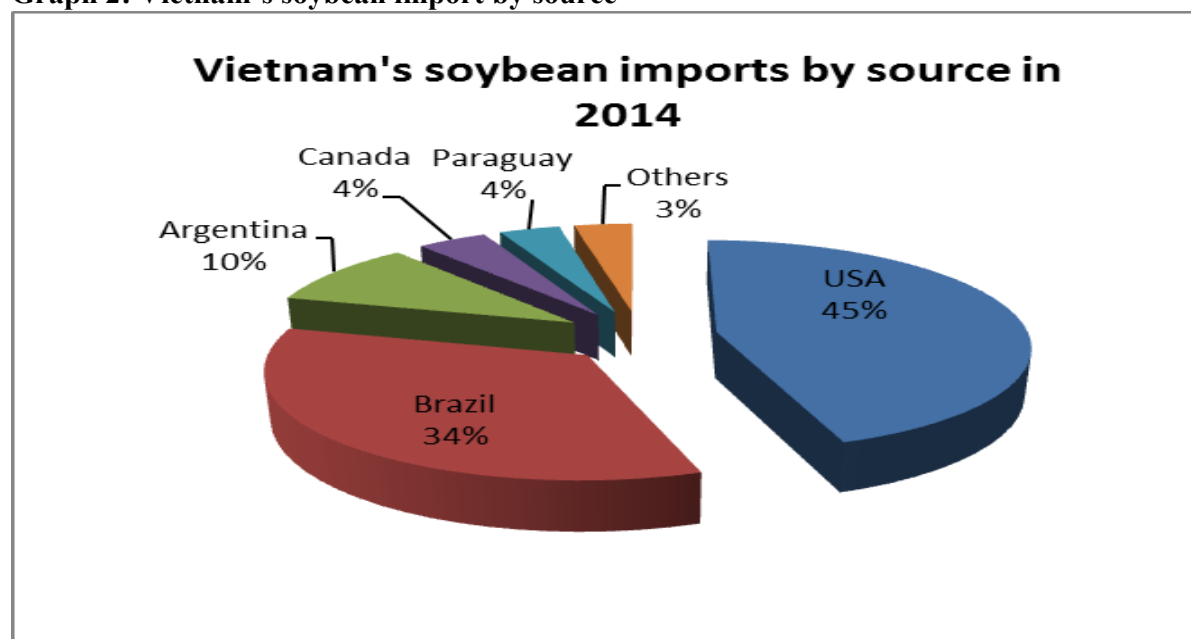
Source: GSO, GTA, Post adjusted statistics

**Table 2: Soybean imports by source**

Country	2012		2013		2014	
	Quantity (TMT)	Value (million \$)	Quantity (TMT)	Value (million \$)	Quantity (TMT)	Value (million \$)
<b>Total Imports:</b>	<b>1,462.71</b>	<b>\$ 844.8</b>	<b>1,261.7</b>	<b>\$ 703.63</b>	<b>1,564</b>	<b>\$ 913.2</b>
USA	576.75	333.3	555.5	318.62	697.8	402.61
Brazil	584.57	345.3	571.1	307.96	538.8	305.28
Argentina	98.96	62.8	66.03	35.42	151.6	76.86
Canada	122.39	66.5	38.5	24.51	65.3	40.97
Paraguay	57	26.6	10	5.1	56.5	24.99
Others	23.03	10.3	20.54	12.11	54	62.49

Source: GSO, BICO data, Global Trade Atlas (GTA)

**Graph 2: Vietnam's soybean import by source**



Source: GSO

**Table 2: Soybean imports by month in 2014**

	Volume (TMT)	Value (million \$)
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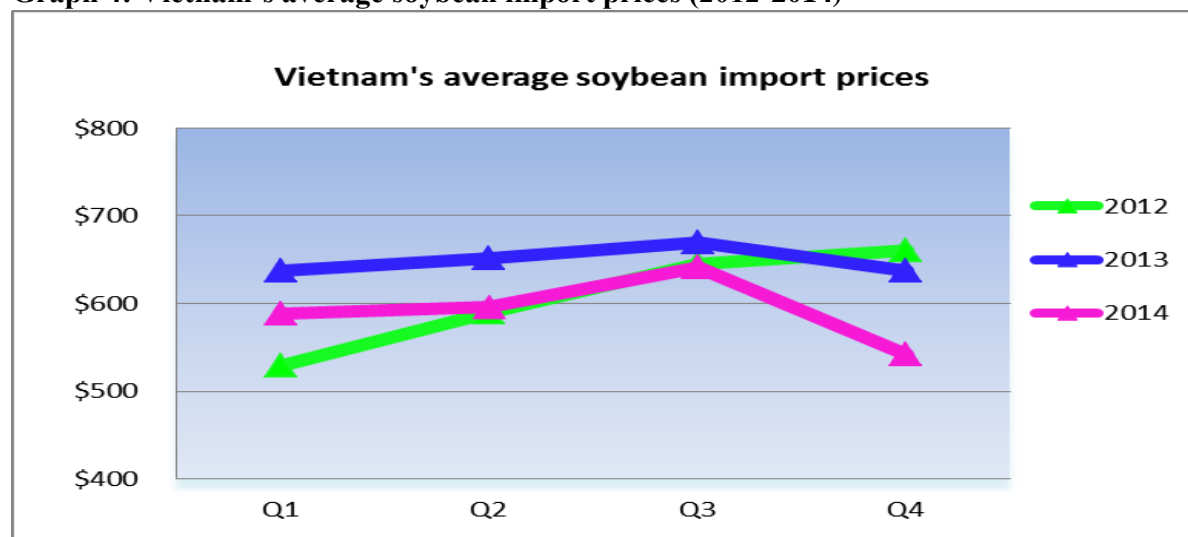
<b>Total Imports:</b>	<b>1,564</b>	<b>913.2</b>
Dec. 2014	169	89
Nov. 2014	117	61.6
Oct. 2014	110	62.7
Sept. 2014	65	39.2
Aug. 2014	120	64.6
July 2014	86	66.9
Jun. 2014	160	97.1
May 2014	127	75.8
April 2014	169	98.8
Mar. 2014	241	140.6
Feb. 2014	41	24.7
Jan. 2014	159	92.2

Source: General Customs Office (GCO), MARD

### Prices

Vietnam's average import price for soybeans in 2014 was \$592/MT, about a 9 percent drop from the previous year (\$649/ MT) (Graph 4). Local traders forecast that soybean import prices will continue to drop in 2015 due to strong supply in the world market and lower world gas/oil prices leading to lower cost of transportation. Import prices for grade 2 full fat soybeans were quoted \$476 and \$479 per MT, CNF Ho Chi Minh City and CNF Hai Phong, respectively, for shipments in April 2015; and \$430 per MT CNF Cai Lan for shipment in April 2015, indicating a further drop in prices in early 2015 compared to 2014.

**Graph 4: Vietnam's average soybean import prices (2012-2014)**



Source: GCO, Local Traders/Importers

### Import Tariffs

The tariff rate applied to soybeans (HS Code: 1201) imported from countries having Most Favored Nation (MFN) status with Vietnam remains 0 percent. The most updated tariff rates for other trade agreements are listed in Table 3.

**Table 3: Soybean import tariffs**

HS code	Description	Import tariffs (%)								
		MFN	ATIGA	ACFTA	AKFTA	VJEP	AJCEP	AIFTA	AANZFTA	VCFTA
1201.00.10	- Suitable for sowing	0	0	0	0	0	0	0	0	0
1201.00.90	- Other	0	0	5	0	2	5	3	5	5
<b>1201</b>	<b>Soybeans, whether or not broken</b>									

Source: Ministry of Finance

Notes:

- MFN: Most Favored Nation
- ATIGA: ASEAN Trade In Goods Agreement
- AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement
- AIFTA: ASEAN-India Free Trade Agreement
- VJEP: Vietnam-Japan Economic Partnership Agreement
- AJCEP: ASEAN Japan Comprehensive Economic Partnership
- ACFTA: ASEAN China Free Trade Agreement
- AKFTA: ASEAN Korea Free Trade Agreement
- VCFTA: Vietnam-Chile Free Trade Agreement
- VAT: Value Added Tax

### Policy

#### **Vietnam scraps 5 percent value added tax (VAT) on agricultural products, including imported feed ingredients**

Vietnam has abolished the 5 percent VAT on agricultural products, including imported feed ingredients as of January 1, 2015. Eliminating the VAT lowers the landed cost of feed imports from all countries.



# Production, Supply and Demand Data Statistics:

**Table 4: Vietnam's Production, Supply & Demand Table for Soybeans**

Oilseed, Soybean	2013/2014		2014/2015		2015/2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Vietnam	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	130	125	0	125	0	125
Area Harvested	130	110	0	120	0	0
Beginning Stocks	166	166	0	193	0	187
Production	190	158	0	174	0	181
MY Imports	1,500	1,564	0	1,600	0	1,630
MY Imp. from U.S.	700	698	0	750	0	800
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,856	1,888	0	1,967	0	1,998
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	1,250	1,235	0	1,300	0	1,350
Food Use Dom. Cons.	350	350	0	360	0	370
Feed Waste Dom. Cons.	100	110	0	120	0	130
Total Dom. Cons.	1,700	1,695	0	1,780	0	1,850
Ending Stocks	156	193	0	187	0	148
Total Distribution	1,856	1,888	0	1,967	0	1,998
1000 HA, 1000 MT						

Source: GSO, BICO, GTA, GCO, Estimates from Local Producers, Local Traders

**Table 5: Vietnam's Soybean Import Matrix**

Country	Vietnam		
Commodity	Soybeans		
Time Period	Jan-Dec	Units:	MT
Imports for:	<b>2013</b>		<b>2014</b>
U.S.	555,519	U.S.	697,778
Others		Others	
Brazil	571,112	Brazil	538,766
Argentina	66,032	Argentina	151,633
Canada	38,493	Canada	65,303
Ukraine	32,223	Paraguay	56,525
Paraguay	10,065		
<b>Total for Others</b>	<b>717,925</b>		<b>812,227</b>
Others not Listed	17,600		53,995
<b>Grand Total</b>	<b>1,291,044</b>		<b>1,564,000</b>

Source: GCO, GSO, GTA, Local importers

**Commodities:**

Oilseed, Peanut

**Production:**

According to GSO statistics, Vietnam's peanut production dropped by 7.6 percent in MY 2013/14 to 455 TMT from 492 TMT in MY2012/13. This drop was due to smaller planted area compared to the previous MY (See table 6).

In MY 2014/15, Post expects growing area to increase to 215 thousand ha and production to increase about 4 percent to 473 TMT (Table 6, Table 11). Favorable weather and variety improvement will boost yield and production. In 2015/16, Post forecasts peanut production will continue to increase, to 484 TMT, as peanut cultivated area continues to expand. The peanut planting area is focused in the North Central coast, mountainous and midland areas in the North, and the South Central Coast.

**Table 6: Vietnam's Peanut production**

	2012	2013	2014	2015 est.*	2016 est.*
Crop area (tha)	219.3	216.4	209.0	215	220
Crop yield (MT/ha)	2.14	2.27	2.17	2.2	2.2
Total production (TMT)	468.4	491.9	454.5	473	484

Source: GSO, \*Post estimate

**Consumption:**

Post estimates that 680 TMT of peanuts (in-shell basis) were consumed domestically in Vietnam in MY 2013/14. In MY 2014/15 and MY 2015/16, Post estimates peanut consumption at 690 TMT and 720 TMT, respectively (See table 11). The majority of peanuts, locally produced and imported, are used in the snack and confectionery industries with a small amount used in-shell for household consumption, extruded for cooking oil, or exported.

