MARKET GUIDE FOR B.C. AGRIFOOD AND SEAFOOD EXPORTERS

VIETNAM







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SECTION 1: INTRODUCTION

The purpose of this guide is to assist B.C. agrifood and seafood exporters targeting the Vietnamese market by informing them about key topics such as: the Vietnamese business environment; key regulatory agencies; finding and assessing buyers; distribution channel options; social and business customs; and the development and maintenance of relationships in Vietnam. The following table summarizes the key information in this guide:

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	 Since 1990 Vietnam's GDP per capita has grown at among the fastest rates in the world and the country has experienced the second strongest economic growth in Asia over recent decades; only China has experienced a higher rate of growth. Free-market reforms and trade liberalisation have
	created the conditions for such growth. Meanwhile, Vietnam has also become a global leader in argi-
Introduction	food exports.
to the	• Although Vietnam's economic development has been successful, several challenges remain including
Vietnamese	underdeveloped infrastructure, risk of corruption and a high concentration of state-owned
market	enterprises.
	• While Vietnam is largely self-sufficient in terms of food production, changing consumer preferences
	and rising prosperity are likely to lead to increasing consumption of imported products.
	Relative to Vietnam's growth in imports from the world, Canada lost agrifood and seafood market
	share to competitors between 2012 and 2015, but increased the value of exports by 38%.
	Vietnam has a complex regulatory environment for suppliers of agrifood or seafood products. Food
	standards and regulations are often overlapping and change frequently. As such, exporters new to the
	market are advised to appoint agents or brokers (many are former customs agents) who can help you
	ensure compliance with market regulations and procedures.
Market	Always verify requirements with your chosen importer as well as with Canadian officials at the
Readiness	Canadian Food Inspection Agency (CFIA) and Canada Boarder Services Agency (CBSA) before shipping.
	Key Vietnamese agencies involved in import/export of agrifood and seafood products include: Ministr
	of Industry and Trade (MOIT); Ministry of Health (MOH); Vietnam Food Administration (FVA); Ministry
	of Agriculture and Rural Development (MARD); General Department of Vietnam Customs.
	Vietnamese law includes strict requirements on the labelling of packaged food products.
	Food products in Vietnam are typically distributed through local intermediaries who in turn supply
	them to retailers. As a new exporter to Vietnam you will likely choose between engaging an agent and
	selling to an in-market distributor.
	It is possible to export directly if you can establish a relationship with a large retailer or other
	Vietnamese companies but only a few large retail chains in Vietnam have a history of buying directly
	from foreign suppliers.
Selling to	• E-commerce is a growing platform in Vietnam and the youthful population is increasingly accessing e-
Vietnam	commerce sites. At present, infrastructure challenges and inefficient online payment preferences limit
	the expansion of the e-commerce sector.
	Food exhibition shows, developing online content, visiting the country and utilizing in-market
	resources can assist companies to develop consumer and importer demand for their products.
	Corruption can occur in Vietnam. Conduct due diligence prior to signing contracts and establishing
	formal relationships.
	Third party introductions are helpful ways to gain access and credibility with Vietnamese buyers.
	• Strong personal relationships and networking are instrumental to conducting business in Vietnam.
Building	While English is used widely in business circles Vietnamese remains the official language. Depending
Relationships	on your business partner's language capabilities and preferences you may need to engage an
in Vietnam	interpreter.
	Negotiations with Vietnamese counterparts require patience and tolerance.
	• Established relationships require ongoing maintenance through regular contact and reciprocal visits.
	Canadian Trade Commissioners are located in Hanoi while BC Trade and Investment Representatives
Export	have offices in the Southeast Asia region, specifically in Manila and Jakarta.
Support and	• Exporters should make themselves aware of cost-sharing programs and promotional support provided
Resources	by provincial and federal agencies and organizations.

SECTION 2: INTRODUCTION TO THE VIETNAMESE MARKET

2.1 - VIETNAM'S ECONOMIC ENVIRONMENT

Vietnam is located in Southeast Asia. Following three decades of market reforms and trade liberalization, Vietnam has emerged as one of Asia's most rapidly developing economies recording GDP growth in excess of 5% per annum for the last twenty years. Under its export-led growth strategy it has become a leading agricultural exporter and an attractive foreign investment destination. Although Vietnam's economic development has been successful, several challenges remain including underdeveloped infrastructure, risk of corruption and a high concentration of state owned enterprises. Its ranking of 68th in the 2018 World Bank's <u>Ease of Doing Business Index</u> reflects such issues but also represents significant progress from its 2013 ranking of 99th. Despite a recent slowdown in growth, Vietnam has rebounded from the last decade's global financial crisis and is expected to have significant market potential for foreign agrifood products due to increased urbanization, rising household incomes and a growing, health conscious middle class.

2.2 - VIETNAM'S AGRIFOOD AND SEAFOOD SECTOR

The agriculture sector in Vietnam employs close to half of the population and accounts for almost 20% of GDP. The climate of Vietnam allows for year round agricultural production and the country enjoys a vast stretch of coastline coupled with an extensive network of rivers and lakes. As a result, Vietnam remains relatively self-sufficient in terms of food production. However, consumer preferences are shifting away from the main domestic crop, rice, due to global influences and the increase in household disposable income for many Vietnamese families.

Vietnam has become a global net exporter of agri-food and seafood products. It is the world's largest producer of cashew nuts, with one-third of total global production; the largest producer of black pepper, accounting for one-third of the world market; and the second-largest producer of rice and coffee. Other major food crops are sugarcane, cassava (manioc), corn (maize), sweet potatoes, tea and nuts.

2.3 - VIETNAM'S AGRIFOOD AND SEAFOOD IMPORTS

In 2015, total exports of agriculture and seafood to Vietnam from Canada totalled over \$2.3 billion, which represents an increase of 38% over the in value exported in 2012. However, over the same timeframe Vietnam's total agriculture and seafood imports from the world increased by 88%; Canadian companies lost Vietnamese market share to global competitors. As shown in the following table, from 2012 to 2015 Brazil increased the value of agrifood and seafood exports to Vietnam by 281% and increased their market share by 103% (from comprising 7% of all Chinese agrifood and seafood imports in 2012 to 13% in 2015). The large increase in total exports has also benefitted many other supplying nations, including Argentina (+221%), Thailand (106%), Cambodia (97%), and USA (81%).

Table: Value of Agrifood and Seafood Exports to Vietnam, Top 10 Supplying Countries 2012-15

Country	Value of Exports (\$ MIllions)		Market Share			
Country	2012	2015	%-Change	2012	2015	%-Change
Argentina	\$831	\$2,667	221%	9%	15%	70%
Brazil	\$636	\$2,424	281%	7%	13%	103%
USA	\$1,033	\$1,872	81%	11%	10%	-4%
Australia	\$834	\$1,179	41%	9%	6%	-25%
China	\$745	\$1,023	37%	8%	6%	-27%
Thailand	\$446	\$918	106%	5%	5%	9%
India	\$802	\$848	6%	8%	5%	-44%
Indonesia	\$518	\$814	57%	5%	4%	-17%
Malaysia	\$687	\$760	11%	7%	4%	-41%
Cambodia	\$267	\$527	97%	3%	3%	5%
Canada (16 th)	\$166	\$230	38%	2%	1%	-26%

The following table describes the class (by 2-digit HS code) of agrifood and seafood products that, for each of the top supplying countries, achieved the highest rate of growth in value of exports to Vietnam between 2012 and 2015.

