

Market brief

Vietnam

Financial year 2022/23

Global exports to Vietnam

Rank #14 in the global dairy market (by volume)

Destination for over 345,000 tonnes of dairy product, worth US\$1,027 million (in 2022/23).

Exports have decreased by 5% over five years (2018/19 – 2022/23).

The biggest volume growth (product categories exceeding US\$20 million) has been in:

- Ice Cream (66%)
- Cream (46%)
- Whey powder (34%)
- Milk (32%)
- Cheese (25%)

The biggest volume decline (products categories exceeding US\$20 million) has been in:

- Protein (-56%)
- Butter Oil (-52%)
- WMP (-26%)
- Lactose (-19%)

Australian market share

Rank at #6 in the share of Vietnam's import volume.

Destination for over 19,000 tonnes of Australian dairy product, worth US\$66 million (in 2022/23).

Exports have decreased by 22% over five years (2018/19 – 2022/23).

The biggest volume growth (product categories exceeding US\$1 million) has been in:

- Condensed Milk (2255%)
- Infant Powder (1166%)
- WMP (123%)

The biggest volume decline (product categories exceeding US\$1 Million) has been in:

- SMP (-78%)
- Milk (-24%)

Tariff environment

Australia and Vietnam are both party to the multilateral ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA). Entry came into force in January 2010, with a reduction in tariffs for selected dairy products. Australia and Vietnam are also signatories of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This came into force on December 30th, 2018, for Australia and January 14th, 2019, for Vietnam. Dairy trade between Australia and Vietnam is fully liberalised. A schedule of Vietnam tariffs can be found in Table 2.

Key international marketing programs and initiatives

Dairy Australia runs or is involved in a number of marketing programs and activities in Vietnam. These include the Southeast Asia Dairy Scholarship program aimed at familiarising dairy and food industry professionals from the region with aspects of the Australian dairy industry and the Southeast Asian Alumni Program for past scholars. Outside of COVID-19 travel restrictions, Dairy Australia regularly visits Vietnam and presents seminars to local industry players in key markets.

Figure 1 Dairy imports

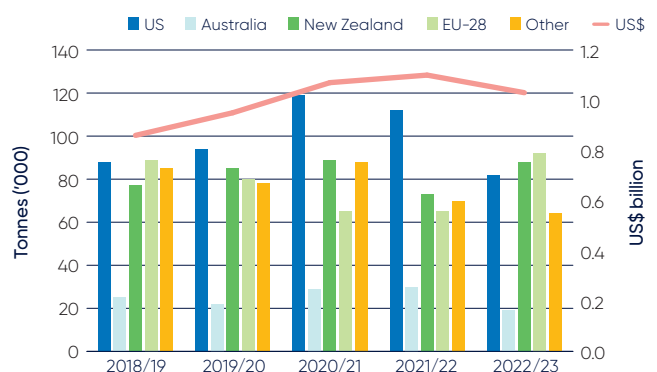


Figure 2 Top dairy exports to Vietnam by volume

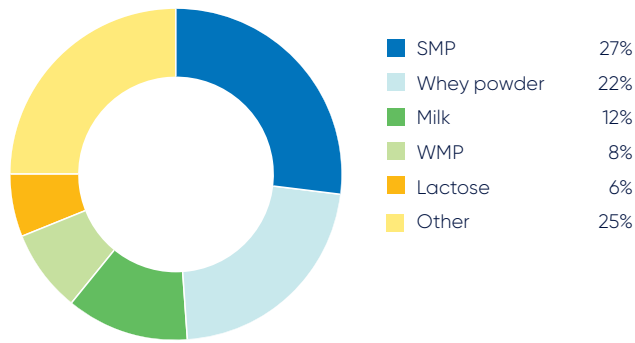


Figure 4 Top Australian dairy exports by volume

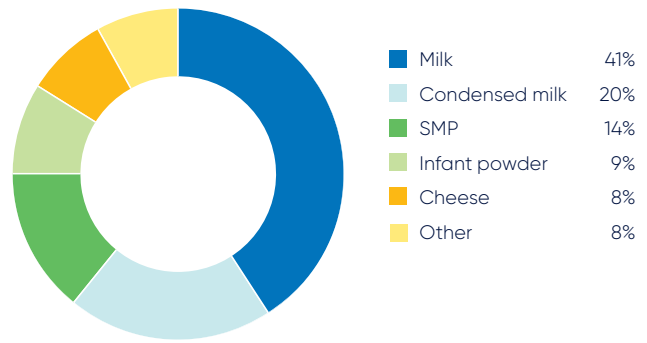


Figure 3 Top dairy exports to Vietnam by US\$ value

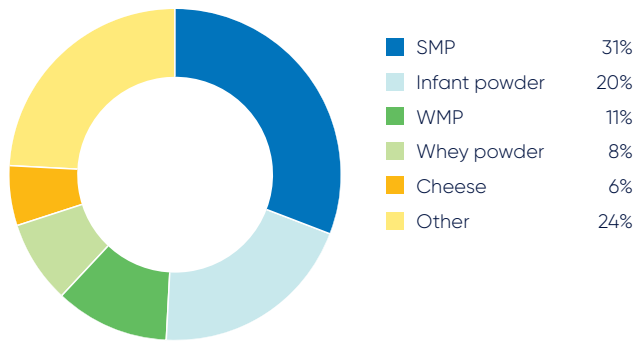


Figure 5 Top Australian dairy exports by US\$ value

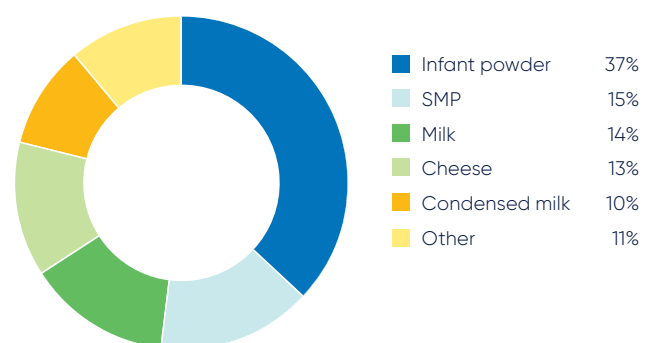


Table 1 Australia exports

Product group	Market share (US\$ %)		Volume ('000)		Value (million US\$)	
	2018/2019	2022/23	2018/2019	2022/23	2018/2019	2022/23
Cheese	8.6	10.0	1.1	1.6	4.9	8.3
Condensed milk	1.4	65.3	0.2	4.0	0.2	6.7
Infant powder	0.4	9.7	0.1	1.6	1.1	24.4
Milk	31.2	19.5	10.3	7.9	9.7	9.3
SMP	8.9	2.6	12.1	2.7	24.0	10.2
Total imports	4.0	5.2	24.8	19.3	42.7	66.0

Table 2 Dairy tariffs

Tariff category	Product category	Applied tariff %
0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter	0.0
0402	Milk and cream, concentrated or containing added sugar or other sweetening matter	0.0
0404	Whey	0.0
0406	Cheese and curd	0.0

Applied tariffs are drawn from Integration Point. Where Australia does not have a specific tariff agreement in place, the applied rate for qualifying product is the MFN rate. Where a specific tariff agreement exists, the applied rate for qualifying product is as per that agreement. The countries with specific agreements in place are: China (ChAFTA), Indonesia (AANZFTA), Japan (JAEPA), The Republic of Korea (KAFTA), Malaysia (MAFTA), Philippines (AANZFTA), Singapore (SAFTA), Philippines (TAFTA), and the USA (AUSFTA).

Further information

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