APPENDIX G : MARKETING

APPENDIX-G MARKETING

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G.1 PRESENT CONDITION

G.1.1 General Features

Depend on the major market/destination, agricultural products in the Study Area are categorized as followings:

Regional markets (within the Study Area)	Domestic markets (HCMC, Other provinces)	Export markets (various countries)
Live animal (Pig, Poultry) Fish, Vegetable, Minor fruit (Banana, etc.)	Rice, Major fruit (Mango, Citrus)	Rice, Major fruit (Longan, Mango), Cultured fish (specific kinds only)

Major products such as rice and fruit (longan and mango) considerably depend on export markets. In other words, existence of export markets has increased the production of these products.

Marketing of farm products are done by individual farmers and there is no farmers' group sales activity. Except some farmers who have good access to market/processing facility, farm products are sold to small scale private traders (collectors) who come to farmyard to buy products. Due to the fact that farmers are scattered around remote area and each farmer's production scale is small, many numbers of collectors are engaged in collection business.

Each kind of agricultural product has different marketing system and marketing intermediates, such as collector, assembly wholesaler, retailer, processor, exporter, who are specialized in their handling item(s). In addition, processors of export rice are separated from ones for domestic supply.

In the channel of export marketing, final products are directly shipped to boarder-markets or ocean vessels for loading from the Study Area without channeling any other intermediates after processing/grading and packaging. In most cases of export marketing and domestic marketing, products go thorough only 2 intermediates (collector and rice exporter/fruit assembly wholesaler) and it is judged as highly efficient marketing system.

In the following section, present situations of marketing system of major products are described.

G.1.2 Rice Marketing

(1) Rice Export of Viet Nam

Since 1989 Viet Nam has been rapidly increasing rice export. In 1998, export amount reached to 3.7 million ton with the share about 14% in world rice trade.

World rice export (milled basis)

Calendar year / Country	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999 1/
Argentina	44	97	75	207	276	215	327	365	530	589	525
Australia	450	470	450	511	540	570	519	550	645	700	700
Burma	456	186	176	185	223	619	645	265	15	94	200
China	315	326	689	933	1,374	1,519	32	265	938	3,734	2,000
European Union	239	271	391	376	153	185	323	301	367	350	350
Guyana	41	51	54	114	122	183	203	262	286	250	300
India	400	505	711	563	625	600	4,201	3,549	1,954	4,491	2,750
Indonesia	104	50	0	60	469	225	0	0	0	0	0
Pakistan	789	904	1,297	1,358	937	1,399	1,592	1,677	1,982	1,800	2,000
Thailand	6,036	3,938	3,988	4,776	4,798	4,738	5,931	5,281	5,216	6,367	5,700
United States	2,967	2,420	2,197	2,107	2,644	2,794	3,073	2,624	2,292	3,165	2,750
Uruguay	260	288	260	327	451	396	470	597	640	639	725
Viet Nam *	1,372	1,478	1,061	1,954	1,649	1,962	2,020	3,050	3,680	3,721	4,000
Other	435	529	723	651	538	760	1,369	891	596	1,473	1,325
World total	13,908	11,513	12,072	14,122	14,799	16,165	20,705	19,677	19,141	27,373	23,325

1/ Forecast as of Aug. 1999

Source : World Grain Situation and Outlook, USDA,

* Report for Planning High Quality Rice Production Area in Mekong Delta, MARD

FOB prices of Viet Nam, Thai and USA are shown in Figure. FOB price of Viet Nam rice show the similar fluctuation toThai rice. The gap has been decreasing but in general Viet Nam rice is still 10-15 US$ lower than that of Thai rice.

According to the Vietnam Economic Time (Nov 8, 1999), foreign buyers are offering the almost same price with Thai rice. Following matters are presumed as reasons of this price gap.

- Inferior quality: not only items specified in the specification, factors related to appearance such as brightness/clear color are inferior.
- Scale of polishing and packaging factories are small and even to prepare 5000 tons of commodity, usually more than 10 factories are involved. Due to this, quality of rice can not be uniform and loading period may become longer.
- There exist possibilities of short term export ban.

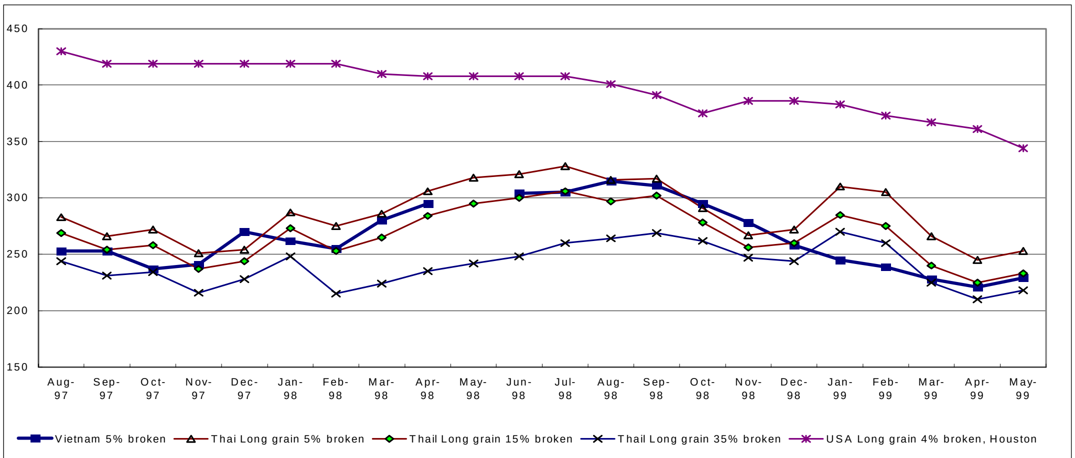


Fig F.O.B. prices of Vietnam, Thailand and USA rice

Source: Rice Outlook/USDA, Thai rice data/ OMIC Bangkok

FOB prices of Viet Nam, Thai and USA

(2) Rice Export of the Study Area

Rice export from Dong Thap province started in 1990 and it has been increasing parallel with the increase of the total rice export of the country. In 1997 export reached 384,716 ton with share of about 10% of total export of Viet Nam. It is estimated that export amount will reach to 400,000 ton in 1999. Tien Giang province also have been exporting similar amount of rice with Dong Thap province and also have about 10% of share in total export amount of Viet Nam.

Situation of rice export (x 1000 ton)

	Exporters of Dong Thap Province *1		Exporters of Tien Giang Province *2		Viet Nam *3	World rice trade *4	
	a	a/c	b	b/c	c	c/d	d
1989	0.0	0%			1,372	10%	13,908
1990	11.2	1%			1,478	13%	11,513
1991	89.6	8%			1,061	9%	12,072
1992	98.1	5%			1,954	14%	14,122
1993	61.0	4%			1,649	11%	14,799
1994	137.4	7%			1,962	12%	16,165
1995	128.1	6%	98.9	5%	2,020	10%	20,705
1996	201.1	7%	271.5	9%	3,050	16%	19,677
1997	384.7	10%	368.2	10%	3,680	19%	19,141
1998	330.0	9%	333.1	9%	3,721	14%	27,373
1999 *	400.0	10%	400.0	10%	4,000	17%	23,325

* : Forecast

*1 : Summary report on Project of Investiment in Development of Rice Producing Area in Dong Thap Province, Dong Thap Province Service of ARD

*2 : Statistical Yearbook 1998, Tien Giang Province

*3 : Report for Planning High Qualitu Rice Production Area in Mekong Delta, MARD

*4 : World Grain Situation and Outlook, USDA

In Dong Thap province, 4 companies have rice export quota in 1999 : Cao Lanh 1st class Rice Company

(SILO/SFC), DAGRIMEX , DOCIMEXCO and DOTEXI. In Tien Gian province, TIGIFOOD, 2 JV companies with foreign capital and 1 private company have export quota. TIGIFOOD has about 80% of share in the province. Rice export amount of major exporters in the Study Area is shown below. DAGRIMEX and TIGIFOOD are categorized as big exporter among the 47 rice exporters in Viet Nam. In the rice export during Jan. - June 1999 (2,090 TMT), TIGIFOOD ranked as 6th (135 TMT) and DAGRIMEX ranked as 8 th (103 TMT).

Rice export of major exporters in the Study Area (x 1000 ton)

	1995	1996	1997	1998	1999 (plan)
DAGRIMEX	76.5	201.6	272.2	214.1	200.0
DOCIMEXCO	0.0	0.0	51.1	92.5	120.0
SILO	N/A	N/A	26.7	N/A	45.0
TIGIFOOD	67.6	264.5	357.6	320.5	330.0
Other	* 82.9	* 6.5	45.3	* 36.0	105.0
Total	227.0	472.6	752.9	663.1	800.0

N/A : data not available, * : include export volume of SILO
Source : Hearing from each exporters, Oct 1999
Summary report on Project of Investiment in Development of Rice Producing Area in Dong Thap Province, Dong Thap Province Service of ARD

Rice export by grade of major exporters in Dong Thap province is shown below. Low grade rice (over 25%Broken) occupies about 60%.