Table: Largest percentage increases in exports, by 2-digit HS code for top 10 supplying countries, 2012-15

Country	Product (by HS Code), Growth Rate in Value of Exports 2012-15
	Cereals (+56,966%)
Argentina	Meat and edible meat offal (+460%)
	Fish and crustaceans, molluscs and other aquatic invertebrates (+348%)
	Animal or vegetable fats and oils (+4,143%)
Brazil	Cereals (+3,588%)
	Lac; gums, resins and other vegetable saps and extracts (+226%)
	Preparations of meat, fish, crustaceans, molluscs (+556%)
USA	Miscellaneous edible preparations (+446%)
	Oil seeds and oleaginous fruits (+243%)
	Live animals (+24,502%)
Australia	Sugars and sugar confectionery (1,936%)
	Lac; gums, resins and other vegetable saps and extracts (+1,233%)
Chi.	Products of animal origin, not elsewhere specified or included (+298%)
China	Preparations of meat, fish, crustaceans, molluscs (+276%)
	Preparations of cereals, flour, starch or milk; pastrycooks' products (+275%) Live animals (+1,578%)
Thailand	Edible fruit and nuts; peel of citrus fruit or melons (+834%)
Illalialiu	Coffee, tea, maté and spices (+731%)
	Products of the milling industry; malt; starches; inulin; wheat gluten (964%)
India	Meat and edible meat offal (+426%)
IIIuia	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; (+393%)
	Edible vegetables and certain roots and tubers (4,723%)
Indonesia	Dairy produce; birds' eggs; natural honey (3,135%)
	Coffee, tea, maté and spices (+514%)
	Beverages, spirits and vinegar (1,659%)
Malaysia	Other products of animal origin (1,214%)
•	Preparations of meat, fish, crustaceans, molluscs (+790%)
C	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; (+16,588%)
Cambodia	Edible vegetables and certain roots and tubers (+361%)

Country	Product (by HS Code), Growth Rate in Value of Exports 2012-15
	Edible fruit and nuts; peel of citrus fruit or melons (+115%)
	Cereals (+1,163%)
Canada (16 th)	Edible fruit and nuts; peel of citrus fruit or melons (+499%)
	Sugars and sugar confectionery (+403%)

In 2016, agrifood and seafood exports from BC to Vietnam were concentrated among the top 3 commodities. Apples, cherries, and food preparations for manufacturing & natural health products were responsible for 60% of the total value of all BC agrifood and seafood exports to Vietnam in 2016.

Table: Top 5 BC Agrifood and Seafood Exports to Vietnam, 2014-16

Commodity	Value of Exports (\$ Millions)			2015-2016
Commodity	2014	2015	2016	%-Change
Apples	1.0	2.2	5.1	131
Cherries	1.3	1.8	4.7	155
Food Preparations for Manufacturing &				
Natural Health Products	2.7	1.8	2.9	63
Total top 3	5.1	5.8	12.7	118
Rest of Products	47.8	23.5	6.4	-73
Total –				
All Agrifood & Seafood exports to				
Vietnam	52.8	29.4	19.1	-35

2.4 - CULINARY CULTURE, CONSUMER LIFESTYLE AND CONSUMER EXPECTATIONS

Urbanization and economic growth continue to have an impact on the culinary culture, consumer lifestyles and customer expectations in Vietnam. With rising incomes, more people are able and willing to pay higher prices for better quality products. As such, expenditures on food products have been increasing and in many cases growing faster than the growth in disposable income.

- > Rising disposable incomes have led to growth among premium and value-added categories as price is increasingly displaced by status and quality as the main influencer on purchase decisions.
 - Vietnam is experiencing strong growth in disposable income. Social class A (the highest income class) is expanding and seeking more premium products.
- > Recent food contamination scares have also improved market conditions for B.C. suppliers
 - Consumer concern about potential food contamination is favourable for suppliers of imported
 and premium products because consumers are often willing to spend significantly more for
 products that can successfully position themselves as being of high quality and produced under
 a strict regulatory regime which can ensures product safety.
- Urbanisation and the high percentage of younger people in the population has led to increased demand for convenience and packaged products.
 - Vietnamese consumers are working longer hours and they increasingly live in urban environments. As a result, many consumers desire quick and easy food solutions and the consumption of frozen and packaged food products in urban centres is increasing.
 - Consumers are also switching from wet markets to supermarkets, which further increases the exposed to packaged and frozen food options.

- > Vietnamese consumers are becoming more health focused in their food choices, leading to higher demand for products perceived to provide health-benefits.
 - Government health improvement campaigns are helping to increase consumption of healthy foods, boosting sales of fresh foods like nuts, seafood, fruits and vegetables.
 - Foodservice operators have been quick in responding to this trend, by offering healthier choices, as well as trying to show consumers that they follow strict safety standards.
- **E-commerce** is increasing in popularity but faces structural challenges.
 - E-commerce will continue to grow as delivery of other goods via a vast network of motorbike drivers is already common and most of Vietnam's younger generation are internet users.
 - Potential exporters should consider and develop online capacity. However, there are still many challenges to overcome including the preference among Vietnamese consumers to pay in cash for online orders, the lack of cold chain infrastructure and the incomplete telecommunications network outside of urban areas.

2.5 - MARKET INTELLIGENCE

As with any market, prior to expanding sales to Vietnam you will need to conduct market research specific to your product line. In addition to answering any specific questions you might have, good market research allows you to:

- Determine if there is a potential market for your product;
- Understand the strategy, strengths and weaknesses of your major competitors;
- Strategize how best to position your product (e.g. price, packaging, value proposition) and leverage the highest potential competitive advantage;
- Minimize the risk of making a poor investment decision.

The following approaches and sources can be used to gather market information:

- > Consult with government agencies and industry and trade associations in your sector.
 - These could include: <u>Canadian Trade Commissioners</u>, <u>Agriculture and Agrifood Canada</u>, <u>Small Business B.C.</u>, <u>Global Affairs Canada</u>, <u>the Embassy of Canada to Vietnam in Hanoi</u> and chambers of commerce including the Canadian Chamber of Commerce in Vietnam.
- Conduct online research for available material. Many of the following resources provide market-specific information free of charge, but there may be a fee to access larger quantities of intelligence or information that is particularly valuable or hard to come by.
 - <u>Canada Business Network</u> is a hub for the Canadian export market that includes links to market and sector information, trade statistics and sources of trade leads and potential partners.
 - <u>CIA World Factbook</u> is a reference resource with almanac-style information about the countries of the world. It provides summaries of the demographics, geography, communications, government, economy, and military of most of the countries of the world.
 - <u>Economist Intelligence Unit</u> is the research and analysis division of The Economist Group and world leader in global business intelligence.
 - <u>Food and Agriculture Organization of United Nations (Statistics Division)</u> is a source of knowledge and information related to agriculture, forestry and fishery.
 - The <u>General Statistics Office of Vietnam</u> produces and makes available Vietnam's national statistics.