**Trade:****Imports**

Vietnam's total peanut imports (in-shell equivalent) were 217 TMT in MY 2013/14 (Tables 7, 8, 11 and 12), an increase of 15 percent over the year before. Both in-shell and shelled imports, mainly from the, India, Senegal, Argentina, China, Paraguay and United States, are used by the snack food industry in Vietnam. Post forecasts imports to be 250 TMT (in-shell basis) in MY 2014/15, and increase slightly to 280 TMT in MY 2015/16.

**Table 7: In-shell peanut imports by source**

Country	2012	2013	2014
<b>Total in-shell peanut imports (in MT):</b>	<b>2,982</b>	<b>11,933</b>	<b>5,818</b>
USA	428	9,906	2,922
India	758	370	2,547
China	1,461	1,245	269
Senegal	144	412	80
Indonesia	173	n/a	n/a
Other countries	18	n/a	n/a

Source: GCO, GTA; \* Note: In-shell peanuts: HS code 120210; and 120241

**Table 8: Shelled peanut imports by source**

Country	2012	2013	2014
<b>Total shelled peanut imports ( in-shell basis)</b>	<b>325,193</b>	<b>177,322</b>	<b>211,181</b>
<b>Total shelled peanut imports (in MT)</b>	<b>244,506</b>	<b>133,325</b>	<b>158,783</b>
India	226,460	35,814	144,563
Senegal	11,243	12,356	7,741
China	999	1,184	3,278
Paraguay	2,838	1,885	1,800
USA	553	69,562	1,331
Other countries	2,413	12,524	70

Source: GCO, GTA; \* Note: Shelled peanuts include HS code 120220, 120242 and 200811;  
Conversion rate: 1.33

## Exports

In MY 2013/14, Vietnam exported a small quantity (2.2 TMT) of in-shell and shelled peanuts, mainly to Thailand, Taiwan and Russia (See Tables 9, 11 and 13). This is a significant drop of 66 percent from the year before due to much smaller demand from Thailand market to compare with the previous year. Post forecasts that peanut exports will remain at the same level or increase slightly in MY 2014/15 and MY 2015/16.

**Table 9: Vietnam's peanut exports**

Year	2011	2012	2013	2014	2015* est.
In-shell peanut exports (MT) (HS code 120210 and 120241)	1,845	990	1,427	276	300
Shelled Peanut exports (MT) (HS code 120220 and 120242)	2,036	3,342	5,331	1,421	1,500
<b>Total converted into in-shell peanut exports (MT) (conversion rate 1.33)</b>	<b>4,553</b>	<b>5,435</b>	<b>6,416</b>	<b>2,166</b>	<b>2,295</b>

Source: GTA, \*Post estimates; Note: Peanuts are in in-shell basis, including in-shell peanut (HS code 120210; 120241) and shelled peanuts (HS code 120220; 120242)

### Import Tariffs

The tariff rate applied to both in-shell and shelled peanuts (HS Codes: 120241, 120220, and 120242) imported from countries having Most Favored Nation (MFN) status with Vietnam remains 10 percent;

**Table 10: Peanut import tariffs**

HS code	Description	Import tariffs (%)							
		MFN	ATIGA	ACFTA	AKFTA	VJEP	AJCEP	AIFTA	AANZFTA
<b>1202</b>	<b>Peanuts, not roasted or otherwise cooked, whether or not shelled or broken</b>								
1202.30.00	- Seed suitable for sowing	0	0	0	0	0	0	0	0
	- Other								
1202.41.00	--In-shell	10	0	0	0	4.5	4	5	5
1202.42.00	--Shelled, whether or not broken	10	0	0	0	4.5	4	5	5
<b>2008</b>	<b>Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included</b>								
2008.11.10	--- Roasted ground nuts	30	0	0	0	25	23	20	10
2008.11.20	--- Peanut butter	18	0	0	0	25	23	20	10
2008.11.90	--- Other	20	0	0	0	25	23	20	10

Source: Ministry of Finance

## Production, Supply and Demand Data Statistics:

**Table 11: Vietnam's Production, Supply & Demand Table for Peanuts\***

Oilseed, Peanut Market Begin Year Vietnam	2013/2014		2014/2015		2015/2016	
	Jan 2014		Jan 2015		Jan 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	0	209	0	215	0	220
Area Harvested	240	209	0	215	0	0
Beginning Stocks	49	49	0	19	0	19
Production	550	455	0	473	0	484
MY Imports	210	217	0	250	0	300
MY Imp. from U.S.	0	5	0	7	0	9
MY Imp. from EU	0	0	0	0	0	0
Total Supply	809	721	0	742	0	803
MY Exports	10	2	0	3	0	4
MY Exp. to EU	0	0	0	0	0	0
Crush	50	20	0	30	0	40
Food Use Dom. Cons.	710	680	0	690	0	720
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	760	700	0	720	0	760
Ending Stocks	39	19	0	19	0	39
Total Distribution	809	721	0	742	0	803

1000 HA, 1000 MT

Source: GCO, GTA, Post estimates; \*Note: Peanuts are in in-shell basis, including in-shell peanut (HS code 120210; 120241) and shelled peanuts (HS code 120220; 120242 and 200811 –excluding peanut butter)

**Table 12: Vietnam's Peanut\* Import Matrix**

Country	Vietnam		
<b>Commodity</b>	Peanuts	(in-shell basis)	
<b>Time Period</b>	Jan-Dec	<b>Units:</b>	MT
<b>Imports for:</b>	2013		2014
U.S.	102,423	U.S.	4,692
<b>Others</b>		<b>Others</b>	
India	48,003	India	194,816
Senegal	16,846	Senegal	10,376
Argentina	8,142	China	4,629
Nicaragua	3,419	Paraguay	2,394
China	2,820		
Paraguay	2,507		
<b>Total for Others</b>	<b>81,737</b>		<b>212,215</b>
Others not Listed	5,095		93
<b>Grand Total</b>	<b>189,255</b>		<b>217,000</b>

Source: GTA \*Note: Peanuts are in in-shell basis, including in-shell peanut (HS code 120210; 120241) and shelled peanuts (HS code 120220; 120242 and 200811).

**Table 13: Vietnam's Peanut\* Export Matrix**

Country	Vietnam		
Commodity	Peanuts	(in-shell basis)	
Time Period	Jan-Dec	Units:	MT
Imports for:	2013		2014
U.S.	0	U.S.	0
Others		Others	
Thailand	4,723	Taiwan	752
Malaysia	1,485	Thailand	551
Taiwan	1,002	Singapore	180
Singapore	317	Russia	128
Russia	149	Czech Republic	64
Czech Republic	120	France	10
<b>Total for Others</b>	<b>7,796</b>		<b>1,685</b>
Others not Listed	414		12
<b>Grand Total</b>	<b>8,210</b>		<b>1,697</b>

Source: GTA; \*Note: Peanuts are in in-shell basis, including in-shell peanut (HS code 120210; and 120241) and shelled peanuts (HS code 120220; and 120242)



## Commodities:

Meal, Soybean

## Production:

Vietnam's domestic soybean meal (SBM) production rebounded in 2014, reaching a record 889 TMT in MY 2013/14, an increase of 21 percent. Local SBM production is projected to continue to grow in the coming years until the capacity of the existing crush facilities is reached (see Table 14, Graph 5). The demand for soy oil continues to serve as the limiting factor for crush, and soybean meal production in the long term (See Commodities: Oil, Soybean). Post estimates MY 2014/15 SBM production at 950 TMT, which will capture 24 percent of the domestic market. Soybean meal production will increase in MY 2015/16 to about 990 TMT on increased domestic crush.

**Table 14: Vietnam's soybean meal production**

	2012	2013	2014	2015*	2016*
<b>Total SBM production (TMT)</b>	<b>780</b>	<b>732</b>	<b>889</b>	<b>950</b>	<b>990</b>

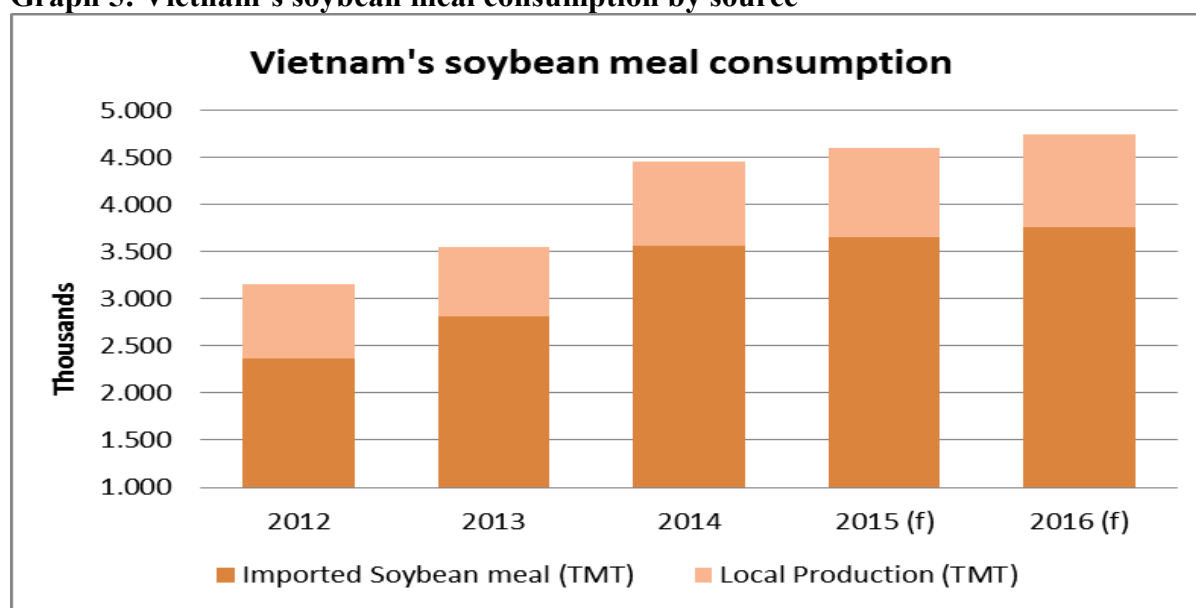
Source: Local Producers, \*Post estimates

## Consumption:

Almost all SBM, both domestically produced and imported, is used in the animal and aquaculture feed industries to meet surging demand for animal and aquaculture protein. Vietnam also imports a growing amount of soy flour (367 TMT), which is used in both the food and feed industries (see Table 16).

Vietnam's SBM consumption was estimated at 3.55 MMT in MY 2012/13 and at 4.45 MMT in MY2013/14, a year-on-year increase of 25 percent. Post estimates MY2014/15 SBM consumption at 4.6 MMT. Post's initial MY 2015/16 SBM consumption forecast is 4.75 MMT, reflecting the steady, continued growth in the livestock and aquaculture sectors (Graph 5, and Table 19).