Rice export by grade of major exporters in Dong Thap Province (1997) (x 1000 ton)

Export grade	DAGRIMEX	DOCIMEXCO	SILO (SFC)	TOTAL	%
Super	0.0	0.1	8.2	8.3	2%
5% Broken	39.1	14.0	1.4	54.5	16%
10% Broken	39.0	5.8	0.8	45.6	13%
15% Broken	11.5	0.1	2.4	14.0	4%
20% Broken	30.0	0.2	0.0	30.2	9%
25% Broken	124.0	9.5	13.9	147.4	42%
35% Broken	6.5	2.7	0.0	9.2	3%
100% Broken	22.1	18.7	0.0	40.8	12%
Total	272.2	51.1	26.7	350.0	100%

Source : Summary report on Project of Investment in Development of Rice Producing Area in Dong Thap Province, Dong Thap Province Service of ARD

(3) Rice Marketing System in the Study Area

1) Amount of distribution

Paddy marketing extends over several provinces and it is difficult to grasp the distributed amount of paddy by its destination precisely. Some reports say that about 57% of harvested paddy was marketed and about 86% out of marketed amount was exported in Mekong River Delta in 1997. Utilizing some data obtained, it is presumed that about 70% (1,300 - 1,350 TMT) of paddy out of total production (1,859 TMT) was marketed in 1998. Out of this marketed amount, it is presumed that about 75%（950 - 1,000 TMT）were exported and 25%（300 - 350 TMT）supplied for domestic markets. In the Study Area, Thap Moui District has largest capability for supplying commodity paddy.

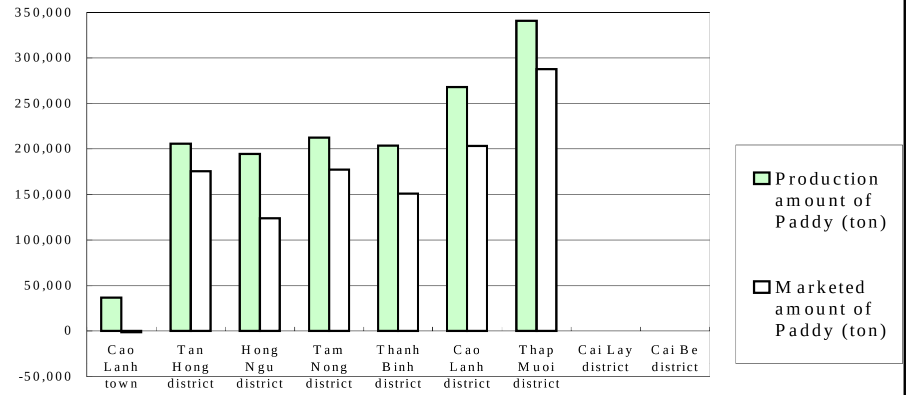


Fig Production and Marketed amount of paddy (1998)

2) Commodity Flow

Most of the farmers sell their paddy to private traders (Collector) at their farmyard or at their home. Paddy/rice are transported through waterway network well developed in the Study Area toward HCMC/Saigon port. On the routes toward Saigon port/HCMC, paddy is processed to white rice for either export or domestic supply.

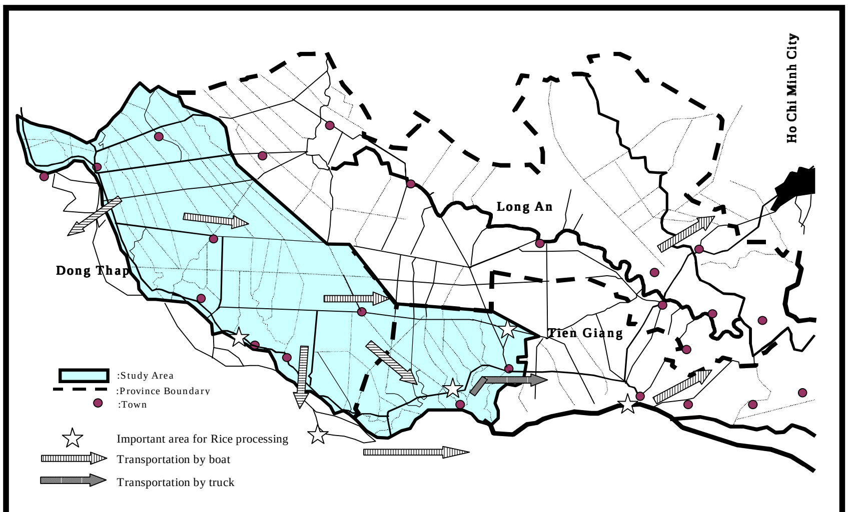
Though there are several international ports in/around the Study Area such as Can Tho port, Sa Dec port, Cao Lanh port and My Tho port, 2.4 million ton of rice (63 %) out of 3.8 million tons of total export amount were exported from the Saigon port in 1998. As the throughput of Ben Nghe port is not included in this 2.4 million ton, it is estimated that 90% of shipments are made at Saigon port at present. Shipments to Saigon port for loading into ocean vessel are made with 300-400 tons barge ship from processing factories in the Study Area. Among the exporters in the Study Area, only DOCIMEXCO ship about 80% of export rice through Can Tho port, My Tho port and Sa Dec port.

Throughput of export rice at some ports (x 1000 ton)

	1994	1995	1996	1997	1998
Dong Thap port *1	9	14	6	14	9
Can Tho port	14	66	73	11	206
Saigon port *2	1,680	1,440	2,173	2,119	2,392

*1 : include Sa Dec port
*2 : not include Ben Nghe port
Source : Hearing from port authorities, May 1999

Outline of paddy/rice distribution is presumed as shown in the following figure. Paddy/rice are transported through waterway network. Therefore, rice processing facilities are always facing canal or Tien River and many facilities concentrate at intersections of canal and national road. Over 100 export rice processing factories are located at Sa Dec Town in Dong Thap province (out of the Study Area) and large quantity of paddy/rice are distributed through this town. Some portion of paddy are distributed to export processing factories in An Giang province beyond Tien River. At the north of Cai Be town where Kinh 28 canal and National Roard A1 meet, over 40 mills are located alongside National Roard A1. In this area, paddy are processed to white rice and shipped to HCM City or middle part of Viet Nam by truck. Big scale road transportation is significant only on this domestic supply route in the Study Area. Based on the data of tax collection (started form May 1999), commodity flow in this area is estimated as about 100 tucks per day (about 600 ton milled rice per day).



Direction of Paddy/Rice Distribution

According to the result of farm household survey conducted in the Study and field observations, collectors from Tien Giang province are doing their collection business in the whole area of Dong Thap province. On the other hand, few collectors of Dong Thap province collect paddy in Cai Be District and Cai Lai District in Tien Giang province. At the north part of Dong Thap province, Hong Ngu District and Tan Hong District, many collectors come from An Ginag province beyond Tien River.

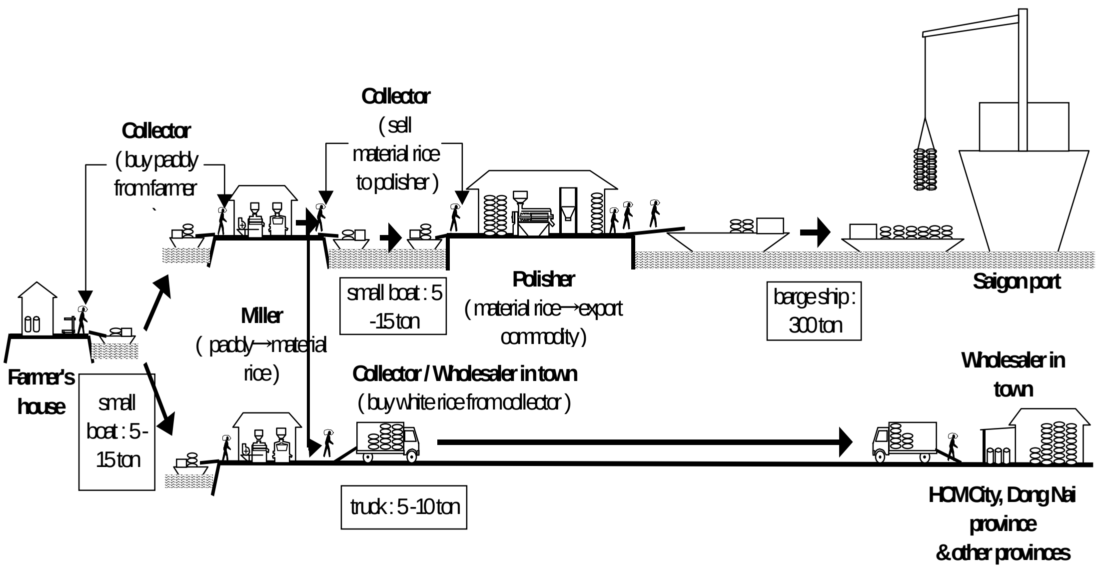
Where do Collectors come from ?

	Dong Thap	Tien Giang	An Giang	Can Tho	Long An	Vinh Long	Un-known
Hong Ngu District	**22.2**	**25.9**	**25.9**	2.5	8.6	3.7	11.1
Tan Hong District	**25.4**	**35.6**	**22.0**	1.7	11.9	3.4	0.0
Tam Nong District	**17.9**	**11.7**	**16.1**	**17.3**	**16.7**	**20.4**	0.0
Thanh Binh District	**18.0**	**29.5**	**15.4**	**15.4**	**19.2**	2.6	0.0
Cao Lanh District	**43.8**	**35.7**	1.8	0.9	9.8	8.0	0.0
Thap Moui District	**23.6**	**33.0**	4.2	8.4	**19.4**	3.7	7.9
Cai Be District	0.0	**82.8**	0.0	0.0	3.5	13.8	0.0
Cai Lay District	0.0	**96.7**	0.0	0.0	1.6	0.0	1.6
Whole area average	22.0	34.9	10.6	7.8	13.7	7.8	3.2

Source: Farm household survey 1999, Master Plan Study Team

3) Activity of Marketing Agents

Most of marketing channel of rice in the Study Area consist of 3 sectors of Farmers, Collectors/Millers and Exporters/Private polishers. Following figure shows the typical manner of marketing in the Study Area. Millers with good access to National Road A1 and 30 are utilized for domestic rice processing by collectors. From the stages of millers, marketing channels for export and domestic supply are separated.



