

## Vietnamese durian growers causing a stink for Thai farmers exporting to China

- *One Thai durian grower believes Thailand's exports will decrease because Vietnam is located closer to China and, in her view, has better quality control*
- *Foreign trade volume of Chongzuo, a China-Vietnam border city, rose to US\$11 billion – a surge of nearly 50 per cent, according to a Xinhua report*

**Jitsiree Thongnoi**

Thai durian farmer Busaba Nakpipat remembers the day she became increasingly concerned about the spectre of a growing rivalry between [Thailand](#) and [Vietnam](#). It was Saturday, September 19, when Vietnam's first shipment of fresh durians was exported to China.

“Thailand used to be the only country allowed to export fresh durians to China, while Vietnam used to export processed durian,” she said. “But now Vietnam is our competitor and it worries me.”

Busaba has grown durians for more than 30 years, at one point exporting to [China](#) before switching to serve the domestic market. Global exporters of the fruit are not her direct rivals, but have prompted her to take notice of how the Thai durian industry is run. With Vietnam located closer to China and, in her view, having better quality control, Thailand could eventually fall behind.

Busaba visited Vietnam in September and witnessed many durian orchards that she said were expanding at a rate far beyond her expectations.

“Vietnam doesn't grow as much durian as Thailand but it never stops improving itself. There's so much room for the durian industry to grow in Vietnam while in Thailand everyone's competing with each other,” she said.

Thailand, the world's largest durian producer, has enjoyed almost unrivalled exports of the fruit to China since at least the early 2000s. Thailand's reputation as a top-quality durian grower enabled it to be the first country to export the popular-yet-pungent fruit to China.

In 2021, Thai durian exports to China grew at a record 68 per cent, with the country shipping more than 875,000 tonnes of the fruit.

Durians sell for staggering price of US\$345 per kilogram at a market stall in Thailand

Between February and June this year, more than half a million tonnes have been sent to the Chinese market, reportedly at competitive prices. This increase in shipments signals that there's been a positive response to Thai durians from Chinese consumers, despite mainland China's strict [Covid regulations](#) keeping the fruits stuck at the border – for two weeks or up to 30 days,” Busaba said – affecting their quality.

But at the same time, Vietnam and other Southeast Asian durian-exporting countries have been in talks with China in recent years, said Aat Pisanwanich, director of the University of the

Thai Chamber of Commerce's Center of International Trade Studies. And Vietnam is quickly growing as a major fruit trading partner for China thanks to its proximity and logistics networks.

In the third quarter of this year, the foreign trade volume of Chongzuo – a Chinese city on the border with Vietnam and the largest metropolis for import and export of border fruits trade in China – rose to 78 billion yuan (US\$11 billion), representing a year-on-year surge of nearly 50 per cent, according to a Xinhua report.

Vietnam's growers have an advantage because they can afford to pick durians for export later than in Thailand, said Thai academic and agriculture specialist Sakda Sinives, as Vietnamese shipments takes less time to reach China.

“Even without any clear difference in terms of taste ... the riper fruit from Vietnam will slowly attain higher prices from buyers, while the price of durians from Thailand will fall. This quality control issue is why Thai [durian production] will fall as farmers can no longer shoulder the costs,” Sakda said.

Issues of stiff competition – both regional and domestic – quality control, corruption and costs have long been brushed aside as Thailand's stinky fruit dominates the Chinese market. But Vietnam's entrance into the market of 1.4 billion consumers has put Thai growers on edge.

“Vietnam's durian harvesting season is from June to November, which is the same as the harvesting season of durians from Thailand's south,” said Wootichai Kunjet, president of the Thai Durian Association.

“Usually durians from the south dominate the domestic and export market after the end of the season for durians from the east of the country, but now produce from the south faces competition not only from other regions of Thailand but also Vietnam.”

Aat from the University of the Thai Chamber of Commerce said that Vietnam was still not in a position to directly compete with Thailand for durian exports as it produced only half of Thailand's 1.2 million tonnes in 2021. But there is the potential for Vietnamese growers to invest in [Laos](#) and [Cambodia](#) as both countries have trade privileges with China, which could lead to more competition in future.

Thai academic Sakda said that many buyers who operated in Thailand – more than a few acting on behalf of buyers from mainland China – have moved to Vietnam, lured to relocate by higher profit margins as a result of shorter shipment times, despite fewer farms having received export approval from China.

“There is also the possibility of fraudulent exports because buyers operating in Vietnam could export Thai durians under a Vietnamese banner [to send a higher volume of product],” Aat said, adding that traders could switch labels both ways.

In 2021, Thai authorities arrested a middleman who imported Vietnamese durians and labelled them as Thai products before exporting them to China. At the time, Vietnamese durians were reportedly priced at 70 baht (US\$1.95) per kilogram, half the cost of Thai durians.

This year, according to the Thai-based Krungthai Compass research centre, the price gap has closed. Aat said that this might result in a decrease in the market price of Thai durians as competition becomes more tense.

Despite the challenges, Sakda advised Thailand to start selling China more fresh-cut durians, which are often priced higher. “Thailand could expand global markets for durian export although nobody outside Asia actually eats durians. We should seriously, and scientifically, make it less stinky.”