- Global Trade Tracker (GTT) offers original trade statistics from the world's principal trading countries.
- <u>Santander Trade Portal</u> is a resource that provides access to 40+ worldwide databases, 10,000 pages of information on 185 countries, and more than 150,000 suppliers and importers.
- <u>United States Department of Agriculture's Global Agriculture Information Network (GAIN)</u> provides information and reports about the agricultural economy, products and issues in foreign countries that are likely to have an impact on trade.
- Access a global research firm that conducts regular market intelligence in Vietnam. The following are a sample of intelligence companies which are available to exporters, and it is possible you will find a suitable firm that is not listed below. Information from these sources will generally not be provided free of charge, but may be the only way to obtain certain information.
 - <u>Development Bank Canada</u> provides industry experts to identify the right collection tools and to handle data mining and analysis.
 - <u>Euromonitor International</u> is a leading provider of global business intelligence and publishes industry, country and global reports.
 - Global Research & Data Services publishes reports from over 200 industries and 100 countries, providing difficult-to-find market data.
 - <u>Hoovers Research</u> provides reports across a range of industries including the food & beverage sector. Global reports by Hoovers Research provide regional and country-level market analysis.
 - Nielsen studies consumer trends and habits in more than 100 countries.
 - <u>Planet Retail</u> is a leading provider of global retail intelligence.
 - <u>Statistics Market Research Consulting</u> reports provide strategic recommendations, market forecasts, and competitive landscaping.
 - <u>VPG Market Research</u> publishes international market research for corporate executives and key decision-makers in the food & beverage industry, among others. VPG has clients in 70 countries and provides market intelligence and strategic insights.

Visit the market personally:

Do not underestimate the value in simply taking a trip to Vietnam yourself to gather first-hand
insights and intelligence. It can be very powerful not only in terms of talking to potential
buyers and distributors but also in terms of identifying competing products. Visiting different
supermarkets and retailers can be invaluable as it allows you to get a sense of products and
packaging in Vietnam and allows you to assess the price range and market approach used by
potential competitors.

SECTION 3: MARKET READINESS

The first step to achieving sales in Vietnam is ensuring that you are market ready. This means that your product is eligible for export to Vietnam and you are compliant with all necessary requirements, standards and regulations. Only then can you actually sell your products to buyers in Vietnam. The following section provides an overview of the key agencies and requirements.

3.1 – GOVERNMENT OF VIETNAM AGENCIES INVOLVED IN OVERSEEING IMPORTS

Several government agencies in Vietnam are involved with regulating aspects of import/export of agrifood and seafood products, including:

Ministry of Industry and Trade (MOIT)

 Responsibilities of the MOIT include managing food safety during production, collection, slaughtering, processing, preservation, transportation, export, import and trading of: alcohol, beverages, processed milk, vegetable oil, products used as materials for production of powder, starch, and other food in accordance with the provisions of the government.

Ministry of Health (MOH)

- The Ministry of Health (MOH) is responsible for the safety and hygene of processed foods.
- The Ministry's <u>Vietnam Food Administration</u> is responsible for enforcing food safety laws and is the agency responsible for issuing the Food Quality/Standards Registration Certificate (RC) required for the importation of processed food.

Ministry of Agriculture and Rural Development (MARD)

- MARD is a large ministry responsible for rural development, forestry, fisheries, and the governance, promotion and nurturing of the agricultural industry.
- Exporters of meat, poultry and seafood products must register with <u>MARD/Department of Animal Health (DAH)</u>.

General Department of Vietnam Customs

 The General Department of Vietnam Customs is responsible for enforcing the effective management over imports and exports activities and international trade.

3.2 - REQUIREMENTS, STANDARDS & REGULATIONS

Vietnam has a complex regulatory environment for suppliers of agrifood or seafood products. Food standards and regulations are often overlapping and change frequently. As such, exporters new to the market are advised to appoint agents or brokers (many are former customs agents) who can help you ensure compliance with market regulations and procedures. The following information is provided as an overview of the basic requirements, but additional documentation may be required depending on the product you are intending to export. Always verify requirements with your chosen importer as well as with Canadian officials at the <u>Canadian Food Inspection Agency (CFIA)</u> and <u>Canada Boarder Services Agency (CBSA)</u> before shipping your goods.

> Required licences and certificates

- Imported food products must obtain a Food Quality/Standards Registration Certificate (RC). The Vietnam Food Administration (VFA) of the Ministry of Health (MOH) is responsible for issuing these certificates. The MOH imposes heavy documentation requirements with respect to imported food products. Importers are required to apply for registration for each food item imported. The process requires detailed certificate of analysis (CA) to be completed and submitted to the regulatory authority (e.g. Vietnam Food Administration).
- Importers of food and agricultural products have to provide Vietnamese authorities with a
 number of supporting documents. Depending on the product, these may include a certificate
 of free sale (CFS) from the competent authorities of the exporting country, customs
 declaration application / registration for inspection form, copy of the trade contract of letter of
 credit, bill of landing, invoice, packing list, certificate of origin (must be original), documents
 certifying the safety and quality of the foods (export certificates).
- Remember when importing, all necessary documents must be compiled into one dossier and presented with a Vietnamese language translation of the sales and purchase contracts.

> Labeling requirements

- Vietnamese law imposes strict requirements on the labelling of goods, including specific requirements on labelling timeline for use of prepackaged food and special provisions for functional food, food additives, irradiated food, and genetically modified food.
- Labelling language must be in Vietnamese and cover all mandatory contents. Depending on the requirements of each type of food, the contents written in a foreign language can be added but they must be the same as in Vietnamese and their font size is not larger than the relevant ones in Vietnamese.
- All labels must show the following: name of goods, name and address of the organisation or individual responsible for the goods, origin of goods, quantity, date of manufacture, expiration date, ingredients or ingredient quantities, hygiene and safety information and warnings, instructions on use and preservation.
- In the case of imported goods, the compulsory contents in Vietnamese may be either printed on the original label or presented in a supplementary label attached to the original foreign language label prior to sale or circulation in the Vietnamese market.
- It is a violation to circulate goods without the required labels, to label goods with pictures, figure or writing that does not correspond to the nature of the goods, labelling goods unclearly or without including all compulsory elements.