Outlines of activity and characteristics of each marketing agent are summarized as follows:

Farmers

In the Study Area, except some farmers who have good access to export rice-processing facility, almost all farmers sell their paddy to collectors individually. No group sales and no sales after milling are reported at present. According the result of the farm household survey, about 75% of farmers sell paddy when price goes up, about 10% sell paddy when they need money and about 15% sell when their storages become full. Half of the farmers sell all paddy at one time and other half sell by several times.

Collectors

Collectors collect (buy) almost 100% of marketed paddy from farmers and transport paddy to millers for milling. And again transport to export processing facilities. Thus, collectors play a very important role in the marketing system of rice.

Based on the some data for registration and hearings from many local authorities, it is presumes that there are about 2500 - 3000 collectors in the Study Area. All collectors are private individuals (not enterprises) and many of them are women. There are two types of collectors;

- full-time type: conduct collection business all the year round.
- part-time type: conduct collection business mainly after W/S crop. Smaller scale than full-time type. Side business of farm household.

Full-time type collectors are presumed to live in town area and many full-time collectors in Hong Ngu area.

Scales of handling are 5 to 15 ton per trip and collectors in Dong Thap province are observed smaller scale than collectors of Tien Gaing province. In Tien Giang province, there are collectors who work for private millers to collect paddy.

Judging from the hearings from collectors and farmers, areas to collect paddy are almost fixed by each collectors but there are no tight human relations and steady business relations with farmers. Outlines of sales actions between farmers and collectors are as follows;

Price & Payment

Framers obtain price information from neighbors, extension officers and TV. Collectors obtain information of buying prices from export processors. During harvest season, there are many collectors in village and farmers usually do not sell their paddy if offer price is lower than expected price. Payment is made by cash in most cases. In Thanh Binh district, cash but later payment is applied by collectors in the village.

Weight scale & quality inspection

All paddy are weighed with platform scale under supervision of farmer. Inspection of quality is not properly practiced. Inspection items are length of kernel and moisture contents. No moisture meters are used for moisture check. Customary, immature and damage kernels are checked after sample milling by manual method.

Millers

There are about 350-400 rice mills in the Study Area and almost all of them are privately owned. 90 - 95% of marketed paddy are milled by these private millers. Most of the millers do not buy paddy but provide processing services with fee. Milling fees are : paddy to brown rice / 50,000 VND/ton, paddy to material rice / 90,000 VND/ton, paddy to well milled white rice for domestic supply / 100,000-150,000 VND/ton.

Collectors usually use same rice mill for their paddy processing. Human relations between collector and miller is tight and some millers provide credit services to collector.

Export rice processors (Polishers)

5 rice exporters have their own export rice processing factories in the Study Area. In addition, there are private export rice processing factories and these works for the exporters. DAGRIMEX relys about 20-40% of processing work on private polishers, DOCIMEXCO about 30% and TIGIFOOD about 40-50%. Exporters give 50%- 80% of advance payment to private polishers. Both exporters and private polishers do not deal with domestic marketing.

Due to reasons such as difficulty/risks of quality evaluation of paddy and existence of many rice mills, polishers procure material for processing as brown rice or white rice. Ways of procurement of materials are shown below.

Material procurement for export rice processing (1999)

	DAGRIMEX	DOCIMEXCO	SILO (SFC)	TIGIFOOD
Paddy	very small	0	10%	5%
Brown rice	70%	70%	60%	60%
White rice	30%	30%	30%	35%

Source : Hearing survey 1999, Master plan study

Method of material procurement for export rice processing (1999)

	DAGRIMEX	DOCIMEXCO	SILO (SFC)	TIGIFOOD
Wait collector to bring	70%	80%		very small
Order collector, if necessary	nil	nil	XX	20-25%
Contract with collector	nil	nil		nil
Contract with farmers	nil	nil		5% (paddy)
Contract with rice mill	30%	20% (brown)	XX	70%

Source : Hearing survey 1999, Master plan study XX : major method

Only TIGIFOOD procures material by contract with farmers because TIGIFOOD is assisting the farmers' group sales activity. TIGIFOOD procure most of material by contracts with millers. On the other hand, exporters of Dong Thap province procure most of material from collectors. The reason is presumed that private millers in Dong Thap have large scale and have warehouse and enough capital to buy paddy by themselves.

Polishers normally start processing work 7 to 10 days before the ETA of vessel. Procured materials are classified by the qualities such as moisture content, broken rice and milling degree. After polishing, by mixing some different qualities (ratio of broken rice and/or moisture contents) of polished rice to produce commodity to conform to export specification. Sometimes it is necessary to process and mix several time to produce the product in conformity with export standard.

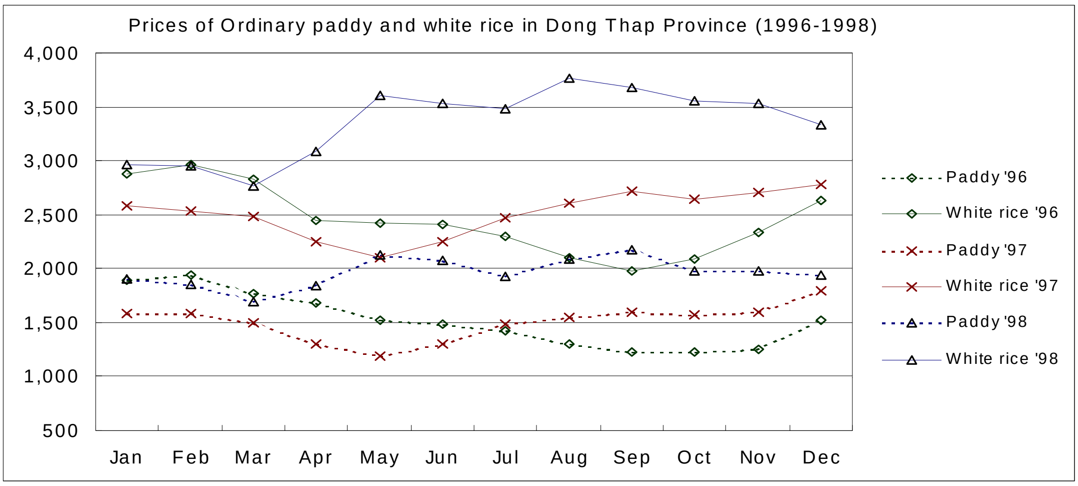
(4) Transportation

Number of cargo boat and transport capacity of Dong Thap province and Tien Giang Province are shown in ATTACHMENT G1. In both provinces there are 11,549 boats with total capacity of 180 TMT. Waterway transportation capacity is considered as sufficient. Commodity handling scale of each marketing agents are: farmers 3-4 ton, collectors 5-15 tons and polishers 200-500 tons. Compare to the scale of polishers, scale of farmers and collectors are very small.

Though the waterway network is well developed in the Study Area, there exist canals on which boat over 10-15 tons can not be navigated due to shortage of clearance under bridge in rainy season and/or shortage of water depth in dry season. This is considered as one of the factors limiting the scale of collection. National Road A1 and 30 pass through the Study Area along Tien River, but lateral roads has not well established as yet.

(5) Prices

Paddy prices in the Study Area and other provinces in Mekong River Delta show the fluctuation synchronized with FOB price as shown in ATTACHMENT G2. Monthly average prices from 1996 to 1998 in Dong Thap province are shown below. There is no seasonal pattern in those fluctuations. Price differences among districts in Dong Thap province is 10-70 VND/kg (average 40 VND/kg) on paddy, 10-100 VND/kg (average 58 VND/kg) on white rice.



(6) Market Information System

Pricing Departments are collecting price information of many commodities including major agricultural products. Following price information of rice/paddy are collected.

- Purchasing prices of paddy and material rice at export processing facilities (district level)
- Selling prices of broken rice and bran at export processing facilities (district level)
- Paddy and white rice price at major markets

Collected price information is compiled and reported periodically to concerned departments/sections in the province. In addition, collected rice/paddy prices information are broadcasted by TV every night in Dong Thap province.
Pricing Department of central government issues daily and monthly magazines for market information. This magazine contains information collected at each province and some international market information such as FOB Thai rice.

G.1.3 Fruit Marketing

(1) Outline of Fruits Production of the Study Area

Mekong River Delta is a major producer of fruit in Viet Nam, accounting for over 60% of total production with estimated planted area of 229,000 ha (year 1999). Of which longan covers 40,800ha (18%), citrus 35,300ha (15%), mango 23,900ha (10%), pineapple 19,800ha (9%) and banana 15,700ha (7%). Thus, these 5 major fruits cover approximately 60% of total planted area in Mekong River Delta.

Tien Gian province has the largest fruit planted area and Dong Thap province has fifth largest area among 12 provinces of Mekong River Delta. In the Study Area, fruit cultivation is siginificant in the area of between Tien River and National Road A1 and 30. Planted area of major fruits in the Study Area and its share in the Mekong River Delta is : Longan 7,000 ha (17%), mango 7,350 ha (31%) and citrus1,500 ha (4%).

Though time series record for the fruit cultivation area are not obtained for the Study Area. Local authorities suggest that since the liberalization of the economy in 1989, the area under fruit cultivation has risen sharply due to the good local and export markets and high return to the farmers. Thus, fruit cultivation is still new business and many trees have not yet reached full production level and production is expected to continue to increase.

Most fruits are grown in backyard and small orchards which range from a few trees to concentrated plantings of 0.5 to 2 ha . There is no large-scale plantation.