**Graph 5: Vietnam's soybean meal consumption by source**



Source: GCO, GTA, BICO data, Post estimates

## Trade:

## Imports

Vietnam continues to import increasing amounts of SBM to offset the protein shortage in the country and meet the growing demand of the animal and aquaculture feed industries. In MY 2013/14, Vietnam imported about 3.64 MMT of total SBM and soy flour, an increase of about 14 percent over the previous year (3.19 MMT) (Tables 15, 16, 19 and 20 ).

Post estimates total SBM, including SBM and soy flour, imports in MY 2014/15 will slightly increase to 3.75 MMT, and in MY 2015/16 will continue to increase to 3.85 MMT due to strong demand from feed sector (See Table 19).

In 2014, Argentina remained the largest supplier of SBM to Vietnam, accounting for about 65 percent of the import market, up from 58 percent in 2013. Brazil, the other main supplier of SBM to Vietnam, accounted for 10 percent of the import market. China's market share also increased to 7 percent in MY 2013/14, from 3 percent in the previous year. India's market share plummeted to 1.4 percent from 13 percent in the previous year due to price competitiveness and the perception that Indian SBM is lower in protein compared to sources from Argentina, Brazil, and the United States. In MY 2013/14, U.S. SBM exports to Vietnam were 368 TMT, accounting for 10 percent market share. This is a drop of 2.5 percent from the previous year (378 TMT). In MY 2013/14, approximately 96 percent of U.S. SBM exports to Vietnam were soybean flour (HS Code: 120810).

Post estimates MY2014/15 U.S. SBM exports to increase to 380 TMT. Post forecasts U.S. SBM exports to grow in MY2015/16 to 390 TMT as the overall size of the Vietnamese feed market continues to grow to keep pace with the livestock sector.

**Table 15: Soybean meal imports by source in the period 2010-2014**

		2010	2011	2012	2013	2014
S/N	Total Imports: (TMT)	2,737	2,993	2,457	2,918.6	3,276
1	Argentina	1,137	1,326	1,275	1,842	2,376
2	Brazil	273	401	296.4	444	305
3	China	45	27	265.8	90	254
4	India	804	1,119	462.7	400	50
5	USA	429	66	115.6	131	13
6	Other countries	49	54	42.2	11.6	278

Source: GCO, BICO, GTA data. \*Note: Soybean meal (HS code: 2304), and other residues from soybeans (HS Code: 230250)

In 2014, Vietnam also imported about 367 TMT of soybean flour, mainly from the United States, India, and Taiwan (See Table 16), which was used for both feed and food industries. This is a record level and is due, in part, to the lower import duty for soybean flour (HS code: 120810), which dropped to 8 percent from 12 percent since 2013. Post projects soy flour imports will continue to increase in 2015 and in coming years as demand continues to grow due to population growth and rising incomes, as well as growing food industry.

**Table 16: Soybean flour imports by sources**

Country	2012	2013	2014
	Quantity (MT)	Quantity (MT)	Quantity (MT)
<b>Total Imports:</b>	<b>37,396</b>	<b>267,130</b>	<b>366,624</b>
USA	30,135	246,793	355,267
India	10	11,813	4,057
Taiwan	3,275	3,105	5,699
Argentina	n/a	n/a	1,244
Malaysia	3,926	5,136	280
China	n/a	217	67
Others	50	66	10

Source: GCO; BICO data; GTA \*Note: Soybean flour HS code: 120810

## Exports

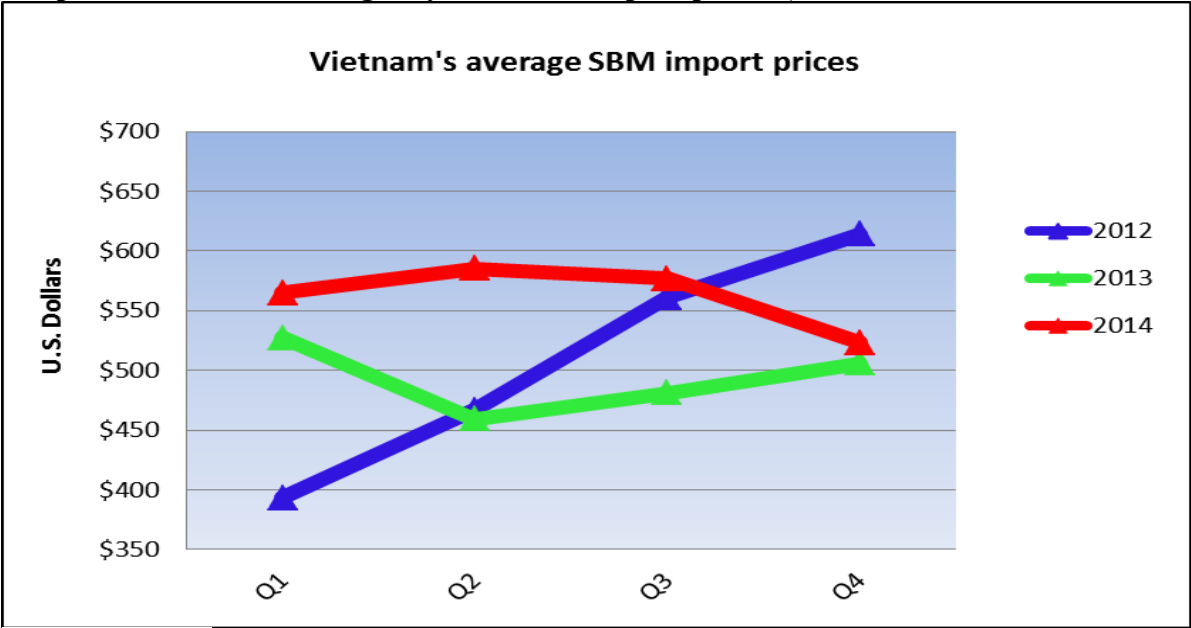
According to local traders, Vietnam exported about 81 TMT of soybean meal (HS Code: 230400), soy flour (HS Code: 120810), and other residues from soybeans (HS Code: 230250) in 2014 (MY 2013/14), valued at \$46 million (See Table 20). Major export markets for Vietnamese SBM were Cambodia, Taiwan, Philippines, Malaysia, Myanmar, South Korea, Laos and Japan. Post anticipates this trend to continue in future years as larger domestic crush will increase the availability of SBM for export. Although Vietnam will remain a large importer of SBM, occasional market dynamics in Vietnam and in neighboring countries will allow for small amounts of SBM exports from Vietnam. Post forecasts Vietnam's SBM exports at 85 TMT in MY2014/15, and at 90 TMT in MY2015/16.

## Prices

Vietnam's average SBM import price in 2014 was \$563 per metric ton, about a 3 percent increase over the previous year (\$547) (Graph 6). Currently, import prices are quoted at around \$510-\$513/MT CFR Haiphong, and \$508-\$509/MT CFR Ho Chi Minh City for shipments in April 2015. These prices are lower than the average prices in the same period of the previous year (\$565). According to local importers, the import prices could be volatile, but will likely remain at this level or lower than \$600/MT for the entire year of 2015 due to growing global soybean meal production and global supply availability.

Table 17 shows a comparison of local prices of common feed ingredients in Vietnam. An increasingly large segment of the industry recognizes the value in using high-protein SBM, however, to lower production costs, local feed mills are flexible and switch to a variety of feed ingredients if SBM is difficult to acquire.

**Graph 6: Vietnam's average soybean meal import prices (2012-2014)**



Source: GCO, GTA

**Table 17: Local prices of major feed ingredients in the Vietnam market**

Product/ Prices in VND/KG	Mar.1 4	Apr.1 4	May 14	Jun.1 4	Jul. 14	Aug.1 4	Sep.1 4	Oct.1 4	Dec.1 4	Jan. 15	Feb.1 5
Corn Local	6,050	6,250	6,000	6,300	6,100	5,800	5,700	5,600	5,700	5,600	5,500
Corn SAM	6,200	6,300	6,150	6,200	5,950	5,700	5,700	5,650	5,650	5,450	5,350
Corn India	6,000	n/a	n/a	n/a	5,850	n/a	n/a	n/a	n/a		
Rice Bran	5,800	5,800	5,700	5,600	5300 (local)	5,200	4450 (India )	4,600	3,900	4,100	4,150
CGM	19,200	22,00 0	21,60 0	21,00 0	18,50 0	18,000	17,20 0	16,80 0	15,70 0	16,50 0	17,00 0
DDGS	8,400	8,400	8,100	7,300	6,600	5,900	5,600	5,200	6,500	7,200	7,100
Feed Wheat	n/a	n/a	n/a	7,100	6,800	6,400	6,100	6,150	6,050	6,100	6,200
SBM US	13,950	14,20 0	14,00 0	14,00 0	13,60 0	13,300	12,50 0	12,00 0	11,80 0	11,20 0	10,80 0
SBM Arg	13,900	14,00 0	13,60 0	13,70 0	13,20 0	12,900	12,20 0	11,80 0	11,50 0	10,80 0	10,40 0
Cassava	5,150	5,200	5,100	5,050	5,000	4,900	4,800	4,700	4,800	4,400	4,000
SBM India	n/a	n/a	n/a		n/a						
MBM	12,000	11,80 0	11,60 0	11,20 0	10,90 0	11,000	10,80 0	10,50 0	11,20 0	12,00 0	11,50 0
Fish Meal	25,000	24,00 0	23,70 0	23,50 0	23,50 0	23,200	22,70 0	22,00 0	24,50 0	25,50 0	25,00 0
Feather Meal	17,600	17,50 0	17,50 0	17,20 0	16,00 0	16,500	16,00 0	15,70 0	16,00 0	n/a	n/a
Wheat Pollard	6,000	6,100	5,900	6,000	5,400	5,300	5,000	5,100	5,200	5,500	5,450
Wheat bran	6,200	6,100	6,000	6,050	5,600	5,500	5,100	5,150	5,300	5,600	5,500
Rape Seed ML	6,700	6,600	6,500	6,600	6,600	6,500	6,150	6,000	6,150	6,500	6,800
Palm Kernel MI	4,650	4,700	4,600	4,650	4,500	4,450	4,200	3,700	3,800	4,000	3,700
Copra Meal	6,800	n/a	6,600	n/a	5,700	5,600	n/a	n/a			
Salt	3,500	3,700	3,700	3,500	3,200	3,300	3,500	3,500	3,800	4,000	3,800
L Lysine HCl	40,500	41,00 0	38,50 0	35,00 0	35,00 0	35,000	38,00 0	38,00 0	38,00 0	40,00 0	42,00 0
DL Methionin e	84,000	84,00 0	82,00 0	84,50 0	82,00 0	82,000	81,00 0	n/a	n/a	n/a	n/a

Source: Local traders, U.S. Soybean Export Council's (USSEC) office in Vietnam;

\*Note: Exchange rate as of April 1, 2015: \$1=VND21,590 (Vietcombank)

### Import Tariffs

The 2015 tax rates applied to SBM, full fat soybean flour, and soybean hulls imported from countries having Most Favored Nation (MFN) status with Vietnam are stated in Table 18.