Customs and logistics

- The usual documentation procedure is for your importer to collect the required paperwork and submit it to <u>Vietnam Customs</u>. Depending on the product, documentation can include: bill of lading; invoice; shipping list; customs declaration; insurance policy; purchase and sale contract; inspection certificates; and other documentation required for your specific product.
- The Harmonized Commodity Description and Coding System (HS) is an international goods
 classification system to categorize imported and exported goods in international trade,
 determine appropriate duty fees, identify goods and is used for freight documentation, etc. HS
 compliance is the mandatory classification and declaration of goods when entering or exiting a
 country. If you are unaware of the correct HS code(s) for your product(s) they can be looked up
 using <u>Canada Post's online tool</u>.

SECTION 4: SELLING TO VIETNAM

4.1 - ROUTES TO MARKET

Most companies, especially smaller firms or those with little experience or networks in Vietnam, work through distribution and import partners in order to navigate the complex regulatory environment and complicated supply chains present in Vietnam. However, direct exporting and the use of e-commerce are possible options for some exporters. Regardless of your approach, always perform due diligence prior to establishing any contractual relationship (see Section 4.3: Due Diligence and Avoiding Scams).

4.1.3 Indirect exports

- Most exporters will rely on a third party agent or distributor to distribute products in Vietnam.
 - An agent sells a foreign supplier's goods in exchange for commission. The specific responsibilities
 of a Vietnamese agent depend on the agreement between the agent and the foreign supplier but
 can include market intelligence, identification and pursuit of sales leads, sales promotions and
 after-sales services.
 - In a distributorship arrangement, the distributor generally purchases the goods from the foreign supplier for resale in Vietnam. In many cases, a distributor also acts as an agent for the same foreign supplier and this typically occurs when a local buyer wants to purchase directly from the foreign supplier in a contract of high dollar value.
- > Entering a market through an agent or distributor has several advantages.
 - It reduces time and costs, and companies can benefit from the local knowledge and networks of the agent and access to qualified staff.
 - However, employing a third party will result in an additional cost to your products, and you may
 lose some control and visibility over sales and/or marketing. There are also intellectual property
 rights protection implications, including the potential of your product being copied or
 counterfeited.
- > There are several considerations to make when seeking prospective agents or representatives in
 - In addition to Vietnamese firms, foreign trading companies operate in Vietnam. They may have distinct advantages such as experience in importing, expertise in product and package modification, and marketing of imported products.
 - As customs in Vietnam can be difficult to navigate it is important to find an importer who is experienced and knowledgeable to ensure that your goods enter the country quickly and efficiently.
 - If you want to achieve nationwide distribution be sure that your chosen third party has separate networks in the north, the south and the central regions of the country and has established supply chain relationships appropriate for your product.

4.1.2 Direct exports

You can also sell your product directly to your customer. Doing so involves supplying your product without the assistance of any intermediaries.

- This may come about through a Vietnamese company initiating contact with you. This approach, however, is less common in Vietnam as most modern retailers source their produce through importers and distributors. Only a few big chains like Big C and Coopmart have tried buying directly from foreign suppliers.
- Should you be able to secure a direct partnership with a large retailer they will require you to spend more time and resources to develop the relationship and trust with your Vietnamese buyer. Nevertheless, the potential for higher returns and market access may well justify the additional cost of building extensive relationships.

If you decide you want to sell directly, knowledge of Vietnam's retail food market is crucial.

- It is dominated by small traditional traders, but modern retail channels are expanding. As such your product and target market among other factors will dictate the most suitable channel to launch your product. For example, wet chains are particularly good for fresh food.
- The supermarket sector is concentrated in Ho Chi Minh and Hanoi and dominated by Vinmart with 80 outlets and CoopMart (Saigon Coop) with 84 outlets. Next tier supermarkets include Big C with 34, Acon Citimart with 27, and Vincom with 26 outlets.
- The key players in the convenience sector include Vinmart +, Circle K, B's Mart, Shop & Go, Family mart, Ministop, Satrafood and Co-opfood. The sector is increasingly robust with rising competition; 7-Eleven plans to expand throughout the country.
- The three pioneers in the sector, Maximart, Citimart and Fivimart, have all recently been acquired or merged with foreign establishments, reflecting an inflow of capital from other Asian countries. This is an important feature which is reshaping the food sector, resulting in a proliferation of Asian-branded products on the shelves across Vietnam.

4.1.3 E-commerce

Online shopping is increasing in Vietnam.

- There are currently 35.4 million e-commerce users in Vietnam, with an additional 6.6 million users to be shopping online by 2021.
- The amount of money spent online is small as most consumers are sceptical of electronic payment methods and prefer to pay cash on delivery (COD). This dynamic is unlikely to shift until there is widespread trust in the banking and online payment sector.
- Those who shop online tend to do so using a desktop computer as opposed to using a mobile device; however purchases made using a mobile device are increasing.
- Despite impressive growth, online remains a modest portion of the Vietnam retail market. Online sales accounted for 5% of total retail sales in 2015, and just a fraction of a percent for agrifood or seafood products.

> Exporters pursuing e-commerce sales need to have a well-planned and executed approach in order to succeed.

- As mentioned, Vietnamese consumers have a strong preference for cash on delivery for online purchases. In fact, up to 90% of payments for online purchases are made offline.
- The cost of transportation and the logistical complexity of importing goods to Vietnam are further compounded by limited infrastructure such as cold-chain storage. The e-commerce fulfillment service Boxme is an example of a firm that can provide solutions and assistance to cross-border e-commerce suppliers.

Lazada, Sendo and Tiki are the leading online retail companies in Vietnam.

- Lazada led the Vietnamese e-commerce market in 2016 with about one-third of all market share.
 The Chinese giant Alibaba recently increased its ownership in Lazada signalling their interest and optimism in the potential of Southeast Asia's e-commerce market.
- Some local e-commerce platforms like Sendo, Tiki, Adayroi have become well positioned in the market. However, they have been facing growing competition from strong foreign competitors.
- Amazon has not yet entered the Vietnamese market.

> Be mindful not to undercut your in-market partners if you begin to sell online as a secondary route.

Due to reduced costs, you will be able to afford lower prices when selling online. However, your
price will be visible for anyone to see. You should consider this and be sure to account for it
when designing your pricing strategy.

4.2 - DEVELOPING IMPORTER AND CONSUMER DEMAND

To help you sell into Vietnam, you will need to have some form of presence that enables you to attract buyers to your product or service offering. Engaging buyers, importers and distributors in Vietnam is important because they will make up your supply chain and routes to market, and can be extremely valuable sources of the local knowledge and contacts to promote your products and services, and can help you deal with institutional, language and cultural barriers. However, like in any market, demand will drive your sales, so it is important for you to consider strategies to create awareness and interest in your product among Vietnamese consumers.

4.2.1 Food Exhibition Shows

Trade shows are a popular marketing component of business as they allow companies to: conduct market intelligence and research before beginning to export; introduce the company and promote its products; initiate relationships with potential customers; maintain relationships with existing contacts in the market; and demonstrate long-term commitment to a new market. Many businesses recognize these advantages and incorporate trade show exhibitions as an important part of their export strategy.