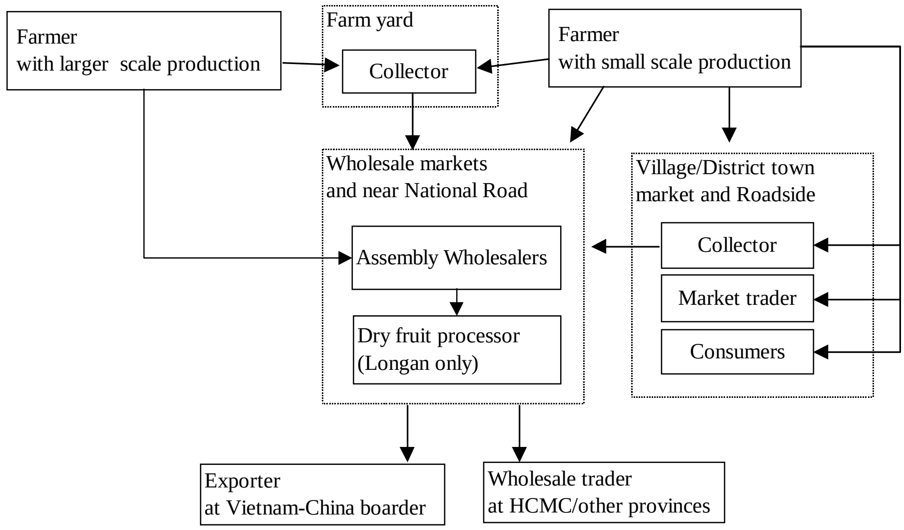
(2) Fruit Marketing System in the Study Area

1) Commodity Flow and Marketing Channel

As mango and longan are exported to China privately and many transactions go unrecorded. there is no systematic data on fruit export. SOFRI estimates about 70% of longan and about 30% of mango are exported from the southern Viet Nam. It is presumed that same or more percentage of fruit are exported from the Study Area and export amount is estimated as 7,500 tons for mango and 57,000 tons for longan.

Commodity fruit such as mango and logan are transported through waterway or roadway from farmyards to shops of assembly wholesalers. After grading and packaging by wholesalers, fruit are distributed to HCMC, other provinces and China border by 5 - 10 tons truck. Many of assembly wholesalers are located at Cai Be Market, An Huu Market and My Duc Tai bridge area in Cai Be district and these places are major collection/distribution points of fruit in the Study Area. Assembly wholesalers for Longan are located alongside of National Road A1 and 30.

Way of marketing of small quantity of fruit are various depending on the access / distance to markets and etc.



2) Activity of Marketing Agents

Marketing agents are categorized into three sectors : Farmer, Collector, Assembly Wholesaler. Activities of each sector and major characteristics are summarized as follows:

a. Larger scale farmers sell fruit in his garden at one time to collectors. If farmer need money, he may sell fruit on tree before maturing or even at flowering stage. So far no group sales activity is conducted in the Study Area.

b. Assembly wholesalers of longan are specialized. Not only waiting collectors but many wholesalers collect fruit directly from farmers by themselves. Most of longan wholesalers are come from the northern part of Viet Nam.

c. Many of assembly wholesalers in the Study Area come from other provinces. They collect various fruit from the Study Area and other provinces in the Mekong River Delta and directly ship to their home province or HCMC.

d. No governmental enterprise is involved in fruit trading in the Study Area.

(3) Markets

People are dealing with various daily commodities not only perishable foods such as vegetable, fruits, meets and fish, but also rice, beans, dry foods, clothes, seasoning, agricultural implements etc. There is no specific market for only fruits' trading nor only for wholesale in the Study Area. Markets are commonly composed with permanent type building/shops and a lot of temporary type stall and street venders. Perishable foods such as vegetable, fruits, meat and fish are sold at these temporary type stalls or on the streets. Due to shortage of permanent roofed area in most of all markets, sanitary condition is not good. Most of markets have unloading place in/near market but not much consideration are given to the roadway transportation.

There are 131 markets in the Study Area by with the size of the markets, province/ district / commune People's Committe take charges of market management. Both of the provinces have been improving/increasing the markets. At present, 24 communes have no market facilities in Dong Thap province and provincial PC has plan to establish markets in all these communes within several years.

Number of Market in the Study Area (by class)

Town & District	Km^2	Population	Number of Market					Area per market	Population per market
			Total	Class I	Class II	Class III			
	a	b	c			total	without facility	a/c	b/c
Dong Thap Province									
Cao Lanh Town	97	144,373	14	1	2	11	2	6.9	10,312
Tan Hong District	292	63,245	14		3	11	2	20.9	4,518
Hong Ngu District	320	234,460	16		1	15	5	20.0	14,654
Tam Nong District	453	79,721	9		3	6	2	50.3	8,858
Thanh Binh District	329	157,193	11		1	10		29.9	14,290
Cao Lanh District	462	186,826	19		1	18		24.3	9,833
Thap Moui District	519	112,269	8		5	3		64.9	14,034
Tien Gian Province									
Cai Be District			24		4	20	3	0	0
Cai Lay District			16		2	14	2	0	0
Total / Average			131	1	22	108	16	24.1	8,500

Source : Market Basic Survey March -1999, Service of Commerce & Tourism Dong Thap Province
Dept. of ARD Cai Be district, Dept. of ARD Cai Lay district
Class I : less 500 traders = under management of commune/hamlet
Class II : 500 - 2000 traders = under district management
Class III : over 2000 traders = under province management

Class I and Class II markets have market management office in each market. These offices collects space fee from each traders. Way of charging fee varies depending on the market, commodities and type of shop. VND200,000 – 300,000 per month for daily sundries shop (stall type) at Cai Be market and VND1,200 per day for vegetable shop (very simple stall type with 1.5 m^2) at Cao Lanh market.

(4) Prices

Price of fruits fluctuates seasonally and range of fluctuation varies depend on fruit and variety. Longan has the largest range of fluctuation around 6 times and high-grade longan variety tends to fluctuate more than lower grade variety. There are definite price differences among varieties. The price differences among mango varieties are 3 to 4 times and 1.5 to 2 times among longan varieties. Detailed data of prices is shown in ATTACHMENT G3.

70% of longan is estimated to be exported to China, and the farm gate price is strongly influenced by the demand in Chinese market. The price of longan tends to drop in these years, and in July and August 1999 the price dropped sharply and recorded the lowest price of 1000 – 1500/kg. On the other hand, production area of longan at the Mekong Delta reached 40,800ha among which 10,000ha have not yet reached fruiting stage.

(5) Market Information System

SOFRI (Southern Fruits Research Institute), located at My Tho in Tien Giang province, is a only governmental agency having a section for fruit marketing in Mekong River Delta. It has been collecting/publishing the price data of fruits periodically since 1998. Pricing Departments are collecting price information of many commodities including major agricultural products such as paddy and live pork. But no price information of fruit is collected. DARD in both Dong Thap province and Tien Giang province have no function of information services.

G.2 DEVELOPMENT PLAN

G.2.1 Constraints and Potentials

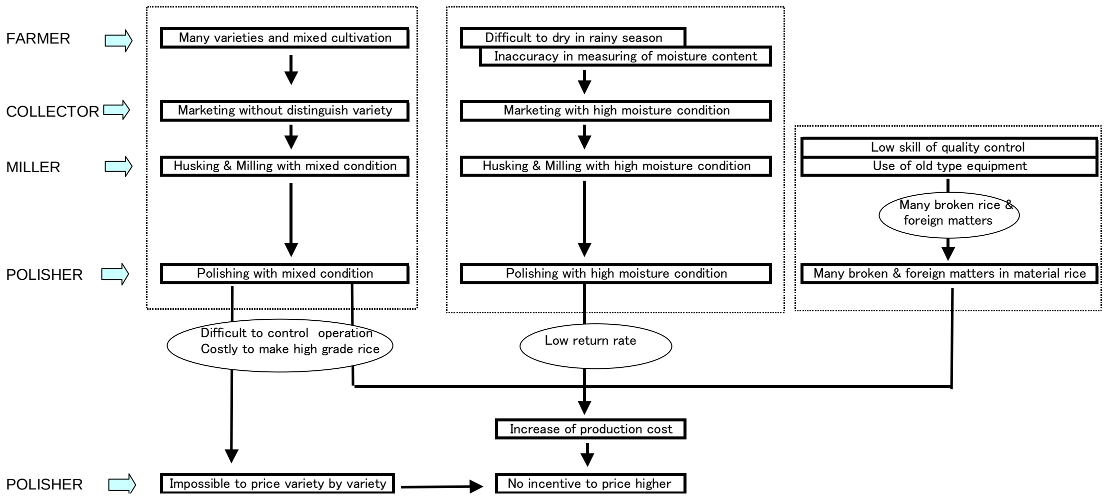
(1) Constraints

1) Constraints of Rice Marketing

Inferior quality of paddy/material rice

Inferior quality of material for export processing causes the higher processing loss and increased production cost. Causes of inferior quality are shown in the next figure. Starting from the inferior quality of seed and mixed cultivation at production stage, various factors are concerned. Causes in the marketing stage are summarized as below.

Basic problems of rice quality and proposed countermeasures (from farm field to production of material rice)



- Individual sales activity of farmers

  In addition to the situation of mixed cultivation and uneven quality of paddy in the village, farmers' individual sales of paddy to collectors cause the mixture of different varieties/quality during the marketing and processing stages.

- Improper quality evaluation

  At present, price differences between variety groups is VND100-150/kg and differences between qualities is VND50-100/kg. These price differences are considered not enough to encourage farmers' to improve their paddy quality. Due to the mixed cultivation and low ability of quality evaluation especially of farmers and collectors, quality of paddy is not duly reflected to difference of prices.

- Processing quality of private mills

90-95% of marketed paddy are milled by private mills. Due to the commission business of these millers and their old type equipment, return rate of head rice is in low level.

- Understanding of the market needs by farmers
  Farmers sell their paddy at farmyards and have less interest about further marketing procedures. Due to this, information of quality requirements of exporters/processors hardly reaches to farmers.

Small scale of paddy collection

Commodity handling scale of each marketing agents are: farmers 3-4 ton, collectors 5-15 tons and polishers 200-500 tons. Compared to the scale of polishers, scale of farmers and collectors are very small.