- Import duty for soybean flour (HS code: 120810): 8 percent
- Import duty for soybean hulls (HS code: 230250): 0 percent
- Import duty for soybean meal (HS code: 230400): 0 percent

**Table 18: Meal import tariffs**

HS code	Description	Import tariffs (%)								
		MFN	ATIGA	AANZFTA	AIFTA	AKFTA	VJEP	AJCEP	ACFTA	VCFTA
<b>1208</b>	<b>Flours and meals of oil seeds or oleaginous fruits, other than those of mustard</b>									
1208.10.00	- Of soya beans	8	0	10	15	0	14	17	0	12
1208.90.00	- Other	25	0	10	15	0	19	17	0	22
<b>230120</b>	<b>Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, mollusks or other aquatic invertebrates</b>									
230120.10	--Of fish, with a protein content of less than 60% by weight	0	5	5	5	5	4	3	5	0
230120.20	--Of fish, with a protein content of 60% or more by weight	0	5	5	5	5	4	3	5	0
230120.90	--Other	0	5	5	5	5	4	3	5	0
<b>2302</b>	<b>Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants.</b>									
2302.10.00	- Of maize (corn)	0	0	5	5	0	4.5	4	5	5
2302.30.00	- Of wheat	0	0	5	5	0	2	5	0	5
2302.40	- Of other cereals									
2302.40.10	-- Of rice	0	0	5	8	0	4.5	4	0	5
2302.40.90	-- Of other cereals	0	0	5	5	0	4.5	4	0	5
2302.50.00	- Of leguminous plants	0	0	5	5	0	4.5	4	0	5
<b>2303</b>	<b>Residues of starch manufacture and similar residues, beet-pulp, bagasse and other waste of sugar manufacture, brewing or distilling dregs and waste, whether or not in the form of pellets.</b>									
2303.10.10	- - Of manioc (cassava) or sago	0	0	5	5	0	4.5	4	5	5
2303.10.90	- - Other	0	0	5	7	0	2	5	5	3
2303.20.00	- Beet-pulp, bagasse and other waste of sugar manufacture	0	0	5	5	0	4.5	4	0	0
2303.30.00	- Brewing or distilling dregs and waste	0	0	5	5	0	2	5	0	3
<b>2304</b>	<b>Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil.</b>									
2304.00.10	-Defatted soya bean flour, fit for human consumption	0	0	0	3	0	0	0	0	0
2304.00.90	-Other	0	0	0	3	0	0	0	0	0
<b>2305.00.00</b>	<b>Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<b>ground-nut oil.</b>									
<b>2306</b>	<b>Oil cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05</b>									
2306.10.00	- Of cotton seeds	0	0	0	3	0	0	0	0	0
2306.20.00	- Of linseed	0	0	0	3	0	0	0	0	0
2306.30.00	- Of sunflower seeds	0	0	0	3	0	0	0	0	0
2306.41	--Rape seeds or Colza seeds of low erucic acid rape or colza seeds									
2306.41.10	---Rape seeds or colza seeds of low erucic acid rape or colza seeds	0	0	0	3	0	0	0	0	0
2306.41.20	---Colza seeds of low erucic acid colza seeds	0	0	0	3	0	0	0	0	0
2306.49	- - Other									
2306.49.10	--- Rape seeds of other rape seeds	0	0	0	3	0	0	0	0	0
2306.49.20	---Colza seeds of other colza seeds	0	0	0	3	0	0	0	0	0
2306.50.00	- Of coconut or copra	0	0	0	3	0	0	0	0	0
2306.60.00	- Of palm nuts or kernels	0	0	0	3	0	0	0	0	0
2306.90	- Of others									
2306.90.10	-- Of maize (corn) germ	0	0	0	3	0	0	0	0	0
2306.90.90	- - Other	0	0	0	3	0	0	0	0	0
<b>2307.00.00</b>	<b>Wine lees; argol.</b>	0	0	10	5	0	4.5	4	0	5
<b>2308.00.00</b>	<b>Vegetable materials and vegetable waste, residues &amp; by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included.</b>	0	0	5	5	0	4.5	4	0	5

Source: Ministry of Finance



# Production, Supply and Demand Data Statistics:

**Table 19: Vietnam's Production, Supply & Demand Table for Soybean Meal\***

Meal, Soybean Market Begin Year Vietnam	2013/2014		2014/2015		2015/2016	
	Jan 2014		Jan 2015		Jan 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Crush	1,310	1,235	0	1,300	0	1,350
Extr. Rate, 999.9999	1	1	0	1	0	1
Beginning Stocks	134	134	0	135	0	150
Production	1,015	889	0	950	0	990
MY Imports	3,500	3,643	0	3,750	0	3,850
MY Imp. from U.S.	75	368	0	380	0	390
MY Imp. from EU	0	0	0	0	0	0
Total Supply	4,649	4,666	0	4,835	0	4,990
MY Exports	25	81	0	85	0	90
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	50	0	50	0	50
Feed Waste Dom. Cons.	4,460	4,400	0	4,550	0	4,700
Total Dom. Cons.	4,460	4,450	0	4,600	0	4,750
Ending Stocks	164	135	0	150	0	150
Total Distribution	4,649	4,666	0	4,835	0	4,990

1000 MT, PERCENT

Source: GCO, GTA, Post estimates; \*Note: Soybean meal includes soybean meal and cake (HS Code: 230400); Soy flour (HS Code: 120810); and other residues from soybeans (HS Code: 230250)

**Table 20: Vietnam's Soybean Meal\*Import Matrix**

Country	Vietnam		
Commodity	Soybean meal		
Time Period	Jan-Dec	Units:	MT
Imports for:	<b>2013</b>		<b>2014</b>
U.S.	377,451	U.S.	368,068
Others		Others	
Argentina	1,842,092	Argentina	2,377,511
Brazil	444,193	Brazil	304,817
India	412,162	China	253,740
China	90,539	Singapore	189,130
		India	54,453
<b>Total for Others</b>	<b>2,788,986</b>		<b>3,179,651</b>
Others not Listed	19,923		95,421
<b>Grand Total</b>	<b>3,186,360</b>		<b>3,643,140</b>

Source: GCO, GTA, BICO data

\*Note: Soybean meal (HS code: 2304), Soy flour (HS Code: 120810), and other residues from soybeans (HS Code: 230250)

**Commodities:**

Meal, Copra  
Meal, Cottonseed  
Meal, Palm Kernel  
Meal, Rapeseed  
Meal, Peanut  
Meal, Sunflower seed  
Fishmeal

**Production:**

Vietnam produces a negligible volume of other oilseed meals, such as peanut meal, copra meal, etc.

Production of fishmeal, mainly from the south of Vietnam, depends on the production of caught saltwater and freshwater fish and the volume of caught trash fish. Fishmeal production is estimated to be around 400-450 TMT in 2014, of which about 300-350 TMT is saltwater fishmeal and about 100 TMT is freshwater fishmeal, according to local traders.

**Consumption:**

Other imported oil meals and feed ingredients including fishmeal are used as substitutes for SBM and for other segments of livestock production and aquaculture feed, which require a more diverse combination of feed ingredients.

**Trade:**

In 2014, Vietnam imported about 648 TMT of other oilseed meals, a drop of 14 percent from the previous year (753 TMT) (See Tables 21, 22) due to larger imported SBM. In 2014, according to GTA, Vietnam imported about 97 TMT of fishmeal, of which 41 percent imported from Peru and the rest was imported from Thailand, South Korea, Chile, and other countries (see Table 23). Table 22 and Graph 7 show that total various oil meals, distillers dried grains with solubles, corn gluten meal, and fishmeal imports were about 1.5 MMT in 2014, accounting for about 10 percent of commercial feed production.

According to local traders, Vietnam exports low-protein fishmeal, while it imports high protein fishmeal to meet growing demand of animal feed and aquaculture feed industries. Vietnam annually exports about 140-150 TMT fishmeal to many countries. In 2014, Vietnam exported 157 TMT of fishmeal to many countries, of which China is the largest export market (see table 24).

The tax rate applied to other oilseed meals and fishmeal imported from countries having Most Favored Nation (MFN) status with Vietnam remains 0 percent (See Table 19).

**Table 21: Other oil meal imports 2010-2014**

	2010	2011	2012	2013	2014
Total import volume (TMT)	572	663	697	753	648

Source: GCO, Local importers, GTA

**Table 22: Other oilseed and protein meal imports by commodity in 2010-2014**

	Commodities	2010	2011	2012	2013	2014
HS Code	<b>Total (Unit: MT)</b>	<b>1,415,343</b>	<b>1,525,222</b>	<b>1,564,236</b>	<b>1,554,886</b>	<b>1,492,647</b>
230120	Fishmeal	100,016	89,534	91,836	81,351	97,606
230210/ 230310	DDGS/Corn gluten meal	430,236	494,599	491,846	356,900	621,100
230230	Wheat bran	248,136	213,295	251,691	319,924	69,116
230240	Bran and other residues, rice bran	44,884	26,702	7,761	23,398	57,237
230500	Peanut meal	6,419	5,498	3,051	3,200	3,415
230610	Cotton seed meal	n/a	n/a	47	978	3,211
230630	Sunflower meal	1,216	516	13,933	279	4,762
230641	Canola, rape seed meals	255,800	271,700	359,000	396,000	373,400
230650	Copra meal	151,878	138,000	178,933	196,315	87,300
230660	Palm Kernel meal	168,200	141,870	159,800	176,541	175,500

Source: General Customs Department, Local importers, GTA

**Table 23: Vietnam fish meal imports by source (2010-2014)**

	2010	2011	2012	2013	2014
<b>Total in MT</b>	<b>100,016</b>	<b>89,534</b>	<b>91,835</b>	<b>81,351</b>	<b>97,606</b>
Peru	38,294	46,339	54,123	19,336	39,842
Thailand	26,447	26,422	11,352	43,000	28,499
South Korea	14,144	11,079	11,604	11,862	12,478
Chile	9,777	1,807	2,073	2,260	9,980
India	505	740	249	1,301	3,340
Others	10,848	3,147	12,434	3,593	3,467

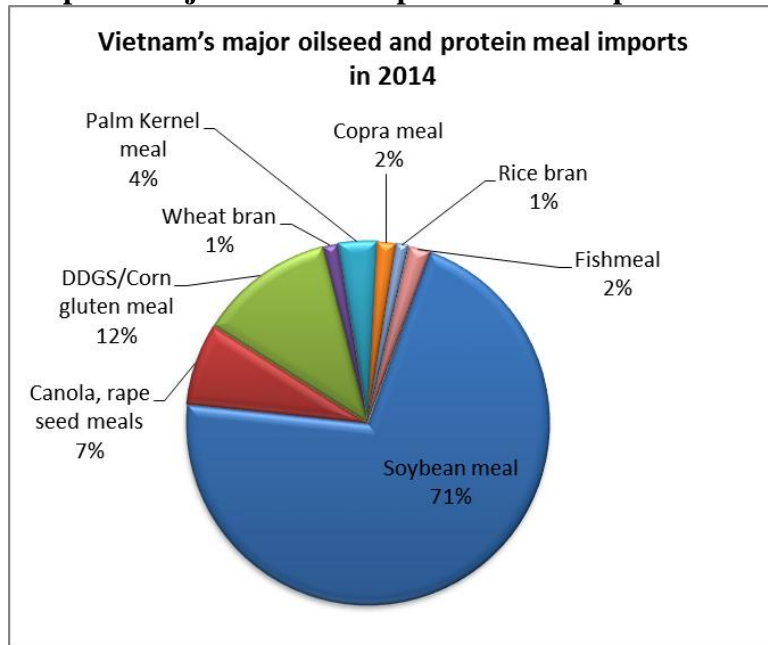
Source: GTA

**Table 24: Vietnam's fish meal exports by destination (2012-2014)**

	2012	2013	2014
<b>Total in TMT</b>	<b>97</b>	<b>111</b>	<b>157</b>
China	50	67	73
Japan	5	10	25
Taiwan	14	14	25
Thailand	10	3	8
Indonesia	12	10	8
Malaysia	3	2	6
Cambodia	n/a	n/a	5
South Korea	2	3	3
Others	1	2	4