Trade shows, however, can be costly investments, so you want to make sure that your approach is designed to give you the best possible chance at turning interest developed at the show into actual business. Many businesses end up being disappointed that the large number of conversations and apparent interest at shows do not translate to real sales.

Preparing for the show

- The first step to trade show success is to find the most suitable exhibition and determine if it will be a value-added activity for your specific business.
- Understand your options you may choose to exhibit or instead simply attend to gather contacts and market intelligence.
- Acquire pre-show training. The effort and time dedicated to pre-show preparation may impact
 your success during and post show. Pre-show training sessions are often offered on-site prior
 to the show and during the show.
- It is a good idea to book appointments with prospective buyers ahead of time and to inform current clients that you will be at the show.
- You will need to develop professional displays and promotional materials and should strongly consider bringing product samples to distribute. Begin trade show material development early. Incorporate potential delays and complications into your timeline.

- Determine customs and import regulations that pertain to your sample products.
- If the purpose of your trade show attendance is to begin selling be sure to have determined your price and have sufficient stock with you to sell at the show and afterwards.

> Differentiate your products and brand from other exhibitors.

- Larger booths tend to create a bigger impact.
- Consider joining a delegation of Canadian firms to be part of a large presence and to effectively trade on the Canadian brand. Joining an AAFC Canada Pavilion is a great approach to attending trade shows, especially for new or smaller exporters. <u>Agriculture and Agri-food Canada</u> lists upcoming trade shows for which a Canada pavilion is registered.

> Develop a strategy for converting inquiries into meetings and business after all trade shows are about generating qualified leads.

- Participating in trade shows can be relatively costly, so it is important to understand the show
 and the audience you will be interacting with and to be sure that your approach is designed to
 give you best possible chance at turning interest developed at the show into actual business.
- Your exhibit should target specific prospects that are interested in the products you are selling.
- The longer prospective leads are left unattended, the less likely they are to evolve into business opportunities. Do not rush to be on the first plane out as the event ends. Being available for meetings with potential buyers the week after a show is a good strategy.

Vietnam hosts large trade shows and exhibitions.

- Vietnam's most significant food and beverage event is the <u>Food & Hotel Vietnam (FHV)</u> held in Ho Chi Minh City.
- An alternative strategy is to attend other large trade shows for your sector held in Asia or even in Canada as these shows are typically well attended by most nationalities including some Vietnamese buyers and distributors.

4.2.2 Websites and social media

Vietnamese consumers are keen users of the internet for searching for product information. Therefore, many small businesses use social networking sites to reach a large base of customers. You can use your website and social media to boost consumer demand by providing real-time client interaction and tailored content for your target audience.

> The popularity of internet advertising is increasing.

- Most companies have a website; however, they do not invest in maintaining and updating properly and regularly. Thus, on-line promotion and outreach are increasingly important channels.
- The use of social media is increasing. Vietnam's social media penetration is estimated to increase to over half of the total population by 2021.
- Facebook is the dominant social network in Vietnam.
- Other frequently used platforms include Zing Me, Blogger, WordPress, Instagram and YouTube. The largest share of social media users are aged 18-24.

> Traditional forms of advertising remain relevant in Vietnam.

- Marketing spend for large companies in Vietnam is spread across a range of platforms, with TV still leading the charge. TV advertising is expected to continue to grow as is digital advertising.
 Newspapers have the second highest marketing spend followed by outdoor advertising.
- Vietnamese people also believe in 'word of mouth'. Therefore the demand for a product can
 increase as a result of recommendations made by influential industry experts or other respected
 entities.

4.2.3 Utilizing in-market resources to find buyers

- > Connect with industry associations and other professional bodies in Vietnam.
- ➤ Engage <u>B.C. Trade and Investment Representatives</u> and <u>Canadian Trade Commissioners</u> with connections and on-the-ground expertise.

4.3 – DUE DILIGENCE AND AVOIDING SCAMS

Corruption can occur in Vietnam. Therefore, conducting adequate due diligence on prospective partners is imperative. Doing so will help ensure that any potential partner has the specific permits, facilities, manpower, capital, and other requirements necessary to meet their responsibilities.

> Investigate potential partner companies carefully and independently verify all information.

- One straightforward way to check the quality of a business and its management is to request a list of supplier or customer references.
- Commercial agreements should clearly document the rights and obligations of each party, and stipulate dispute resolution procedures.
- In most cases, payment by irrevocable confirmed letter of credit is recommended initially and credit terms may be considered at a later point.
- Insist on strict inventory controls to monitor and prevent improper diversion of capital equipment, inventory, production or products to the detriment of the project and/or to the personal benefit of executives and/or employees of the project.
- Going to court is generally not an effective strategy for enforcing agreements or seeking redress in Vietnam. When the need to consider such strategies arises, the advice of an international law firm operating in Vietnam should be sought.

Obtaining information in Vietnam can be difficult.

- Publicly available information is often of limited usefulness. Important information may sometimes only be obtained through established personal relationships.
- Faced with such challenges, many foreign parties request international law firms with a presence in country to investigate prospective local partners.

Suggested questions to ask potential partners are:

- Company size, history and ownership (e.g. private or state-owned)
- Quality and quantity of sales force
- Customer feedback and trade/bank references
- Distribution channels, transportation and warehousing facilities
- Types of outlets covered and frequency of visits
- Do they also represent any competing companies/products?

> Questions for you to consider prior to committing to business with a partner:

- Can you communicate effectively with your counterpart?
- Does the agent/distributor have a genuine interest in representing your product?
- Can they benefit from actively promoting your interests (is it a win-win)?

Section 5: Building Relationships in Vietnam

5.1 - INITIATING RELATIONSHIPS

Companies preparing to enter the Vietnamese market must plan strategically and be persistent. It can take up to one or two years to make a successful sale into this market. Therefore, you should be prepared to invest the necessary time and resources needed to develop strong on the ground relationships.

> It is often best to be introduced through a third party as Vietnamese people prefer to do business with those they know.

- An introduction from a mutual friend, acquaintance or known business associate can help alleviate some of the problems that arise in initial correspondence while also accelerating the establishment of trust.
- If it is not possible to have a third party introduce you, self-introductions should start with an explanation of what led you to contact the organization. This will help the Vietnamese side understand how to relate to you.
- There are many business events, seminars and workshops in Vietnam, covering a wide range of business interests and issues. These events provide a valuable platform for networking and initiating relationships in a credible environment as opposed to cold calls.

> Transactions rarely develop without extensive relationship building and face-to-face interactions.

- Your counterpart will want to know with whom they are dealing before making decisions. As such, you should expect to invest a considerable amount of time travelling to Vietnam and getting to know your Vietnamese counterparts along both personal and business lines.
- Be sure to spend time during the first few meetings getting acquainted. It is not uncommon for business to be absent from or a minor component of initial meeting discussions.