Though the waterway network is well developed in the Study Area, there exist canals on which boat over 10-15 tons can not be navigated due to shortage of clearance under bridge in rainy season and/or shortage of water depth in dry season. This is considered as one of the factors limiting the scale of collection.

2) Constraints of Fruit Marketing

Insufficient fruit market information system

In/around the Study Area, only SOFRI in My Tho has function of regular collection and dissemination of fruit market information since 1998. But the scope and frequency of data collection and dissemination are limited. DARD in both Dong Thap province and Tien Giang province have no function of information service.

Poor facility of wholesale market

Many of assembly wholesalers are located at Cai Be Market area, An Huu Market area in Cai Be district. At each market, 20-30 traders have their shops and play important role for collection and distribution of fruit from the Study Area and other production areas in Mekong River Delta. However, facilities such as shop of wholesalers, parking place, piers for unload, storage are in poor condition.

Poor wholesale function in HCMC

Cau Moui Market in HCMC is called as wholesale market for fruit and vegetable, but this is merely a place where many wholesale traders have individual shops alongside of streets and is considered as not having adequate functions of price determination and of storage as wholesale market. Also, because of its poor facility, congestion and hygiene problem are observed.
Not only for ensuring stable supply of daily food to the people in HCMC, but also for promoting agricultural production in Vietnam, it is essential to establish the proper wholesale markets to strengthen the function of collection/distribution based on the overall plan for food distribution system in HCMC. At the same time, way of price determination shall be altered to the way of basing on the nationwide

supply-demand condition and the standardized evaluation of quality.

Difficulty for finding new markets

Export of major fruit, longan and mango, depend on Chinese market and farm gate price. Especially, longan is influenced by the demand in China. The price tends to drop in these years and it dropped sharply to 1000 – 1500/kg in July and August in this year. At present, export market is very limited while continuous increase in production is expected. It is necessary to develop new export markets not only for the farmers in the Study Area but also for farmers in Mekong River Delta as a whole. However, even biggest trader in the Study Area considers that it is impossible for her to find a new export markets by herself due to lack of access to potential markets and lack of business knowledge.

(2) Potentials of Development

Existence of farmers' organization

Though the group marketing activity of farmers has not yet started in the study area, new type of farmers' group have been formulated. Farmers' group marketing are already achieved in other parts of Mekong River Delta.

Improvement of port facilities are going on

Improvement works for port facilities and port capacity are going on at Can Tho port and Sa Dec port. Utilization of these ports will reduce the cost of transportation.

Well developed National Roads system to HCMC

Fruit cultivation area extends along the National Road A1and 30 and have good access to HCMC .

Definite price differences among varieties

There are definite price differences among fruit varieties.

Demand for high quality product

In HCMC, fruit shops dealing only with high quality fruit already exist and consumers are prepared to pay higher prices for superior quality.

Existence of starting point of distribution channels in the Study Area

Because National Road A1 meets Tein River in Cai Be district, function of transshipment of agricultural commodities from waterway transportation to roadway transportation have been developing in this area. For fruit marketing, distribution channels to various consumption markets are starting from this area.

G.2.2 Target and Strategy

(1) Target

Major agricultural products depend on the markets outside of the Study Area. To realize a better price in the competitive markets, superior quality is a key factor. Quality of agricultural products is fundamentally determined in the production stage. To enhance the farmers' activities for quality improvement, it is necessary to introduce a system that ensures profit of quality improvement to farmers.

Development targets for the improvement plan of marketing system are set as follows:

- Improve the quality of product
  By improving the quality of product, increase market opportunity and market price.
- Enlarge the marketing scale
  By enlarging the scale of commodity, reduce cost and increase bargaining power.
- Increase the bargaining power
  By increasing the bargaining power, market opportunity and market price.
- Promote farmers' participation in marketing and processing activities
  By promoting farmers' participation in marketing and processing activities, increase income opportunity and encourage market oriented production.

To frame the improvement plan, following two premise conditions are applied.

- Agricultural marketing systems in the Study Area considerably depend on the factors existing outside of the Study Area such as national policies, transport infrastructures, food distribution system of city markets. In this plan, specific problems, which can be handled within the Study Area, are taken for discussions.
- Each agricultural product has a different marketing system. In this plan, rice and fruits are regarded as target commodities from viewpoints of the necessity of improvement and their expected effects.

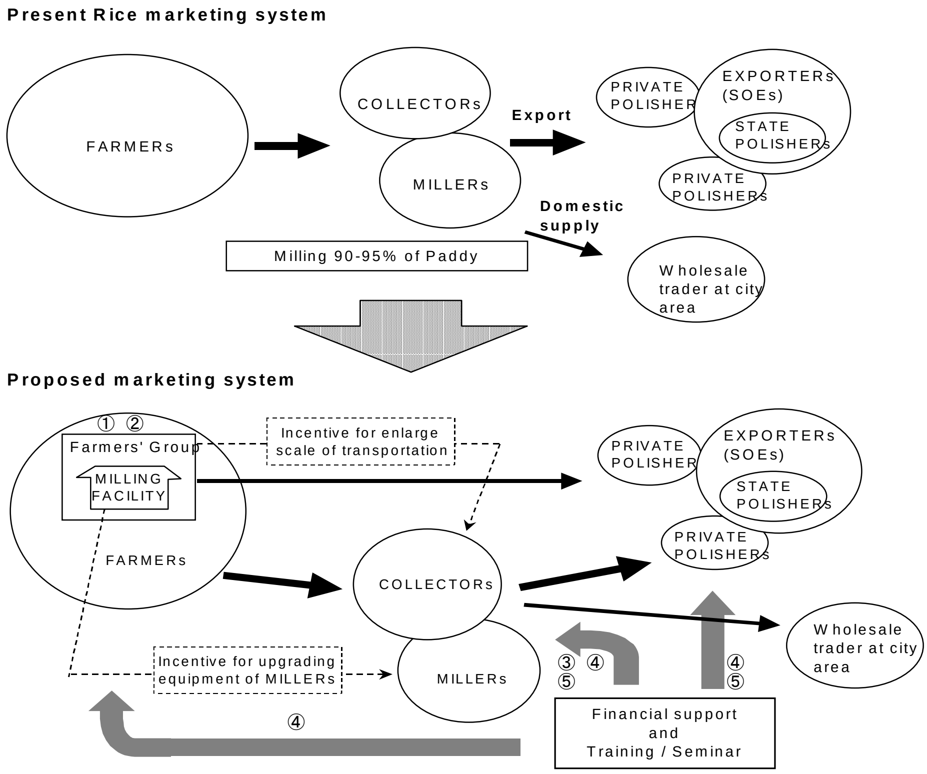
(2) Strategies

1) Strategy for improvement of rice marketing system

In addition to the situation of mixed cultivation and uneven quality of paddy in the village, farmers' individual sales of paddy to collectors cause the mixture of different varieties/qualities in marketing/processing stage and the inferior quality of material rice. Furthermore, this mixture cause the lack of incentives of farmers to improve their paddy quality because quality of paddy can not duly be reflected to its price.

To improve this situation, planting of unified varieties and improvement of paddy quality should be achieved by farmers' group activity. In addition, it is important to secure the return of profits from improved quality with group sales of the products to export processors. Group sales can strengthen the bargaining power of farmers and enlarge the scale of rice marketing.

Though some group sales activities are already practiced at the outside of the Study Area, farmers' group activities are very weak and it may take many years for farmers' group activities to be popular in the Study Area. Therefore, together with the improvement of farmers' side, financial and technical supports to collectors and rice processors are necessary. To introduce the farmers' group activities to unify the varieties, quality improvement and group sales in the Study Area, it is most important and efficient to show a example of success to farmers.



Based on the above strategy, following 5 projects are prepared for the improvement plan of rice marketing.

① Establishment of model of farmer's group sales activity.

② Seminar for promotion of farmers' group sales activity.

③ Financial support to upgrade the equipment for physical distribution.

④ Training of quality control & evaluation.

⑤ Financial support to improve the processing facility and equipment.

Above ④ and ⑤ are described in the sector report of Post-Harvest Processing.

2) Strategy for improvement of fruit marketing system

Under the present marketing system of major fruits, collections and distributions to Chinese border markets, HCMC and other province are conducted efficiently by private traders. There are clear differences of price among the varieties and qualities. Assembly wholesale markets in the Study Area already play important roles in collection and distribution of fruits produced in/around the Study Area.

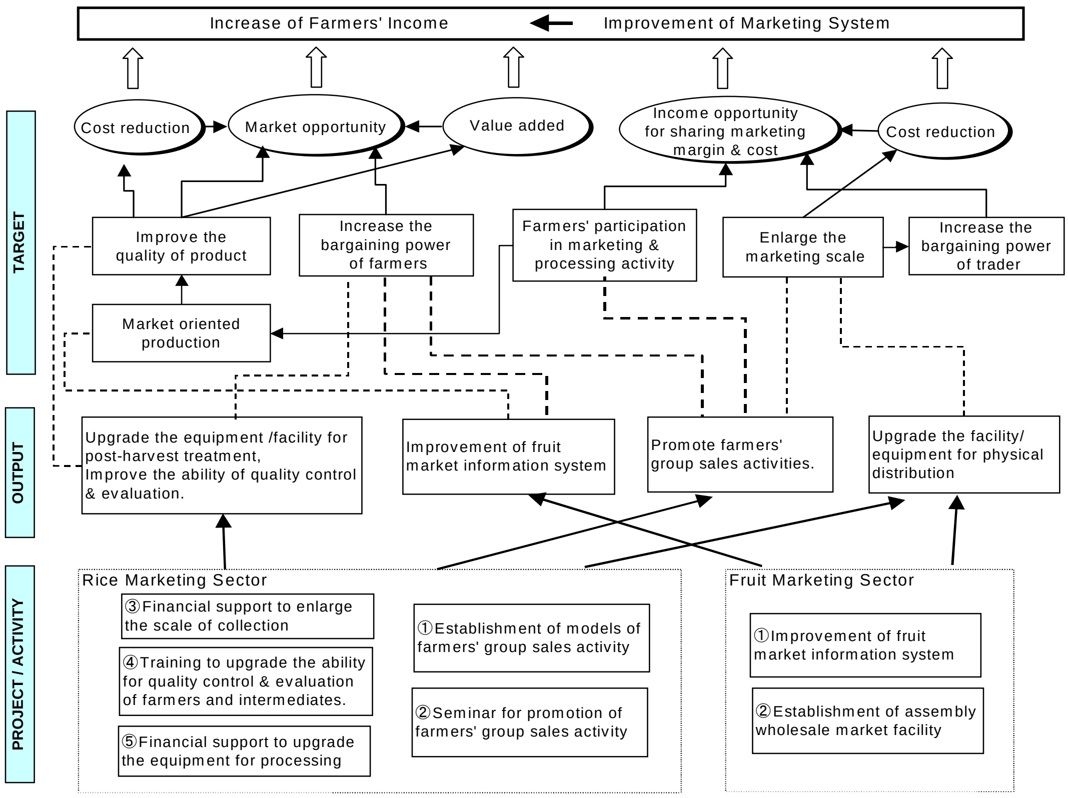
Due to continuing increase of fruits production expected in/around the Study Area, the improvement plan is framed with targets of improvement of marketing efficiency and increase in the bargaining power.