Source: GTA, Local Traders, Agromonitor

**Graph 7: Major oilseed and protein meal imports in 2014**



Source: GCO, GTA, Local importers

**Commodities:**

Oil, Soybean  
Oil, Palm Kernel  
Oil, Coconut  
Oil, Rapeseed  
Oil, Sunflower seed  
Oil, Cottonseed

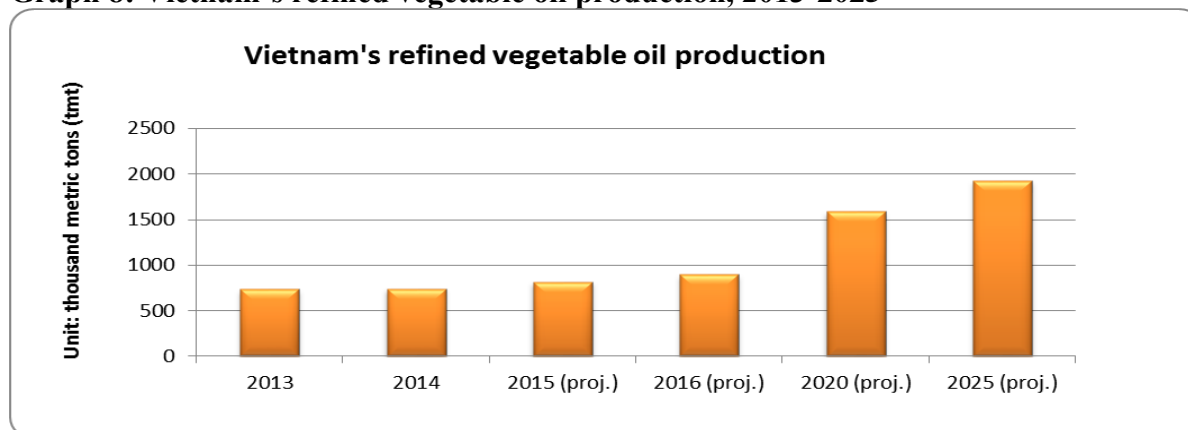
**Production:****Refined vegetable oil production**

According to the Ministry of Industry and Trade, Vietnam produced a record level of 738.4 TMT of refined vegetable oil (all types) in 2014, an increase of 0.6 percent over the previous year (733.4 TMT) (Table 25 and Graph 8). Refined oil production is projected to increase by 10 percent to 812 TMT in 2015 and to 893 TMT in 2016 as refiners continue to take advantage of the growth in locally produced crude soybean oil, and local oil producers enjoy the decreasing GVN safeguard import tariff from Malaysia and Indonesia which is 4 percent during the period May 2014-May 2015, and falls to 3 percent in the period May 2015-May 2016. Considerable growth is needed in domestic refining capacity in order to reach GVN's target for refined vegetable oil of 1.59 MMT by 2020 and 1.93 MMT by 2025, according to the *Development Plan for Vietnam's Vegetable Oil Industry up to 2020, and Vision to 2025*.

**Table 25: Refined vegetable oil production**

	2013	2014	2015 proj.	2016 proj.	2020 proj.	2025 proj.
Total refined vegetable oils production (TMT)	733.4	738.4	812	893	1,587	1,929

Source: GSO, MOIT, Local Producers' estimates

**Graph 8: Vietnam's refined vegetable oil production, 2013-2025**

Source: GSO; MOIT

### Crude soy oil production

Post initial forecast of MY 2015/16 soy oil production is 256 TMT, an increase of 3 percent (See Table 26). This forecast is based on increased crush. Post's MY 2014/15 crude soybean oil estimate is revised up to 248 TMT from 234 TMT of the previous estimate, a 5.5 percent increase over the previous year, as total crush rebounds. In MY 2013/14, Vietnam produced an estimated 235 TMT of crude soy oil.

**Table 26: Vietnam's local crude soy oil production**

	2012	2013	2014	2015*	2016*
Total local soy oil production (MT)	214,000	193,000	235,000	248,000	256,000

Source: Local Producers, \*Post estimates

### Consumption:

Currently, four major categories of vegetable oil products (*Cooking oils, Salad oils, Nutritional oils, and Solid oils*) are used for both human consumption and food processing industry. Many Vietnamese consumers are aware of the health benefits of consuming healthy vegetable oils. However, there are still many Vietnamese consumers, who lack a thorough understanding of hydrogenated fats, and the healthier alternatives that are available. Many Vietnamese's choice of brands is mainly based on advertising messages of manufacturers as well as brand availability in their preferred distribution channel (traditional or modern market). Unpackaged and unbranded oils and fats are still widely used by foodservice operators, especially street vendors and small independent restaurants, as they were much cheaper compared to branded products. Due to their cheap price some low-income consumers in suburban and rural areas still choose unbranded oils and fats.

Local producers estimated Vietnam's MY 2013/14 total vegetable oil consumption at 870 TMT, up about 11.5 percent over the previous year (Table 27). There is no official data is available for vegetable oil consumption per capita. Post projects continuous strong growth in consumption, including soybean oil, as demand continues to grow driven by rising consumer incomes, increased urbanization, and growth of food processing industry. Additionally, increasing consumers' awareness of healthier vegetable oils is leading to a shift from animal fats to vegetable oils. Industry has estimated Vietnam's vegetable oil consumption per capita to be 9.55 kg per person in 2014, below the world average of 13.5 kg per capita per year. Vegetable oil consumption per capita is projected to increase to 16 kg per person per year by 2020, and 18.5 kg by 2025.

**Table 27: Vietnam's domestic vegetable oil consumption**

	Unit	2013	2014	2015 proj.	2020 proj.	2025 proj.
Vietnam's population	million persons	90	91	92	97	102
Total domestic vegetable oil consumption	1,000 MT	780	870	920	1,570	1,890
Per capita vegetable oil consumption	Kg/person/year	8.7	9.6	10	16.2	18.5

Source: GSO; MOIT; IPSI; Estimates from local producers and Post

According to local producers, Cai Lan Oils & Fats Industries Co. continued to lead sales in 2014 with 37.3 percent market share nationwide. Tuong An Vegetable Oil and Golden Hope Nha Be followed with 22.8 percent and 11 percent market share, respectively.

In 2014, state-owned Vietnam Vegetable Oils Industry Corporation (Vocarimex) launched its initial public offering (IPO). The state maintained 36 per cent and strategic investors Kinh Do Confectionery Corporation (KDC) and VPBank Securities took 24 percent and 8 percent, respectively. Vocarimex and its subsidiaries and affiliates hold a combined 85 percent of the Vietnamese cooking oil market. Together they produce around 81 percent of the nation's refined cooking oil.

Most imported soybean and palm oil are currently for food use; only a small volume of imported oil is used in the industrial and cosmetic manufacturing sectors and feed industry. Post estimates local consumption at 650 TMT for palm oil and 220 TMT for soybean oil in MY 2013/14. In MY 2014/15, Post forecasts local consumption of palm oil at 680 TMT and soy oil at 240 TMT.

#### **Trade:**

##### **Imports of vegetable oils (both crude and refined)**

Vietnam's vegetable oil industry continues to rely heavily on imported crude and refined oil to meet consumer demand, despite increasing domestic crude soybean oil production. In MY 2013/14, Vietnam imported an estimated 812 TMT of crude and refined vegetable oils of all types, an increase of 13 percent over the previous year (Table 28).

**Table 28: Total vegetable oil imports**

<b>Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Total vegetable oil imports (TMT)</b>	<b>851.3</b>	<b>760.4</b>	<b>729.7</b>	<b>717.9</b>	<b>812.4</b>
<i>Total crude vegetable oil</i>	388.5	311.7	65.7	76.3	89.6
<i>Total refined vegetable oil</i>	462.8	448.7	664	641.6	722.8

*Source: GCO, GTA, Local producers*

In MY 2013/14, Vietnam's refined vegetable oil imports were estimated at 723 TMT, an increase of about 13 percent over the previous year due to increasing demand of domestic market. Vietnam continued to import a small volume of crude vegetable oil in MY2013/14. Refined vegetable oil imports in MY 2013/14 accounted for 89 percent of the total imported vegetable oils.

**Table 29: Total vegetable oil imports per commodity**

<b>Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Total vegetable oil imports (TMT)</b>	<b>851.3</b>	<b>760.4</b>	<b>729.7</b>	<b>717.9</b>	<b>812.4</b>



<i>Palm oil</i>	594.4	595.6	602.6	583.1	679.2
<i>Soy oil</i>	227.4	127.5	52.6	79.3	81.6
<i>Other vegetable oils</i>	29.5	37.3	74.5	55.5	51.6

Source: GCO, GTA, Local producers. Note: Vegetable oils include crude oils and refined oils

Total palm oil imports (both crude and refined oils) were 679 TMT in MY 2013/14, a rise of 16.5 percent over the previous year, accounting for almost 84 percent of total vegetable oil imports (Tables 29, 47).

Total soy oil imports (both crude and refined) were 82 TMT in MY 2013/14, a rise of 3 percent over the year ago. Soy oil accounts for about 10 percent of total vegetable oil imports. Other vegetable oils, including peanut oil, olive oil, sunflower oil, canola oil, coconut oil, and etc. imported in refined, consumer-ready packaging, were 52 TMT in MY 2013/14, accounting for about 6 percent of total vegetable oil imports.

Post forecasts that total vegetable oil imports in MY 2014/15 will remain in the 820-830 TMT range.

### **Imports of crude vegetable oil**

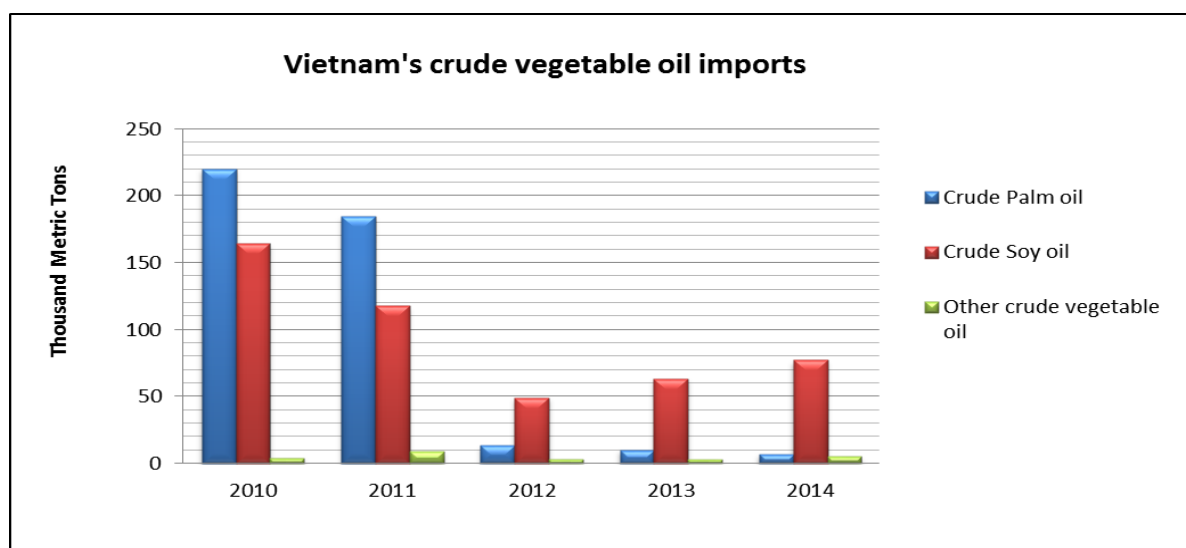
Vietnam's total crude vegetable oil imports in MY 2013/14 were about 90 TMT, an increase of 17 percent over the previous year (Tables 30, 31, 32 and Graph 10). Crude soy oil from Argentina, and Malaysia accounted for almost 97 percent of total crude soy oil imports (Table 31). Post estimates crude oil imports will likely remain at MY 2013/14 levels.