5.2 - LANGUAGE AND INTERPRETERS

While Vietnamese is the official language, English is spoken widely in business circles.

- However, the standard of English does vary across companies. Therefore, you will need to determine whether hiring an interpreter is necessary on a case-by-case basis.
- Keep in mind that even if English is spoken by your counterparts they may still prefer to conduct business and official meetings in Vietnamese.
- If you managed without an interpreter throughout the negotiations it is still advisable to employ an independent translator before signing any documentation. It is not advisable to rely on the translation provided by your partner.

> As such it is often worth hiring an interpreter.

- Many companies provide professional, independent translation services in Vietnam. However, it is a good idea to rely on recommendations from trusted sources to find the right interpreter.
- Interpreters can also act as a reference for you in setting up meetings.

If you do hire an interpreter integrate him/her into your team.

- Use your interpreter regularly and expect to make your interpreter(s) part of the team.
- This means that they will be fully briefed before important meetings or negotiations and should be trained to a high level so that they know your business and product line and will know the right questions to ask.

- Consider having all written documents translated into Vietnamese as your counterparts will not
 necessarily indicate that they do not understand. It will also demonstrate your regard for your
 partners and your preparation for business in Vietnam.
- After the meeting, debrief your interpreter on what he or she saw or understood during the meeting. An experienced professional can give you a cultural interpretation.

Be deliberate in your speech and body language when speaking through your interpreter.

- During a meeting, interpreters will normally sit behind you. It is important that you always look at the person you are addressing, not the interpreter, and remain patient during the interpretation.
- Speak relatively slowly, avoiding jargon and long difficult sentences. If necessary, write down things like large numbers to ensure certain understanding.
- Do not stop in mid-sentence or interrupt the interpreter.

5.3 - SOCIAL AND BUSINESS ETIQUTTE

Keep the following points in mind as you set meetings and develop relationships in Vietnam:

> The concept of face is extremely important to the Vietnamese.

- Face can be roughly described as the quality that reflects a person's reputation, dignity, and prestige. Understanding how face is lost, saved or given is critical.
- **Give sincere compliments** this helps build the face of your partner.
- **Draw attention away from yourself** compliments coming towards you give an opportunity to show your gratitude to previous teachers and mentors.
- Save the other from embarrassment when an embarrassing situation lies ahead for your partner, you can find a distraction and save them from losing face.
- Ultimately, make your partner feel valuable. Yet, always maintain your integrity and humility.

Body language

- Always use both hands when passing an object to another person. When pointing, avoid using a single finger and instead use your whole hand.
- Vietnamese prefer standing at least arms lengths from one another in most social situations and tend to favour indirect eye contact.
- Do not touch or pass objects over the top of anyone's head, and avoid the common Western practice of touching people on the shoulder.
- Do not be surprised if Vietnamese people are smiling or laughing, even if you feel that the circumstances do not warrant such behavior.
- Remove shoes when entering homes or temples, and avoid pointing the soles of your feet towards a person or a sacred object (e.g. do not place your ankle on your knee when sitting opposite someone).

> Vietnamese business dress is conservative.

- Men should wear conservative coloured but casual suits and ties. Open collar shirts and slacks
 may be worn to more informal meetings depending on the situation. Women should wear a
 conservative dress or a businesslike blouse and pants.
- Jeans and business casual attire are not recommended but may be appropriate in more rural areas.

- Vietnamese people view time in a more relaxed sense as they put more emphasis on relationships, rather than set schedules and deadlines.
 - They can be very flexible and accommodating when situations occur that are beyond your control (for example, a washed-out street, traffic jam, etc.).
 - Nonetheless you are advised to arrive early to meetings to demonstrate your professionalism and intent on pursing business in Vietnam.

5.4 - MEETINGS

To gain the respect of any prospective partner, it is important to familiarise yourself with Vietnamese business practices and protocol. Doing so will communicate respect to potential partners as well as your suitability as a partner and competency as a business person.

Prior to the meeting

- Appointments will often be confirmed only a few days before the planned meeting. Nonetheless, your team should seek to confirm and reconfirm appointments regularly.
- It is helpful to submit a meeting agenda. This will allow the Vietnamese side to share and review information.
- Be sure to send the appropriate members of your team to Vietnam as the Vietnamese prefer to deal with people in a corresponding position in their company.
- You should allow plenty of time for meetings, as they will commonly be longer than stated.

The Vietnamese generally shake hands when greeting and when saying good-bye.

- Man greeting a man: two handed handshakes are the most common with the left hand on top of the right wrist. They are usually gentle and not too prolonged.
- Woman greeting a woman: handshakes are a common form of greeting but many times a simple nod of acknowledgment will do.
- Women and men greeting each other: Handshakes are a common form of greeting but many times a simple nod or slight bow will do. Men should wait for the woman to initiate a hand shake, and if no such offer is made, the man can simply bow his head slightly as a greeting.
- When greeting someone, say "xin chao" (pronounced "seen chow") + given name + title.

> A person's first name is often used even in business settings.

- When addressing colleagues, use a professional title or Mrs./Mr. followed by their given name. For example, Mr. Nguyen Anh Quang would be addressed Mr. Quang. Following this pattern, Vietnamese people will often address Canadians by their title and first name e.g. Mr. Greg.
- If you are unsure how to address someone, ask for advice.

Meetings tend to be formal with initial meetings viewed as an opportunity to establish a good working relationship as opposed to immediately discussing business.

- Meetings usually begin with the guests being led into a room where there may be a number of people waiting. The Vietnamese principal is rarely in the room and you will be left to make small talk with the other meeting participants until the principal makes his or her entrance.
- You should use this time wisely to get acquainted. A lot of time in the initial meeting(s) will be
 used to discuss matters outside of business, but then a lot of time, the other party is also making
 up their mind about your deal based on how much they see your personal relationship with
 them. The more you share your personal life the closer you are in your business relationship.

- Once everyone is in the room it is common for a third person (from either side) to introduce the two principals. Once this is done and all participants have been introduced to each other and have exchanged business cards, participants can take a seat.
- Business cards are exchanged on initial meetings and should be presented to the oldest person first. When giving or receiving cards do so by holding it with both hands. Ensure you show proper respect to it by looking at it carefully. Do not simply put it in your pocket, write on it or fold it. Ideally, print business cards in Vietnamese and English.
- When you take your seating ask where you should sit if you are unsure. Seating for a meeting is
 generally across a conference table with the principal in the centre and directly across from each
 other. Other participants are generally arranged in a hierarchy on the right and left.
- The guest will often make introductory remarks. These remarks should include formal thanks for the hosts accepting the meeting, general objectives for the meeting, and an introduction of participants and pleasantries. This will be followed by formal remarks by the Vietnamese host.
- Once the formalities and pleasantries are dispensed with (so long as it is not the first meeting), substantive discussion can ensue. Even if the principal host is not heavily involved in the details of the conversation, guests should remember to address the principal in the conversation allowing him or her to delegate authority to answer.
- Usually, the visitor is expected to initiate or signal the closure of the meeting.