Based on the above strategy, following 2 projects are prepared for the improvement plan of fruit marketing.

① Improvement of fruit market information system.

② Establishment of assembly wholesale market facility.

Flows of activity/project - output - target are illustrated as below.



G.3 DEVELOPMENT PROJECTS

G.3.1 Project for Rice Marketing

(1) Establishment of models of farmers' group sales activity

To promote the farmers' group sales activity in the Study Area, establishment of the following activity models is proposed.

a. Outline of the project

The scale of each model will be stipulated by actual scale of selected farmers' group. Based on the scale of existing farmers' cooperatives and consideration on scale merits of rice mill and sales operation, scale of farmers' groups is set as 400 ha – 500ha (400 - 500 farm households). Taking into account the ripple elect of models, number of models are set as 4 sites.

b. Facility / Equipment for activity model

Facility and equipment for a model of 500ha is as follows;

Facility

Warehouse (paddy and rice)	：1800m^2	Office	：80m^2
Dry yard ＊1	：1000m^2		

Equipment

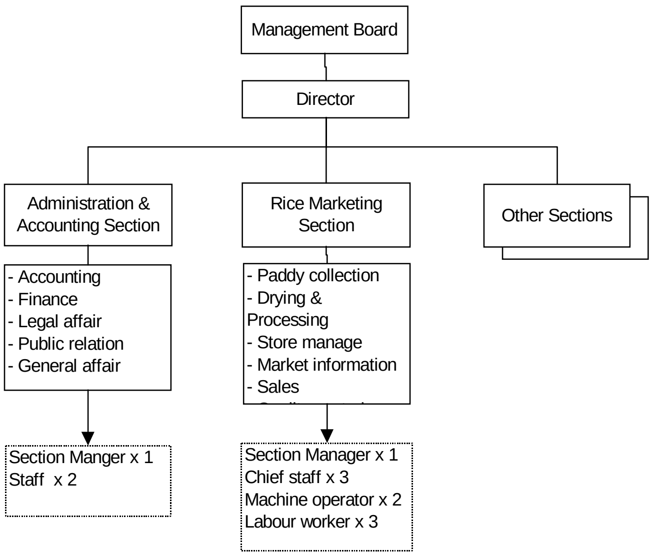
Milling machine	：1 set	Paddy dryer	：1 set
For quality control and inspection	：1 lot	For data collection	：1 set
For commodity handling	：1 lot	For office management	：1 set
Boat	：1 unit	Spare part	：1 lot

＊1：Dry yard scale will be varied depend on the locations.

c. Management plan for activity models

Practical activities such as collection, storage, transportation of products, operation of processing facility, sales management, quality control, accounting/financing shall be carried out by business unit being established in each farmers’ cooperative. Section managers and technical personnel must have enough experiences in each field and it is desirable to recruit from private sector.

Under direct supervision of Director of cooperative, business unit shall conduct practical activities in accordance with the working plans approved by Management Board. Simple laborious works such as loading/unloading can be conducted by casual employment.



After recruiting the key staffs and formulating the business unit, following training programs shall be conducted to prepare for starting business activity.

Business unit for operation of group sales activity

Training for pre-group sales activity

Trainee	Contents	Purpose
All staff of business unit	Practical training of collection, storage, transportation, operation of processing facility, sales management, quality control, accounting and financing.	To secure the smooth operation of business activity, comprehend the contents of job each other.
All cooperative member (farmers)	Practical methods of quality control and evaluation	To improve the paddy quality of cooperative member.
All staff of business unit	Preparation of working manuals	To secure the smooth operation of business activity
Machine operators and Chief staff	Operation and maintenance of procured equipment	To master the operation and maintenance of procured equipment

d. Implementation plan for the model project

Implementation body of the model project is DARD of province. Set up a project team with two full-time staff in DARD to conduct under-mentioned activities. After completing the model establishment, these two staff continue to work for introduction of group sales activity into farmers' groups with know-how obtained through the model project.

<u>Activities of project team</u>

Implementation of the model project:

- Management of the project, - Coordination works between relevant organizations such as other sections of DARD, rice exporters (SOEs) and Bank., - Workshop/ Training program for formulation of farmers' group.

Support activity to model farmers' groups:

- Recruit of key staff, - Formulation of business unit, - Preparation of working manuals, - Training program for starting business activity.

e. Project cost and O/M cost

Facility / Equipment cost

Facility	27,000,000
Equipment	12,800,000
Total	39,800,000

O/M cost (per year) (1000NVD)

Operation cost	380,000
Depreciation	4,050,000
Total	4,430,000

(2) Seminar program for promotion of farmers' group sales activity

After completing the establishment of models, conduct a seminar to disseminate the advantages of group sales activity, knowledge of how to formulate farmers' group and supporting system of the provincial government together with study tour to the activity models.

Trainee	Seminar title	Number of trainee	Period	Number of seminar per year	Total number of trainee per year
Farmers	Seminar program for promotion of group sales activity	25-30 per seminar	3days	6 times	150

Seminar will be conducted at the extension center of DARD by the model project staff. Implementation plan is described in the report for Integrated Project.

(3) Support program for marketing intermediates

(③ Financial support to upgrade the equipment for physical distribution)

To improve efficiency of marketing, provide financial support (credit) to collectors for enlarging their scale of physical distribution.

Purpose of use	Amount of credit	Required capital	Note
Renew or adding new boat （minim boat size 20 ton）	Max. VND60 million per person	US$1,600,000	No credit shall provide to a purpose of start collecting business.

Required conditions of credit ：Term 4 year, Interest 0.7% per month

Number of beneficiary： 120 business unit per year, Toatl 1100 business units (2010).

Implementation plan is described in the report for Integrated Project.

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Support programs to processors for improving the quality of product (④ Training of quality control & evaluation.⑤ Financial support to improve the processing facility and equipment) are described in the section for P/H Processing..

G.3.2 Project for Fruit Marketing

(1) Improvement of fruit market information system

a. Background and Objectives

Though SOFRI in My Tho has started collection and regular dissemination of fruit market information since 1998, scope and frequency of data collection and dissemination are limited. Pricing Departments are collecting price information of many commodities including major agricultural products such as paddy and rice. But no price information of fruit is collected.

In order to promote efficiency of fruit marketing and to strengthen a bargaining power of farmers, establishments of systematic information system is required.

b. Outline of the project

Utilizing existing functions of information collection, establishment of electric information network by combing the DARD and Pricing Department of Dong Thap Province and Tien Giang Province, SOFRI and some district level agricultural offices is proposed.

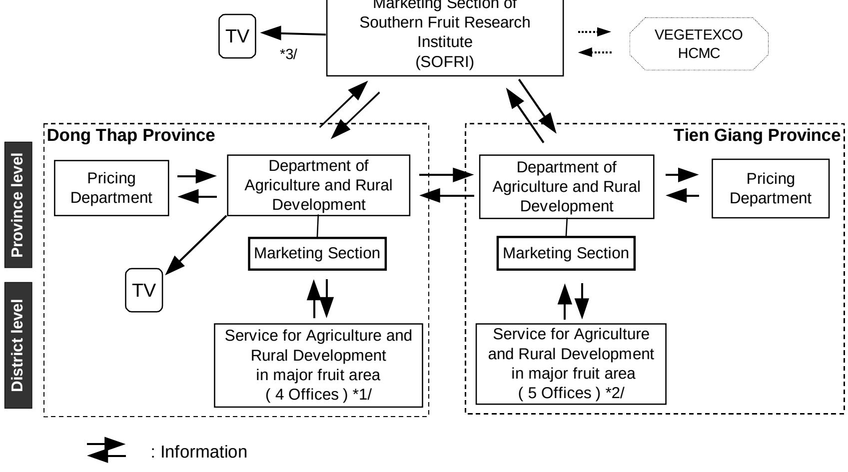
In order to formulate a new network, a new section for marketing information services shall be set up in the DARD in Dong Thap Province and Tien Giang Province respectively as coordinators. After establishment of the network, marketing sections of both provinces conduct following activities.

- Analysis of data collected and dissemination through public media (TV / Radio).
- Develop network to collect information of HCMC market, Chinese border market and other foreign markets.

District level agricultural offices conduct periodical surveys to grasp the current situation of production/harvest and market prices at each district

Improvement of Fruit Market Information System

Proposed system structure



* Note 1/ Chau Thanh district, Lai Vung district, Lap Vo district, Cao Lanh district
2/ Cai Be district, Cai Lay district, Tan Phuoc district, Chau Thanh district, Cho Gao district
3/ TV broadcast started from Nov 1999.