**Table 30: Crude vegetable oil imports**

Crude vegetable oil (TMT)	2010	2011	2012	2013	2014
<b>Total, of which</b>	<b>388.5</b>	<b>311.7</b>	<b>65.7</b>	<b>76.3</b>	<b>89.6</b>
<i>Crude palm oil</i>	219.9	184.7	13.3	10	7
<i>Crude Soy oil</i>	164.4	117.9	48.98	63.3	77.4
<i>Other crude vegetable oil</i>	4.2	9.1	3.4	2.99	5.2

Sources: GCO, GTA

### **Graph 10: Vietnam's crude vegetable oil imports 2010-2014**



Sources: GCO, GTA

**Table 31: Vietnam's crude soy oil imports by sources**

Exporting Countries	2010	2011	2012	2013	2014
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
Argentina	73,250	75,440	19,500	33,492	59,472
Malaysia	13,921	19,976	2,141	0	15,495
Thailand	21,292	19,499	12,997	24,010	2,000
Brazil	0	3,000	13,000	5,775	461
South Korea	6.74	2.69	0	1.51	1.86
Singapore	0	0	0	3	0
Taiwan	17.74	0	410	0	0
United States	30,000	0	0	0	6.08
Paraguay	9,000	0	0	0	0
Others	6,864	0	936	0	0
<b>Total Volume</b>	<b>164,351</b>	<b>117,918</b>	<b>48,984</b>	<b>63,282</b>	<b>77,436</b>

Sources: Estimates from traders, Local Producers, GCO, GTA

Note: Crude soybean oil – HS code 150710

**Table 32: Vietnam's crude palm oil imports by sources**

Exporting Countries	2010	2011	2012	2013	2014
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT

Thailand	6,997	0	0	6,000	7,028
Malaysia	36,465	72,051	2,012	4,000	0
Singapore	0	0	0	0	1
Hong Kong	0	52	0	0	0
Indonesia	176,076	110,206	11,329		
Cambodia	350	2,100	0	0	0
United States	0	257	0	0	0
<b>Total Volume</b>	<b>219,888</b>	<b>184,666</b>	<b>13,341</b>	<b>10,000</b>	<b>7,029</b>

Source: GCO, GTA. Note: Crude palm oil HS code 151110

### Imports of refined vegetable oil

Vietnam's refined vegetable oil imports for MY 2013/14 were 723 TMT, an increase of 12.6 percent over the previous year (Table 33). Refined palm oil imports mainly from Malaysia, Indonesia accounted for about 93 percent of total refined vegetable oil. Other vegetable oils, which are mostly in consumer-ready packaging, accounted for 6.4 percent of total refined vegetable oil imports, and soybean oil accounted for 0.6 percent of the total refined vegetable oil imports in MY 2013/14.

In MY 2014/15, Post forecasts refined oil imports at 730 - 750 TMT. Of this estimate, Post forecasts palm oil imports, and soy oil and other vegetable oil imports at 690 TMT and 5 TMT and 55 TMT, respectively. Post's initial forecast for MY 2015/16 peg palm oil imports at 710 TMT and soy oil imports at 5 TMT.

**Table 33: Refined vegetable oil imports 2010-2014**

Refined vegetable oil imports (TMT)	2010	2011	2012	2013	2014
<b>Total, of which</b>	<b>462.8</b>	<b>448.7</b>	<b>664</b>	<b>641.6</b>	<b>722.8</b>
<i>Refined palm oil</i>	<i>374.5</i>	<i>410.9</i>	<i>589.3</i>	<i>573.1</i>	<i>672.2</i>
<i>Refined Soy oil</i>	<i>63</i>	<i>9.6</i>	<i>3.6</i>	<i>16</i>	<i>4.2</i>
<i>Other refined vegetable oil</i>	<i>25.3</i>	<i>28.2</i>	<i>71.1</i>	<i>52.5</i>	<i>46.4</i>

Source: Local Traders, Local Producers, GCO, GTA

**Table 34: Vietnam's refined soy oil imports by sources 2010-2014**

Exporting Countries	2010	2011	2012	2013	2014
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
Malaysia	18,586	7,706	3,128	15,237	3,803

Hong Kong	n/a	n/a	n/a	560	n/a
South Korea	29	45	18	222	18
Singapore	38,044	297	114	66	323
Taiwan	23	35	68	51	38
Thailand	224	1,470	165	77	14
Canada	73	25	41	13	n/a
United States	1	1.7	12	n/a	n/a
China	5,881	n/a	n/a	n/a	n/a
Others	11	12	9	9	12
<b>Total Volume</b>	<b>62,872</b>	<b>9,592</b>	<b>3,555</b>	<b>16,235</b>	<b>4,208</b>

Sources: Estimates from traders, Local Producers, GCO, GTA

Note: Refined soybean oil – HS code 150790

**Table 35: Vietnam's refined palm oil imports by sources 2010-2014**

Exporting Countries	2010	2011	2012	2013	2014
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
Malaysia	318,184	353,404	462,183	478,400	593,431
Indonesia	17,951	55,171	124,000	94,385	76,160
Thailand	215	1,470	165	n/a	2,512
Singapore	38,044	783	783	294	87
Taiwan	23	35	68	n/a	n/a
Canada	50	25	41	n/a	n/a
China	40	n/a	n/a	n/a	n/a
South Korea	11	45	18	n/a	n/a
United States	1	1.7	12	n/a	n/a
Others	1	12.5	2,036	28	7.4
<b>Total Volume</b>	<b>374,520</b>	<b>410,947</b>	<b>589,306</b>	<b>573,107</b>	<b>672,197</b>

Sources: Estimates from traders, Local Producers, GCO, GTA

Note: Refined palm oil HS code 151190

**Table 36: Vietnam's animal and vegetable oils and fats import by value**

	2010	2011	2012	2013	2014
Total vegetable oil exports (Million \$)	682	893.1	747.7	692.2	758

Source: MOIT, GSO

## Policy

### Import Tariff

The most updated tax rates that apply to crude and refined vegetable oils imported from countries having Most Favored Nation (MFN) status with Vietnam are shown in the table below:

**Table 37: Vegetable Oils Import tariffs for MFN countries**

Import tariffs	Crude Oil	Refined oil
Soybean oil (HS code 1507)	5%	15%
Peanut oil (HS code 1508)	5%	25%
Olive oil (HS code 1509)	5%	20%
Other oils, obtained solely from olives (HS code 1510)	5%	25%
Palm oil (HS code 1511)	5%	30%
Sunflower-seed oil, safflower oil (HS code 1512)	5%	15%
Cotton-seed oil (HS code 1512.21 and 1512.29)	5%	25%
Copra oil (HS code 1513)	5%	30%
Palm kernel or babassu oil (HS code 1513)	7%	30%
Palm kernel oil (HS code 1513.29)	5%	25%
Rapeseed oil (HS code 1514.11; 1514.19; 1514.91 and 1514.99)	5%	20%
Linseed oil and its fractions (HS code 1515.11 and 1515.19)	5%	15%
Maize (corn seed) oil and its fractions (HS code 1515.21; 1515.29.91 and 1515.29.99)	5%	20% or 30%
Castor oil and its fractions (HS code 1515.30)	7%	15%
Sesame oil and its fractions of unrefined oil (HS code 1515.50.10; 1515.50.20; 1515.50.90)	7%; or 5%	25%
Tengkawang oil (HS code 1515.90.11; 1515.90.12; and 1515.90.19)	5%	25%
Tung oil (HS code 1515.90.21; 1515.90.22 and 1515.90.29)	5%	10%
Jajoba oil (HS code 1515.90.31; 1515.90.32 and 1515.90.39)	5%	25%
Other animal or vegetable oils (HS code 1516.10)	22%	22%
Vegetable fats and oils and their fractions (of soybean) (HS code 1516.20.11)	20%	20%
Vegetable fats and oils and their fractions (of the fruit of the oil palm, crude or other (HS code 1516.20.12; 1516.20.13)	25%	30%
Vegetable fats and oils and their fractions (of coconuts) (HS code 1516.20.14)	30%	30%
Vegetable fats and oils and their fractions (of palm kernels, crude) (HS code 1516.20.15)	25%	25%
Vegetable fats and oils and their fractions (of palm kernels, refined, bleached and deodorized (RBD) (HS code 1516.20.16)	30%	30%
Vegetable fats and oils and their fractions (of ground nuts) (HS code 1516.20.17)	25%	25%
Vegetable fats and oils and their fractions (of linseeds ) (HS code 1516.20.18)	25%	25%
Vegetable fats and oils and their fractions (of others ) (HS code 1516.20.19)	25%	25%
Vegetable fats and oils and their fractions: Hydrogenated fats in flakes (of groundnuts,	30%	30%

soybeans, fruit of the oil palm, palm kernels or coconuts) (HS code 1516.20.21)		
Vegetable fats and oils and their fractions: Hydrogenated fats in flakes (of linseeds) (HS code 1516.20.22)	25%	25%
Vegetable fats and oils and their fractions: Hydrogenated fats in flakes (of olives) (HS code 1516.20.23)	25%	25%
Vegetable fats and oils and their fractions: Hydrogenated fats in flakes (of others) (HS code 1516.20.29)	30%	30%
Other, palm stearin, with an iodine value not exceeding 48 (HS code 1516.20.51; 1516.20.52; 1516.20.59)	25%	25%
Vegetable fats and oils and their fractions (others: of linseed -HS code 1516.20.92; (of olives – HS code 1516.20.93), (of soybeans – HS code 1516.20.94)	25%	25%
Vegetable fats and oils and their fractions (Hydrogenated castor oil - HS code 1516.20.95)	30%	30%
Vegetable fats and oils and their fractions (Refined, bleached and deodorized (RBD) palm kernel stearin only - HS code 1516.20.96)	n/a	25%
Vegetable fats and oils and their fractions (Hydrogenated and refined, bleached, deodorized (RBD) palm kernel stearin or olein -HS code 1516.20.97); (Other, of groundnuts, palm oil or coconuts – HS code 1516.20.98), (Others – HS code 1516.20.99)	30%	30%
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which ground nut oil predominates) (HS code 1517.90.61)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which crude palm oil predominates) (HS code 1517.90.62)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which other palm oil predominates) (HS code 1517.90.63; 1517.90.64)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which palm kernel oil predominates) (HS code 1517.90.65)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which palm kernel olein predominates) (HS code 1517.90.66)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which soya bean oil predominates) (HS code 1517.90.67)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions, in which illipe nut oil predominates) (HS code 1517.90.68)	30%	
Other mixtures or preparations of vegetable fats or oils or of their fractions (HS code 1517.90.69; 1517.90.90)	30%	
Animal or vegetable fats and oils and their fractions, boiled, oxidized, dehydrated, sulphurised, blown, polymerized by heat in vacuum or in inert gas or otherwise chemically modified excluding those of heading 1516 (Ground nut, soya bean, palm or coconut oils – HS code 1518.00.14); (Linseeds oil and its fractions – HS code 1518.00.15); (Olive oil and its fractions – HS code 1518.00.16); (Other – HS code 1518.00.19)	5%	
Inedible mixtures or preparations of animal fats or oils or of fractions of different fats or oils ( of the fruit of the oil palm or of palm kernels – HS code 1518.00.31); (of Linseeds – HS code 1518.00.33); (Of olives – HS code 1518.00.34); (of ground nuts – HS code 1518.00.35); (of soybeans or coconuts – HS code 1518.00.36); (of cotton seeds – HS code 1518.00.37); (Other – HS code 1518.00.39)	5%	