5.5 - DECISION MAKING AND NEGOTIATIONS

- For Group consensus is prioritized when it comes to decision-making, as the agreement of the group is valued more highly than individual perspectives.
 - This approach means that if changes are proposed decisions are unlikely to be made immediately
 as the Vietnamese party will need to confer with the entire group who will rarely all be at the
 meeting.
 - Therefore, give time to your counterpart to process their thoughts. However, make sure you keep in constant communication in order to build trust.
 - As a result of this dynamic you should not rely on any one person in a particular organization to safeguard your interests.

> Negotiations in Vietnam can take a long time and it is necessary to remain vigilant while politely exercising patience.

- Negotiations are often used to test commitment to a relationship. Vietnamese negotiators will be comfortable with a long process and you will need to be as well.
- An indirect style of communication is preferred. In many cases it is best to imply what you are saying as opposed to saying it directly. However, the spoken word is also very important. Never make promises that you cannot keep as in doing so you will lose face personally and as a company.
- Maintain a reserved, measured tone as loud voices are often perceived as rude.
- Vietnamese focus on harmony and flexibility. Pressing for an answer or losing your temper will be counterproductive and cause others to lose face which should be avoided at all costs.
- Follow-up immediately in writing any agreement you feel you may have reached.
- Even once a deal is arrived at in principle, Vietnamese companies may want to take more time to improve their terms and even re-negotiate.
- The Vietnamese willingness to avoid unpleasantness can sometimes lead to misunderstandings. "Yes" may not always mean "yes", and "no" may be expressed through phrases such as "it's

- complicated" or "there's a problem". Verify and confirm perceived agreements by asking, "Do you agree?" Double and even triple-check all commitments, and then monitor them closely.
- Vietnamese people are comfortable with silence or pauses in conversation. In meetings, they
 may appear to be delaying, but they are gathering pertinent details, while simultaneously
 gauging your respect for them. Silence is 'constructive ambiguity'. It is rude to interrupt these
 moments of quietude.

5.6 - SOCIAL ENGAGEMENTS

Entertainment is an important part of developing business relationships in Vietnam. There is an expectation that prospective business partners meet over lunch or dinner.

> Be sure to be receptive to any invitations to lunch or dinner outside of your business meetings.

- Dinners are often planned by the business team that will be hosting you to help establish a personal relationship.
- Most business luncheons and dinners are held in hotels, restaurants, or government facilities.
- At dinners, you'll be expected to leave business talk aside and talk instead about your personal life and interests. Business discussions are more common during luncheons.
- Dinners are usually scheduled at the start of trips so that you are able to reciprocate. Invite the team that hosts you out to a dinner at a nice restaurant to show them that you want to strengthen the relationship and continue to get to know them.
- If no formal dinner is indicated on your itinerary, you should still try to invite your hosts to dinner to show your appreciation for the new relationship.

Usually a dinner includes several courses of food, as well as Vietnamese beer or imported wines.

- An offer of tea at a reception or meeting is a ritual form of hospitality and should not be refused.
- When dining wait to be seated. The oldest members will be seated first.
- The host may serve guests but will usually just invite everyone to begin helping themselves from dishes placed on the table. You should pass the dishes with both hands.
- People hold bowls close to their faces when eating soup, and use the spoon with your left hand.
- Try to finish your meal but if you do not like something, it's better to leave it untouched than take a small bite and then disregard it.
- Chopsticks and a flat spoon are the utensils of choice, but most modern restaurants also have Western eating utensils.
- Chopsticks should be placed on the table or a chopstick rest after every few mouthfuls or when breaking to drink or speak. Also, it is rude to tap the chopsticks on the bowl or plate.
- Never stick chopsticks vertically in a bowl of rice or other food.
- Make as little noise as possible with bowls, chopsticks and food.
- The end of the meal is usually signaled by a plate of fruit or another sweet dish. After waiting a respectful period after the last course is consumed, the guest is expected to make the first move to leave. Be sure to shake hands with all Vietnamese participants and conclude by warmly and genuinely thanking your host.

> Exchanging toasts is a part of the dinner, starting with the host.

• Individual toasts can also be expected during the meal. When toasting your host (or when acting as host yourself), stand and raise your glass with both hands in the direction of the senior or oldest Vietnamese person present.

 A praiseful but short speech about Vietnam's beautiful scenery, the friendship of your hosts, and prospects for a successful business venture are appropriate. Subsequent toasts may be made and answered from your seat.

> Giving small gifts is part of the process of building a business relationship in Vietnam.

- The gifts you give should not be too expensive. Think of something unique to Canada that you could share with your Vietnamese counterparts. If in doubt, ask an intermediary what they think should be given as a gift. Appropriate gifts include items useful for daily life.
- Always wrap a gift in colourful paper.
- Giving a gift in an office setting may be misinterpreted as a bribe. Try to save your business gift giving until you are invited to your colleague's home.
- Bring fruit, sweets, flowers, fruit, or incense if you are invited to a Vietnamese home.

5.7 - MAINTAINING RELATIONSHIPS

Whether you are building a relationship ahead of a deal or have already signed contracts with Vietnamese buyers, you should invest time and energy into nurturing the relationship by continuing to engage with your contacts. Avoid the temptation to focus solely on other activities and deals once a contract is signed.

Commit to regular contact.

An ongoing exchange of information helps each party understand the other, so they can build
on their mutual interests. Often there is nothing in particular to discuss yet your partners will
continue to communicate frequently. They also appreciate timely responses. Relationships
maintained in this way tend to have fewer problems and raise fewer complaints.

Continue to make visits to Vietnam

Given the Vietnamese preference for face-to-face business visits to Vietnam will remain a
regular feature of your export venture even after the relationship has been established. These
trips help maintain your already established relationship. You should also try to bring the same
team with you on each visit, so your buyers will be dealing with people they've already gotten
to know.

Consider hosting your partners through reciprocal visits.

You may also like to consider reciprocal visits. Paying for your partners in Vietnam to visit your Canadian operations is a good way of keeping them informed and motivated. About half of the trip should be devoted to rest and relaxation, leaving time for building the relationship and an affinity for Canada and Canadian products. When hosting Vietnamese guests, remember the effort they put into hosting and looking after you in Vietnam and reciprocate this.

Be prompt with inquiries

- It shows your commitment to a high level of service and establishes confidence in you and your company.
- Also, if an issue arises, take action and make it your priority to resolve it immediately.

> Remember to remain patient

• If you really want to work with someone, be persistent.

SECTION 6: EXPORT SUPPORT AND RESOURCES

6.1 – B.C. TRADE AND INVESTMENT REPRESENTATIVES AND CANADIAN TRADE COMMISSIONERS

The Canadian and British Columbian governments support export market development by locating staff in priority markets in order to provide current and on-the-ground advice and guidance to B.C. companies. Making use of these individuals is highly recommended, particularly if you have limited on-the-ground experience in the Vietnamese market.