As a result of activity of the information network, the DARD will be able to accumulate market information and to grasp real situations of markets more clearly. It enables DARD to provide better guidance to the farmers.

d. Equipment

Personal computer and related items 11 sets

Equipment for telecommunication 11 sets

e. Management plan

Allocation of permanent staff (1 person) at each marketing section of provinces for formulation of the network.

f. Project cost and O/M cost (mil. VND)

	2 Provinces	9 Districts	Total
Project cost	263	282	545
Operation cost	100	＊ 159	259

（＊） Estimated from necessary M/M.

(2) Establishment of assembly wholesale market facility

a. Objectives of market facility improvement

Many of assembly wholesalers are located at Cai Be Market and An Huu Market in Cai Be district. Fruits from the Study Area and other production areas in Mekong River Delta are collected and distributed to HCMC, Chinese boarder and other provinces through these markets. Though the continuous increase of fruits production are expected in/around the Study Area, market facilities such as shop, parking place, piers for unload, storage are in poor condition.

To maintain the efficiency of fruit marketing in the Study Area, establish an adequate market facility for wholesale activity to prepare for increase in fruit production.

b. Outline of the Project

Establish a wholesale market facility by rezoning the existing shops. Formulate a management board including all traders as member of the board and manage new market facility under supervision and assistance of the province/district PC.

- Facility / Equipment

<u>Facilty</u>

Shop (20 shops)	：1500 m^2	Storage	：100 m^2
Packing warehouse	：200m^2	Office	：80m^2
Parking/loading space	：800m^2	Unloading/working space	：1250 m^2

Equipment

For market data management ：1 set

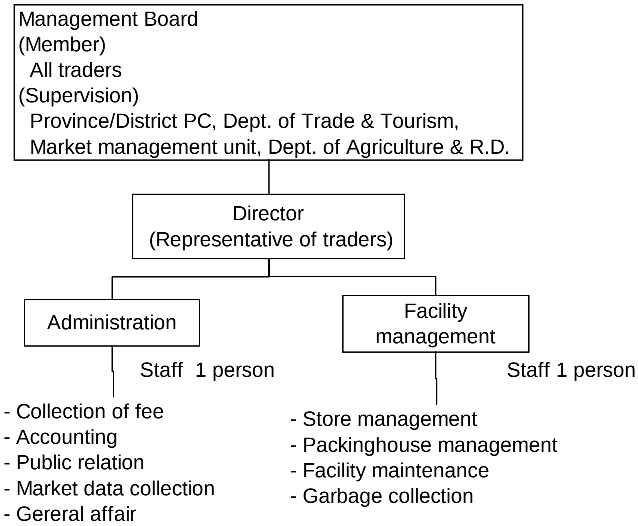
For office management ：1 set

- Market management plan

Management board including all traders as member of the board shall manage a new market facility under supervision and assistance of the province/district PC. Management Board shall stipulate the following regulations for smooth operation of the facilities.

- Regulations for utilization of the market facilities
- Formation of market office units
- Operation plan for the storage and packing warehouse

Through the joint activity of market management of traders, formulation of fruit traders association, establishment of their own fruit brand and development of new market may be realized.



c. Project cost (mil.VND)

Facility	
Equipment	65
Total	

d. O/M cost：O/M costs will be collected as a market space fee from traders.

G.3.3 Implementation Plan

From the view points of benefit to farmers, project effects and possibility of realization, the implementation plan is scheduled as below.

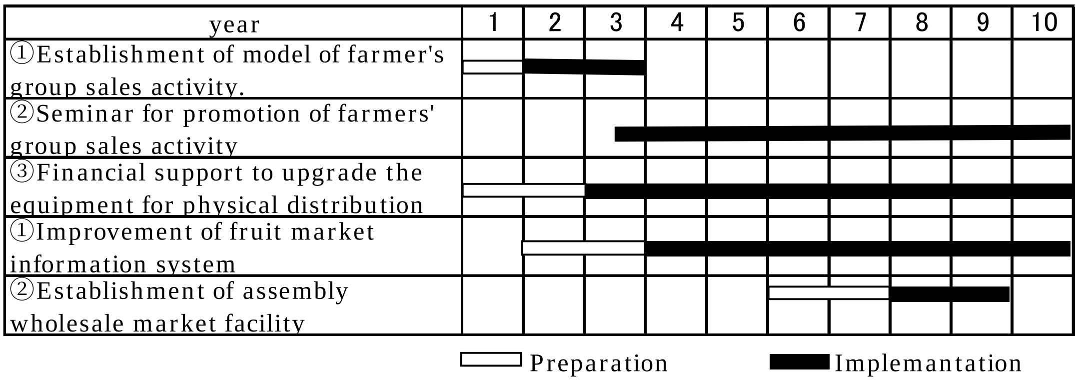


Table G.1 Number of Truck in Dong Thap Province (classified by ownership)

Category of owner ship	Truck (unit)	Total capacity (ton)	Bus, less 15 seats (unit)	nos. of seat	Bus, over 15 seats (unit)	nos. of seat
State-own transportation enterprise (in Cao Lanh)	8	72	45	2,036	--	--
Other state-own enterprises *	32	216	7	207	10	122
Non state-own (individual, cooperative)	492	3,090	146	5,370	46	538
Total	532	3,378	198	7,613	56	660

* : Trading enterprise, used for foodstuff export, etc. Source : Dept.ofTransportation-D.T.Province, May 1999

Table G.2 Number of Boat in Dong Thap Province (classified by ownership)

Category of owner ship	Cargo boat (unit)	Total capacity (ton)	Average capacity (ton)	Passenger boat (unit)	nos. of seat
State-own transportation enterprise (in Sa Dec)	24	5,920	247	--	--
Other state-own enterprises *	36	9,371	260	--	--
Non state-own (individual, cooperative, etc.) **	7,880	102,218	13	499	10,269
Total	7,940	117,509	15	499	10,269

* : Trading enterprise, used for foodstuff export, etc. Source : Dept.ofTransportation-D.T.Province, May 1999
** : include large boats over 200 tons (187 units, 40,298 tons)

Table G.3 Number of Cargo Boat in each District, Dong Thap Province

District	Number (unit)	capacity (ton)	Average capacity (ton)
Cao Lanh Town	656	7,276	11.1
Sa Dec Town	417	3,672	8.8
Cao Lanh District	919	6,169	6.7
Chau Thanh District	525	3,481	6.6
Thanh Binh District	420	6,844	16.3
Thap Moui District	311	2,748	8.8
Lap Vo District	1,566	10,103	6.5
Lai Vung District	1,462	10,835	7.4
Tan Hong District	111	1,110	10.0
Tam Nong District	183	2,798	15.3
Hong Ngu District	1,183	22,175	18.7
Other (over 200 tons)	187	40,298	215.5
Total	7,940	117,509	14.8

Source : Dept.ofTransportation-D.T.Province, May 1999

Table G.4 Number of Cargo boat per size , Dong Thap Province

capacity (ton)	Number (Non state-own only)
5 - 10 ton	4,014
11 - 30 ton	902
31 - 50 ton	145
51 - 100 ton	154
over 100 ton	77
	5,292

Source : Hearing from Dept. of Transportation, Oct-1999

Table G.5 Number of Truck in Tien Giang Province (classified by ownership)

Category of owner ship	Truck (unit)	Total capacity (ton)	Bus, less 15 seats (unit)	nos. of seat	Bus, over 15 seats (unit)	nos. of seat
State-own transportation enterprise	91	705	--	--	127	6,550
Other state-own enterprises						
Non state-own (individual, cooperative)	1,975	8,517	1,145	10,470	1,090	43,934
Total	2,066	9,222	1,145	10,470	1,217	50,484

Source : Dept. of Transportation - Tien Giang Province, Oct 1999

Table G.6 Number of Boat in Tien Giang Province (classified by ownership)

Category of owner ship	Cargo boat (unit)	Total capacity (ton)	Average capacity (ton)	Passenger boat (unit)	nos. of seat
State-own transportation enterprise	32	2,860	89	4	70
Other state-own enterprises					
Non state-own (individual, cooperative, etc.)	3,577	59,239	17	293	7,288
Total	3,609	62,099		297	7,358

Source : Dept. of Transportation - Tien Giang Province, Oct 1999

Table G.7 Number of Cargo Boat in each District, Tien Giang Province

District	Number (unit)	capacity (ton)	Average capacity (ton)
TP. My Tho	324	30,262	93.4
TX. Go Cong	10	150	15.0
H. Go Cong Dong	696	9,530	13.7
H. Go Cong Tay	287	2,707	9.4
H. Cho Gao	178	1,415	7.9
H. Chau Thanh	297	2,068	7.0
H. Tan Phuoc	437	5,427	12.4
H. Cai Lay	593	4,424	7.5
H. Cai Be	787	6,116	7.8
Total	3,609	62,099	17.2

Source : Dept. of Transportation - Tien Giang Province, Oct 1999

Table G.8 Number of Cargo boat per size & type, Tien Giang Province

capacity (ton)	Dry cargo	Wet cargo
less 5 ton	406	
5 - 10 ton	1,752	9
11 - 30 ton	1,127	5
31 - 50 ton	45	
51 - 100 ton	92	2
over 100 ton	170	1
	3,592	17

Source : Dept. of Transportation - Tien Giang Province, Oct 1999

Fig. G.1 Fluctuations of paddy/rice prices (1996-1998)