*Source: Ministry of Finance*

Table 38: Major Vegetable Oils Import tariffs

HS code	Description	Import tariffs (%)							
		M F N	ATIGA	AANZFTA	AIFTA	AKFTA	VJEP	AJCEP	ACFTA
1507	Soya bean oil and its fractions, whether or not refined, but not chemically modified								
1507.10.00	- Crude oil, whether or not degummed	5	0	5	3	0	2	5	0
1507.90	- Other								
1505	- -	5	0	5	4	0	2	5	0





8									
1508.10.00	- Crude oil	5	0	5	5	0	2	5	0
1508.90	- Others								
1508.90.10	- - Fractions of unrefined ground nut oil	5	0	5	10	0	2	5	0

	i l								
1 5 0 8 . 9 0 . 9 0	- - O t h e r s	25	0	10	15	0	19	17	0
1 5 0 9	Olive oil and its fractions, whether or not refined, but not chemically modified								
1 5 0 9 . 1 0 .	- V i r g i n								
1 5 0 9 . 1 0 . 1 0	- - i n  p a c k a g e  o f  n e t  w e i g h t  n o t  o	5	0	5	3	0	2	5	0

	v e r  3 0  k g								
1 5 0 9 . 1 0 . 9 0	- - O t h e r s	5	0	5	3	0	2	5	0
1 5 0 9 . 9 0	- O t h e r s								
1 5 0 9 . 9 0 . 1 1	- - i n  p a c k a g e  o f  n e t  w e i g h t	5	0	5	10	0	2	5	0

	n o t  o v e r  3 0  k g								
1 5 0 9 . 9 0 . 1 9	- - F r a c t i o n s  o f  u n r e f i n e d  o i l	<b>5</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>5</b>
1 5 0 9 . 9 0 . 9 1	- - O t h e r s	<b>20</b>	<b>0</b>	<b>10</b>	<b>15</b>	<b>0</b>	<b>19</b>	<b>17</b>	<b>0</b>
1		<b>20</b>	<b>0</b>	<b>10</b>	<b>15</b>	<b>0</b>	<b>19</b>	<b>17</b>	<b>0</b>

5										
0										
9										
.										
9										
0										
.										
9										
9										
1	<b>Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including</b>									
5	<b>of these oils or fractions with oils or fractions of heading 1509</b>									
1										
0										
1	-									
5	C									
1	r									
0	u									
.	d									
0	e									
0	o									
.	i									
1	l									
0		5	0	5	3	0	2	5	0	3
	-									
	F									
	r									
	a									
	c									
	t									
	i									
	o									
	n									
	s									
	o									
	f									
	u									
1	n									
5	r									
1	e									
0	f									
.	i									
0	n									
0	e									
.	d									
2	o									
0		5	0	5	10	0	2	5	0	3

	i l									
1 5 1 0 . 0 0 . 9 0	O t h e r	25	0	10	15	0	14	17	0	2
1 5 1 1 1	Palm oil and their fractions, whether or not refined, but not chemically modified									
1 5 1 1 1 . 1 0 . 0 0	- C r u d e  o i l	5	0	5	3	0	2	5	0	3
1 5 1 1 1 . 9 0	- O t h e r									
1 5 1 1 1 . 9 0 . 1 1 1 . 1 5 1 1 1	- s o l i d  f r a c t i o	7	0	10	15	0	14	17	0	3

9019	n s - o t h e r s									
151119091115111909215111909	- - O t h e r s	30	0	10	15	0	14	17	0	2
15112	Sunflower-seed, safflower or cotton seed oil and fractions thereof, whether or not refined, but not chemically modified									
	-Sunflower-seed or safflower oil and fraction thereof									
15112	- - C r u	5	0	5	3	0	2	5	0	3



. 1 1 . 0 0	d e  o i l									
1 5 1 2 . 1 9	- - O t h e r									
1 5 1 2 . 1 9 . 1 0	- - - F r a c t i o n s  o f  u n r e f i n e d  s u n f l o w e r - s e e d	5	0	5	10	0	2	5	0	3



	f r a c t i o n s									
1 5 1 2 · 2 1 · 0 0	- - C r u d e  o i l ,  w h e t h e r  o r  n o t  g o s s y p o l  h a s  b e e n	5	0	5	5	0	2	5	0	3

	r e m o v e d									
1 5 1 2 · 2 9	- - O t h e r									
1 5 1 2 · 2 9 · 1 0	- - - F r a c t i o n s  o f  u n r e f i n e d  c o t t o n - s e e d  o i	5	0	5	5	0	2	5	0	3



	s :									
1513.11.000	- - C r u d e o i l	5	0	5	5	0	2	5	0	3
1513.11.9	- - O t h e r									
1513.11.9.110	- - - F r a c t i o n s o f u n r e f i n e d c o c c o n u t	5	0	5	10	0	2	5	0	3









	e l  o i l									
1 5 1 3 . 2 9 . 1 1	- - - - S o l i d  f r a c t i o n s  o f  u n r e f i n e d  p a l m  k e r n e l  o i l									
1	S o	5	0	5	10	0	2	5	0	3

513.29.12	valid fractions of unrefined babassu oil								
1513.29.13	- - - Other, of unref								

	i n e d  p a l m  k e r n e l  o i l									
1 5 1 3 · 2 9 · 1 4	- - - - O t h e r , o f  u n r e f i n e d  b a b a s u  o i l									
	- -	5	0	5	10	0	2	5	0	3

[illegible]

92	fracti ions of baba su oil									
1513 · 29 · 94	- - - - P a l m k e r n e l o l e i n , r e f i n e d , b	25	0	10	15	0	14	17	0	30

	l e a c h e d  a n d  d e o d o r i z e d  ( R B D )									
1 5 1 3 . 2 9 . 9 5	- - - - P a l m  K e r n e l  O i l ,  R B D	<b>35</b>	<b>0</b>	<b>10</b>	<b>15</b>	<b>0</b>	<b>14</b>	<b>17</b>	<b>0</b>	<b>30</b>
1 5 1	- - - -	<b>25</b>	<b>0</b>	<b>10</b>	<b>15</b>	<b>0</b>	<b>14</b>	<b>17</b>	<b>0</b>	<b>30</b>





	u c i c  a c i d  r a p e  o r  c o l l z a  o i l  a n d  i t s  f r a c t i o n s									
1 5 1 4 . 1 1 . 0	- C r u d e  o i l	5	0	5	3	0	2	5	0	3



9 1	e o i l									
1 5 1 4 · 9 1 · 1 0	- - - O t h e r  r a p e  o r  c o l l z a  o i l	<b>5</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>3</b>
1 5 1 4 · 9 1 · 9 0	- - - O t h e r	<b>5</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>3</b>
1 5 1 4 · 9 9	- - O t h e r									
1 5 1 4	- - - F r	<b>5</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>3</b>

. 9 9 . 1 0	a c t i o n s  o f  u n r e f i n e d  o i l									
1 5 1 4 . 9 9 . 9 1 1 5 1 4 . 9 9 . 9 9	- - - - O t h e r  r a p e  o r  c o l l z a  o i l - - - - O									
		20	0	10	15	0	19	17	0	21

	t h e r									
1 5 1 5	Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified									
	- L i n s e e d  o i l  a n d  i t s  f r a c t i o n s									
1 5 1 5 · 1 1 · 0 0	- - C r u d e  o i l	5	0	5	5	0	2	5	0	3
1 5 1 5 ·	- - O t h e r	15	0	5	10	0	4.5	4	0	8









50	e o i l  a n d  i t s  f r a c t i o n s									
1515 · 50 · 10	- - C r u d e  o i l	7	0	5	8	0	2	5	0	3
1515 · 50 · 20	- - F r a c t i o n s  o f  u n r e f i	5	0	5	8	0	2	5	0	3

	n e d  o i l									
1 5 1 5 . 5 0 . 9 0	- - O t h e r	25	0	10	30	0	31	28	0	36

Source: Ministry of Finance

Notes:

- MFN: Most Favored Nation
- ATIGA: ASEAN Trade In Goods Agreement
- AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement
- AIFTA: ASEAN-India Free Trade Agreement
- VJEPA: Vietnam-Japan Economic Partnership Agreement
- AJCEP: ASEAN Japan Comprehensive Economic Partnership
- ACFTA: ASEAN China Free Trade Agreement
- AKFTA: ASEAN Korea Free Trade Agreement
- VAT: Value Added Tax

Since August 2013, the Ministry of Industry and Trade (MOIT) applied safeguard measures imposing an additional 5 percent import tax on imported refined soy and palm oil products from certain countries for the first year, starting May 7, 2013, and that decreases each year until being eliminated after May 6, 2017. The safeguard applies to ASEAN refined palm oil exporters (Malaysia and Indonesia) and Argentine, U.S., and Brazilian refined soybean oil. Please see more details in GAIN report [VN3051](#).

MOIT issued Decision 11039/QD-BCT, dated December 3, 2014, promulgating the list of import and export goods, subject to quality, technical, and food safety regulations of MOIT. Decision 11039 further details the food and agricultural products subject to MOIT's jurisdiction as defined by Decree 38/2012. Decision 11039 provides additional detail, at the 4-digit HS level, of what products are under MOIT's food safety jurisdiction. Relating to food and agricultural products, vegetable oil products, flour and starch products (not including products with micronutrient supplements and functional products which are managed by MOH, are subject to quality, technical, and food safety regulations of MOIT before being granted customs clearance. Please see more details in GAIN report [VM5008](#).

These products are then governed by MOIT's Circular 28/2013/TT-BCT dated November 6, 2013 outlining the inspection procedures for food safety of imported foodstuff under the management responsibility of MOIT. Please see GAIN Report [VM4004](#) for more information about Circular 28/2013.