B.C. Trade and Investment Representatives

British Columbia's trade and investment team is not currently based in Vietnam. However, the South East Asia team can be a useful service as are active throughout the region.

> B.C. Trade & Investment Representatives can assist current and potential B.C. exporters with a variety of services, including:

- Generating market intelligence and trade leads for specific B.C. products;
- Advising on market entry and development strategies;
- Providing contacts to an extensive network of international industry, government and community influencers and partners;
- Supporting B.C. exporter participation in trade missions, tradeshows and related events; and,
- Providing training to introduce B.C. exporters to world markets.

Canadian Trade Commissioner Service

The Canadian Trade Commissioner Service, with on-the-ground-intelligence and practical advice on foreign markets, helps Canadian companies make better, more timely and cost-effective decisions in order to achieve their goals abroad. As part of Canada's embassies and consulates, Trade Commissioners have privileged access to foreign governments, key business leaders and decision-makers.

Whether doing business abroad for the first time, or looking to expand into new markets, Trade Commissioners can work with you to:

- Determine if you are internationally competitive; decide on a target market; collect market and industry information and improve your international business strategy;
- Determine the level of opportunity that exists in a particular market, advise on appropriate approaches to the market and gauge the amount of effort and resources required;
- Connect with industry associations, potential buyers and partners, professionals in financial and legal institutions, agents and other business representatives to support the execution of your export strategy;
- Assist with due diligence by conducting basic preliminary research on a local company from public sources, and the resolution of business problems and issues that you face in foreign markets.

Please note that conducting thorough background checks on local companies or providing translation or interpretation services is not part of the mandate of either the B.C. Trade and Investment

<u>Representatives</u> or the <u>Canadian Trade Commissioners</u>. These services should be acquired directly by private sector service providers operating in foreign markets.

6.2 - LOAN AND COST SHARING PROGRAMS AND PROMOTIONAL SUPPORT

Provincial and federal governments (and other agencies) offer several programs and engage in promotional activities aimed at supporting and developing exporters.

> BC Ministry of Agriculture – Market Development

• The Ministry offers the BC Agrifood and Seafood Market Development Program aimed at further enabling B.C.'s agriculture, food and seafood sectors to increase export sales. This includes support for marketing skills training, market research and strategic planning, as well as participation in international market development activities.

Canada Pavilion Program

The AAFC Canada Pavilion Program, a key component of markets and trade activity, is aimed at
making trade show participation easier at the world's premier food and beverage events
'where the world shops'. Trade shows continue to be integral in taking advantage of
opportunities arising from market access gains.

Canada Brand

 Agriculture and Agri-food Canada has developed a suite of free tools to help Canadian Agrifood and seafood companies gain a marketing advantage by linking Canada's positive image to their products. These include Canada Brand graphics and a photo library of high-quality images for use in marketing and promotional materials.

Export Guarantee Program

• Export Development Canada (EDC) will provide a risk-sharing guarantee on behalf of program participants to their financial institutions in order to provide firms with access to increased working capital and term financing.

> Xpansion Loan Program

A loan program offered by the Business Development Bank of Canada aimed at companies
wishing to expand their market, including export markets. Eligible activities include launching
new marketing campaigns, developing new products, obtaining a certification, expanding
foreign or domestic markets, and others.

SECTION 7: APPENDICES

APPENDIX 1 - KEY CONTACT INFORMATION

BC Trade and Investment Representatives - South East Asia

Website: https://www.britishcolumbia.ca/global/trade-and-investment-representatives/southeast-asia/

Email: asia.pacific@gov.bc.ca

Canadian Trade Commissioner Service

Website: http://tradecommissioner.gc.ca/vietnam-viet-nam/index.aspx?lang=eng or

http://www.canadainternational.gc.ca/vietnam/index.aspx?lang=eng

Email: hanoi@international.gc.ca

Vietnam Office

31 Hung Vuong, Hanoi, Vietnam

Tel: +84 (24) 3734 5000 Fax: +84 (24) 3734 5049

Key Vietnamese Government Agencies

Ministry of Industry and Trade of the Socialist Republic of Vietnam

54 Hai Ba Trung, Hoan Kiem Hanoi, Vietnam Tel: (04) 22202222 – (04) 22202210 Fax: (04) 22202525

Website: http://www.moit.gov.vn/

Ministry of Agriculture and Rural Development of the Socialist Republic of Vietnam

No 2 Ngoc Ha Street, Ba Dinh, Hanoi, Vietnam Tel: 84-24-8235804 Fax: 84-24-8230381

Website: https://www.mard.gov.vn/en/Pages/default.aspx

Ministry of Health, Vietnam Food Administration

138A Giang Vo Hanoi Vietnam Tel: 84-24-38464489 Fax: 84-24-38463739

Email: vfa@vfa.gov.vn
Website: www.vfa.gov.vn

General Department of Vietnam Customs

Block E3 – Doung Dinh Nghe Street, Yan Hoa, Cau Giay, Hanoi, Vietnam Tel: (+8424) 39440833 ext:8613

Email: webmaster@customs.gov.vn

Website:

https://www.customs.gov.vn/home.aspx?language=en-US

<u>APPENDIX 2 – KEY PHRASES IN VIETNAMESE</u>

English	Vietnamese	Phonetic
Hello	Xin Chao	Sin chow
Goodbye	Tam biet	Tam Bjet
Yes	Vang	Vung
No	Khong	Khome
How are you?	Ban co khoe khong	Ban co ke khome
Fine, thank you	Cam on ban toi khoe	Gahm un ban thoy kew
And you?	Ban thi sao	Ban ty sao
What's your name? (To a man)	Ong ten la gi	Ohng ten la zee
What's your name? (To a woman)	Ban ten gi	Ban thane zee
My name is	Toi la	Thoy la
I understand	Toi hieu	Toy hugh
I don't know	Toi khong biet	Thoy kohng byet
I don't understand	Toi khong hieu	Toy kohng hugh
Can you help me?	Ban giup toi duoc khong?	Ban zoop thoy duc khom
Do you speak English?	Biet noi tieng anh khong	Byet noy tyeng ang kaumng
I can't speak Vietnamese	Toi khong biet noi tieng Viet	Thoy kohng byet noy tyeng vyet
Excuse me/ Sorry	Xin loi	Seen loy
No problem	Khong sao	Kohgn sao
Please	Lam on	Gauhm uhhn
Thank you	Xin Cam on	Sin gahm un
You're welcome	Khong sao dau	Kohng sao dwoh
Where is the toilet?	Nhà vệ sinh o dau	Nya vit sing uh doh
Where is the bank	Nha bang o dau	Nya bung uh doh
How much (is it)?	Bao nhieu	Bow nyew
Too expensive	Mac qua	Mahk qwa