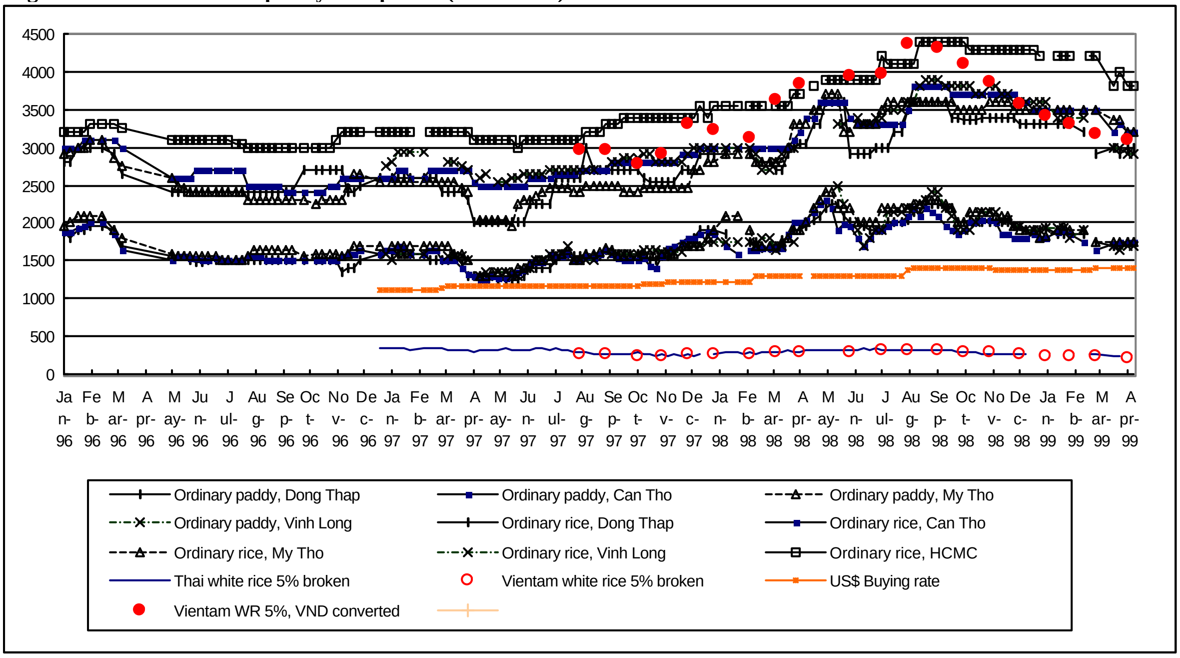


Table G.9 Prices of paddy and white rice in Dong Thap Province (1996-1998) Unit :VND

	1996			1997			1998		
	Paddy	White rice	diffrence	Paddy	White rice	diffrence	Paddy	White rice	diffrence
Jan	1,892	2,878	(986)	1,583	2,588	(1,005)	1,900	2,967	(1,067)
Feb	1,946	2,970	(1,024)	1,589	2,533	(944)	1,850	2,950	(1,100)
Mar	1,773	2,828	(1,055)	1,494	2,489	(995)	1,700	2,767	(1,067)
Apr	1,688	2,450	(762)	1,306	2,244	(938)	1,839	3,083	(1,244)
May	1,521	2,417	(896)	1,189	2,099	(910)	2,122	3,600	(1,478)
Jun	1,492	2,408	(916)	1,302	2,249	(947)	2,083	3,533	(1,450)
Jul	1,425	2,300	(875)	1,489	2,467	(978)	1,932	3,483	(1,551)
Aug	1,296	2,100	(804)	1,553	2,605	(1,052)	2,090	3,767	(1,677)
Sep	1,229	1,976	(747)	1,600	2,722	(1,122)	2,172	3,675	(1,503)
Oct	1,225	2,092	(867)	1,578	2,650	(1,072)	1,977	3,555	(1,578)
Nov	1,254	2,342	(1,088)	1,600	2,700	(1,100)	1,973	3,530	(1,557)
Dec	1,525	2,633	(1,108)	1,794	2,778	(984)	1,936	3,333	(1,397)
avergage	1,522	2,450	(927)	1,506	2,510	(1,004)	1,965	3,354	(1,389)

Source : Pricing Dept. Dong Thap Province

Table G.10 Price of paddy and white rice at some districts in Dong Thap Province (1998) Unit :VND

	Ordinary paddy					Ordinary white rice				
	Hong Ngu	Chau Thanh	Cao Lanh Town	average	difference	Hong Ngu	Chau Thanh	Cao Lanh Town	average	difference
Jan-98	1,850	1,880	1,850	1,860	30	2,900	2,960	2,967	2,942	67
Feb-98	1,950	2,000	1,960	1,970	50	2,900	2,950	2,960	2,937	60
Mar-98	1,770	1,800	1,800	1,790	30	2,767	2,800	2,800	2,789	33
Apr-98	1,800	1,850	1,850	1,833	50	3,000	3,050	3,080	3,043	80
May-98	1,840	1,900	1,900	1,880	60	3,500	3,560	3,600	3,553	100
Jun-98	2,000	2,050	2,060	2,037	60	3,530	3,580	3,600	3,570	70
Jul-98	1,930	1,950	1,950	1,943	20	3,483	3,500	3,500	3,494	17
Aug-98	2,000	2,050	2,070	2,040	70	3,750	3,760	3,760	3,757	10
Sep-98	2,100	2,150	2,150	2,133	50	3,675	3,700	3,700	3,692	25
Oct-98	1,950	1,970	1,974	1,965	24	3,550	3,600	3,600	3,583	50
Nov-98	1,960	1,970	1,970	1,967	10	3,500	3,550	3,580	3,543	80
Dec-98	1,940	1,950	1,960	1,950	20	3,340	3,400	3,440	3,393	100
average	1,924	1,960	1,958	1,947	40	3,325	3,368	3,382	3,358	58

Source : Pricing Dept, Dong Thap province

Table G.11 Fruit prices in Mekong River Delta (Dec. 98 - Sep. 99)

Item	Variety	Grade	Price categor	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99
Orange	Sanh	I	A	4500-5000	4500-5000	6000-7000	6500-7500	7000-8000	13000-15000	12000-15000	12500-16000	4500-6000	4500-5500
	Sanh	II	A		3500-4000	3000-4000	3500-4500	3500-4500	8000-10000	6000-9000	6500-10000	3000-3500	3500-4500
Lime			A		2500-4000	4500-7500	4000-6000	6000-8000	6000-7000	1200-1800	1000-1500	1000-1500	1000-1500
Mango	Cat Hoa loc	I, II	A			12000-18000	15000-19000	13000-16000	12000-15000	9000-12000			
	Cat Chu	I, II	A			10000-12000	12000-13000	10000-12000	8000-11000	6000-8000			
	Thanh ca	I, II	A				4000-5000	3000-4000	2500-3500				
	Buoi	I, II	A				5000-6000	3000-4000	3000-4000	3000-4000			
Longan	Long		B	5000-6500	7000-8000	15000-17000	16500-17500	8000-28000	8000-10000	3500-5500	1200-1500	1600-3000	
	Tieu da bo		B	15000-16000	18000-25000	17000-19000	19500-22500	12000-25000	10000-14000	5000-7000	3300-7000	4500-6000	5500-6500
Sapodilla	Long mut	I, II	A		3500-5000	4000-7000	3000-6000	2500-4000	2500-3500	2500-3000	2500-3000	3000-3500	3000-4000
Guava	Xa li		A	900-1000	900-1200	1000-1200	1000-1200	1000-1200	1200-1500	1000-1200	900-1000	900-1000	800-1100

Source : Information for Fruit Market No.2 - No.11, SOFRI   A : Buying price at collector's place   B : Buying price at drying factory/market

Table G.12 Fruit prices difference between varieties/grade at Dong Thap Province/Tien Giang Province

Item	Variety	Grade	Price category	Price		Item	Variety	Grade	Price category	Price	
Pomelo	Long	I	C	5000-6000	Dec-98	Sapodilla	Long mut	I	A	5500-6000	Mar-99
	Long	II	C	4000-5000	Dec-98		Long mut	II	A	3000-4000	Mar-99
	Nam roi	I	C	10000-12000	Dec-98		Trai dai	I	D	4500-5000	Jan-99
	Nam roi	II	C	7000-9000	Dec-98		Trai dai	II	D	3500-4000	Jan-99
Mandarin	Tieu	I	A	6500-7000	Feb-99		Bac thao	I	A	4500-5000	Dec-98
	Tieu	II	A	3000-4000	Feb-99		Bac thao	II	A	3500-4000	Dec-98
	Duong	I	A	7000-7500	Mar-99	Longan	Tieu da bo	I	B	17000-19000	Feb-99
	Duong	II	A	4000-5000	Mar-99		Tieu da bo	II	B	12000-13000	Feb-99
Mango	Cat Hoa loc	I	A	15000-18000	Feb-99	Banana	Gia		A	1000-1200	Mar-99
	Cat Hoa loc	II	A	12000-14000	Feb-99		Cau		A	2000-2500	Mar-99
							Xiem		A	1500-2000	Mar-99

A : Buying price at collector's place
B : Buying price at drying factory/market
C : Selling price at farm yard
D : Selling price at collector's place

Source : Information for Fruit Market No.2 - No.11, SOFRI

Table G.13 Retail price of Mango & Longan at Cai Be area (1998)

Item	Variety	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mango	Buoi	-	-	-	7,500	6,500	6,000	6,200	-	-	-	-	-
Longan	Long	8,500	10,000	9,500	7,000	5,000	5,200	5,800	7,000	7,500	7,800	7,200	7,500

Source: SOFRI

Table G.14 Retail price of Mango & Longan at HCM City (1998)

Item	Variety	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mango	Buoi	-	-	-	10,000	9,000	8,500	8,000	-	-	-	-	-
Longan	Long	10,000	12,000	11,000	8,000	6,000	6,500	7,000	8,500	9,200	10,000	8,500	9,500

Source: SOFRI