GVN Labeling Guidelines were revised for Pre-Packaged Food and Additives as per Circular 34/2014/TTLTBYT-BNNPTNT-BCT issued by the Vietnam Ministry of Health, Ministry of Agriculture and Rural Development, and Ministry of Industry and Trade on October 27, 2014. Please see details in GAIN report VM5005.

### **Exports**

Currently, there is no official export volume data available for vegetable oils. According to trade data from Global Trade Atlas, Vietnam's exports of all types of animal or vegetable oils and fats reached an estimated 183 TMT in MY 2013/14, an increase of 15 percent over the previous year (159 TMT). MY 2013/14 export value was about \$205 million, an increase of 29 percent over the year before (\$158 million). Of total MY 2013/14 Vietnamese vegetable and animal oil and fat exports, crude soy oil accounted for 49 percent, refined soy oil, palm oil and other vegetable oils for 51 percent. Post's initial estimates MY 2014/15 and MY2015/16 soy oil exports at 95 TMT and 100 TMT, respectively.

**Table 39: Vietnam's all type animal or vegetable oil and fat exports by countries**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Importing Countries	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
China	23,981	26,958	21,431	35,717	27,631
Taiwan	26,786	31,229	42,439	33,126	20,029
Singapore	41	169	20,196	24,698	19,224
South Korea	4,642	24,059	57,229	21,554	77,878
Japan	16,591	7,215	10,301	16,092	14,593
Malaysia	19,695	-	309	-	-
India	840	4,943	960	4,992	0
Philippines	409	844	2,507	4,631	3,782
United States	218	267	335	331	417
Hong Kong	-	19	3,357	294	0.4
Indonesia	1,475	1,067	4,178	4,516	425
Thailand	28	1,003	1,656	43	33
Morocco	-	-	47	347	77
New Zealand	0.2	-	22	170	194
Canada	3.3	18	9	122	218
Egypt	-	1.7	2.9	103	127
Norway	-	-	93	44	15
Australia	125	139	520	151	126
Netherlands	6	350	745	186	-
France	1	194	31	124	17
Germany	89	60	62	95	169
Italy	-	-	-	-	1,309
Other countries	826	91	29	81	123
<b>Total Volume</b>	<b>96,100</b>	<b>102,262</b>	<b>179,987</b>	<b>158,909</b>	<b>182,982</b>

Source: GTA

**Table 40: Vietnam's all type animal or vegetable oil and fat exports by value**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
Total vegetable oil exports (Million \$)	100.2	211.9	316.6	255.8	205

Source: GSO, \*GTA

**Table 41: Vietnam's crude soybean oil exports by countries**

Importing Countries	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
South Korea	10	21,471	47,932	19,444	74,456
Malaysia	0	3,099	10,779	9,132	15,945
India	n/a	3,193	n/a	4,992	n/a
North Korea	n/a	n/a	n/a	1,863	n/a
Japan	n/a	n/a	620	1,401	n/a
Singapore	n/a	n/a	4,162	n/a	n/a
Indonesia	n/a	n/a	3,864	n/a	n/a
Hong Kong	n/a	n/a	2,394	n/a	n/a
Philippines	n/a	n/a	987	n/a	n/a
Australia	n/a	25	948	n/a	n/a
China	n/a	n/a	765	n/a	n/a
Others	0.3	n/a	20,532	37,624	n/a
<b>Total Volume</b>	<b>10.3</b>	<b>27,788</b>	<b>92,983</b>	<b>74,456</b>	<b>90,401</b>

Source: GTA, Local Producers. Note: Crude soybean oil – HS code 150710

**Table 42: Vietnam's refined soybean oil exports by countries**

Importing Countries	2010	2011	2012	2013	2014
	Quantity MT	Quantity MT	Quantity MT	Quantity MT	Quantity MT
Indonesia	n/a	n/a	2,804	5,204	n/a
North Korea	n/a	n/a	3,399	3,621	n/a
Philippines	n/a	60.7	n/a	2,536	187
Singapore	n/a	n/a	3,240	2,108	21
Malaysia	n/a	n/a	2,259	2,081	101
Australia	120	115	140	922	n/a
China	n/a	n/a	5,544	461	n/a
New Zealand	n/a	n/a	19	n/a	n/a
Hong Kong	n/a	18.7	1,357	264	n/a
Taiwan	0.4	n/a	217	14	n/a
Japan	n/a	5	n/a	31	n/a
Others	2	0.1	0.3	4,298	18
<b>Total</b>	<b>122.4</b>	<b>199.5</b>	<b>18,979</b>	<b>21,540</b>	<b>327</b>

Source: GTA, Local Producers. Note: Refined soybean oil – HS code 150790

## STATISTICS

### Production, Supply and Demand Data Statistics:

**Table 43: Vietnam's Production, Supply & Demand Table for Soybean Oil**

Oil, Soybean Market Begin Year Vietnam	2013/2014		2014/2015		2015/2016	
	Jan 2014		Jan 2015		Jan 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Crush	1,250	1,235	0	1,300	0	1,350
Extr. Rate, 999.9999		0.19	0	0.19	0	0.19
Beginning Stocks	10	10	0	16	0	14
Production	225	235	0	248	0	256
MY Imports	85	82	0	85	0	90
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	320	327	0	349	0	360
MY Exports	95	91	0	95	0	100
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	200	220	0	240	0	250
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	200	220	0	240	0	250
Ending Stocks	25	16	0	14	0	10
Total Distribution	320	327	0	349	0	360
1000 MT, PERCENT						

Source: GCO, GTA, Local Producers

Note: Soybean oil includes crude and refined soy oil (HS code 150710 and 150790)

**Table 44: Vietnam's Crude Soy Oil Import Trade Matrix**

Country	Vietnam		
<b>Commodity</b>	Crude Soy oil		
<b>Time Period</b>	Jan-Dec	<b>Units:</b>	MT
<b>Imports for:</b>	<b>2013</b>		<b>2014</b>
U.S.		U.S.	
<b>Others</b>		<b>Others</b>	
Argentina	33,492	Argentina	59,472
Thailand	24,010	Malaysia	15,495
Brazil	5,775	Thailand	2,000
		Brazil	461
<b>Total for Others</b>	<b>63,277</b>		<b>77,428</b>
Others not Listed	5		8
<b>Grand Total</b>	<b>63,282</b>		<b>77,436</b>

Source: GCO, GTA, Local Traders \*Note: Crude Soy oil - HS code 150710



**Table 45: Vietnam's Refined Soy Oil Import Trade Matrix**

Country	Vietnam		
<b>Commodity</b>	Refined Soy oil		
<b>Time Period</b>	Jan-Dec	<b>Units:</b>	MT
<b>Imports for:</b>	<b>2013</b>		<b>2014</b>
U.S.		U.S.	
<b>Others</b>		<b>Others</b>	
Malaysia	15,237	Malaysia	3,803
Hong Kong	560	Singapore	323
South Korea	222	Taiwan	38
Thailand	77	South Korea	18
Singapore	66	Thailand	14
Taiwan	51		
<b>Total for Others</b>	<b>16,213</b>		<b>4,196</b>
Others not Listed	22		12
<b>Grand Total</b>	<b>16,235</b>		<b>4,208</b>

Source: GCO, GTA, Local Traders \*Note: Refined soy oil HS code 150790

**Table 46: Vietnam's Soy Oil Export Trade Matrix**

Country	Vietnam		
<b>Commodity</b>	<b>Crude &amp; Refined Soy oil</b>		
<b>Time Period</b>	<b>Jan-Dec</b>	<b>Units:</b>	<b>MT</b>
Imports for:	<b>2013</b>		<b>2014</b>
<b>U.S.</b>	-	<b>U.S.</b>	-
<b>Others</b>		<b>Others</b>	
South Korea	19,000	South Korea	74,456
Malaysia	11,000	Malaysia	16,046
North Korea	5,484	Philippines	187
Indonesia	5,204	Singapore	21
India	5,000	Sri Lanka	18
Philippines	3,536		
Singapore	2,108		
Japan	1,000		
Australia	922		
<b>Total for Others</b>	<b>53,254</b>		<b>90,728</b>
Others not Listed	41,183		0
<b>Grand Total</b>	<b>94,437</b>		<b>90,728</b>

Source: GTA, Local Producers

\*Note: Crude Soy oil - HS code 150710 and Refined soy oil HS code 150790

**Table 47: Vietnam's Production, Supply & Demand Table for Palm Oil**

Oil, Palm Market Begin Year Vietnam	2013/2014		2014/2015		2015/2016	
	Jan 2014		Jan 2015		Jan 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	3	3	0	32	0	36
Production	0	0	0	0	0	0
MY Imports	610	679	0	685	0	717
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	613	682	0	717	0	753
MY Exports	1	0	0	1	0	1
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	609	650	0	680	0	710
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	609	650	0	680	0	710
Ending Stocks	3	32	0	36	0	42
Total Distribution	613	682	0	717	0	753

1000 HA, 1000 TREES, 1000 MT

Source: Estimates from producers, GCO, GTA

Note: Palm oil includes crude and refined palm oils (HS code 151110 and 151190)

**Table 48: Vietnam's Crude Palm Oil Import Matrix**

Country	Vietnam		
<b>Commodity</b>	Crude Palm oil		
<b>Time Period</b>	Jan-Dec	<b>Units:</b>	MT
<b>Imports for:</b>	<b>2013</b>		<b>2014</b>
U.S.	0	U.S.	0
<b>Others</b>		<b>Others</b>	
Thailand	6,000	Malaysia	7,028
Malaysia	4,000	Singapore	1
<b>Total for Others</b>	<b>10,000</b>		<b>7,029</b>
Others not Listed			
<b>Grand Total</b>	<b>10,000</b>		<b>7,029</b>

Source: GCO, GTA, Post estimates. Note: Crude palm oil HS code 151110

**Table 49: Vietnam's Refined Palm Oil Import Matrix**

Country	Vietnam		
<b>Commodity</b>	Refined Palm oil		
<b>Time Period</b>	Jan-Dec	<b>Units:</b>	MT
<b>Imports for:</b>	<b>2013</b>		<b>2014</b>
U.S.	0	U.S.	0
<b>Others</b>		<b>Others</b>	
Malaysia	478,400	Malaysia	593,431
Indonesia	94,385	Indonesia	76,160
Singapore	294	Thailand	2,512
		Singapore	87
<b>Total for Others</b>	<b>573,079</b>		<b>672,190</b>
Others not Listed	28		7.4
<b>Grand Total</b>	<b>573,107</b>		<b>672,197</b>

Source: GCO, GTA, Local Producers; Note: Refined palm oil HS code 151190

**Table 50: Vietnam's Palm Oil Export Trade Matrix**

Country	<b>Vietnam</b>		
<b>Commodity</b>	<b>Crude &amp; Refined Palm Oil</b>		
Time Period	Jan-Dec	Units:	MT
Imports for:	<b>2013</b>		<b>2014</b>
<b>U.S.</b>	0	<b>U.S.</b>	0
<b>Others</b>		<b>Others</b>	
India	250	Egypt	16
Malaysia	89	Australia	6
Egypt	41		
<b>Total for Others</b>	<b>380</b>		<b>22</b>
Others not Listed	2,700		0
<b>Grand Total</b>	<b>3,080</b>		<b>22</b>

Source: GTA, Local Producers; Note: Palm oil includes crude and refined palm oils (HS code 151110 and 151190)