



Vietnam-Asean Trade: Solutions for Vietnam's Import and Export

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ABSTRACT: This study carries out to analyze the current state between Vietnam and other countries in the ASEAN region. Research outcomes show that Vietnam's exports and imports with countries in the ASEAN region have increased during the study period. The expansion of trade activities is a good sign for exchange activities between countries. Based on that analysis, the study proposes several recommendations to expand further trade activities between Vietnam and ASEAN countries towards countries in the ASEAN region to become the main export and import market of Vietnam.

KEYWORDS: ASEAN, Trade, Vietnam

INTRODUCTION

In the current context of international economic integration deepening and widening, the trade between countries has become an inevitable trend. Countries will produce and export goods in which they have a competitive advantage and import products that cannot be manufactured or manufactured at a higher cost, exports and imports have brought benefits to the country.

International economic integration has opened up bilateral relations, multilateral relations between nations, countries and organizations. Participation in international economic relations has opened up opportunities for cooperation and promoted the socio-economic development of nations.

Association of Southeast Asian Nations (ASEAN) is one of the established organizations of Southeast Asian countries to carry out cooperative activities in all fields, especially in economic cooperation. The economic development cooperation aims to promote the general development of countries, opening up opportunities to promote the economic development of nations.

In 1995, Vietnam joined the Community of Southeast Asian Nations (ASEAN). The accession to the ASEAN Economic Community has brought about positive impacts on mutually beneficial development cooperation in many aspects, including Vietnam's economy. Vietnam joining ASEAN has also become an active member promoting cooperation relations of this region.

In the period 2017-2020, Vietnam has had positive results in trade, national cooperation of Vietnam and countries in the ASEAN region, especially, in 2017, Vietnam's export value to ASEAN countries was about 21680273 thousand USD, this figure rises to 23132373 thousand USD in 2020. Meanwhile, Vietnam also imported about 30466617 thousand USD from ASEAN countries in 2020. (Source: General Statistics Office of Vietnam).

The strengthening in trade between countries in the region in general and from Vietnam with countries in the region shows that trade activities between countries have brought great benefits. Besides, it is possible to see that the ASEAN region is one of the major markets and destinations for the imports and exports of countries.

This study designs to study the trade activities of Vietnam and other countries in the ASEAN region based on that analysis of the obtained outcomes to propose recommendations to contribute to the further development of trade exchanges between Vietnam and ASEAN countries.

RESEARCH METHODOLOGY

Data collection methods: Collecting the research data from the annual summary report of the General Statistics Office, exactly, those are data collected from Vietnam's import and export reports by country, territory, and industry by the General Statistics Office.

Additionally, the documents from specialized scientific journals are also used as a reference to carry out this research.

Data analysis methods: The collected data will be synthesized, descriptive statistics, comparative methods, and interpretation of research findings will be used by the writer to analyze the current status of trade between Vietnam and ASEAN countries.



FINDINGS

During the period 2017-2020, Vietnam's import and export value with countries in the ASEAN economic community tends to increase in both exports and imports, specifically as follows:

Table 1: The value of Vietnam's exports and imports to ASEAN in the period 2017-2020:

UNIT: 1000 USD

Years	2017	2018	2019	2020
The Export value	21680273	24736331	25208534	23132373
The Import value	28021438	31765512	32090510	30466617

Source: GSO

In 2017, Vietnam's exports to ASEAN countries reached about 21680273 thousand USD, this figure tends to increase during the study period and stands about 23132373 thousand USD in 2020. The expansion in the size of Vietnam's export value to ASEAN countries can see the position and role in the trade exchange of countries in the region with Vietnam.

For Vietnam's imports from ASEAN countries, in 2017, Vietnam imported from these countries about 28021438 thousand USD, this figure increased to 30466617 thousand USD

Vietnam's exports to ASEAN countries have different values, specifically as follows:

Table 2: Vietnam's export value to ASEAN by countries period 2017-2020

UNIT: 1000 USD

	2017	2018	2019	2020
Total	21680273	24736331	25208534	23132373
Brunei	21567	18464	66644	16634
Campuchia	2776140	3741122	4362051	4148965
Indonesia	2863610	3534882	3369228	2826064
Laos	524515	594654	700843	571745
Malaysia	4208977	4047830	3788844	3419382
Myanma	702957	702071	721347	633270
Philippines	2835375	3465251	3729658	3549565
Singapore	2961061	3138275	3197755	3049807
Thailand	4786070	5493782	5272163	4916941

Source: GSO

Vietnam has exported to the following countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, and Thailand. In which, Vietnam exported great value to Malaysia, Thailand, and Singapore with an export amount of 4208977 thousand USD, respectively; 4786070 thousand USD and 2961061 thousand USD in 2017.

Strengthening export to other countries has been implemented by Vietnam, besides exporting to traditional markets such as Malaysia or Singapore, by 2020, Cambodia has become a large market of Vietnam when exporting to this country 4148965 thousand USD, along with that, Thailand market still retains the advantage of being a large market of Vietnam when export, in 2020 Vietnam exports to Thailand 4916941 has the advantage of being a big market for Vietnam when export, in 2020, Vietnam exports to Thailand 4916941 thousand USD.

Besides exports, Vietnam imported relatively large from the countries in this region, namely:

Table 3: Import value of Vietnam from ASEAN by countries in the period 2017-2020

UNIT: 1000 USD

	2017	2018	2019	2020
Total	28021438	31765512	32090510	30466617
Brunei	51656	36669	177372	265554
Campuchia	1020606	963081	901315	1178432
Indonesia	3639836	4918104	5703430	5381804
Laos	368410	437096	461826	458135
Malaysia	5860216	7450336	7290973	6575176
Myanma	125336	157836	231513	219115
Philippines	1158751	1255520	1577407	1753727
Singapore	5301474	4523631	4091075	3669894
Thailand	10495153	12023239	11655600	10964780

Source: GSO

For imports, Vietnam is the largest importer of Thailand with an import value in 2017 of 10495153 thousand USD, while this figure tends to increase in 2020 when the import value is 10964780 thousand USD.

Vietnam imports the least from Brunei with an import value of about 51656 thousand USD in 2017, this figure rises to 265554 thousand USD in 2020. The improvement in the value of trade between Vietnam and Brunei has improved, showing a positive signal in the trade activities of the two countries.

Table 4: Value of some key export item from Vietnam to Asean

UNIT: 1000 USD

	2020	2019	2018
Iron and steel	2 302 926	2 515 286	19 539
Vehicles and spare parts	1 233 485	1 349 137	1 344 691
Computers and spare part	1 893 643	1 861 101	2 195 511
Other machinery, equipment and spare parts	1 860 900	1 860 806	1 780 350
Textile and garment	1 356 083	1 467 318	1 208 358
Rice	1 404 622	1 178 817	1 089 117
Cell phones and spare parts	1 477 321	2 322 510	2 899 246

Source: GSO

Vietnam exports products with national strengths to ASEAN countries, namely agricultural products and processed electronic components. These products have Vietnam's competitive advantages over other countries, and at the same time create Vietnam's advantages over similar goods of these countries.

In 2018, the highest export value of Vietnam to ASEAN countries was cell phones and components items with an estimated export value of about 2899246 thousand USD.

The Covid-19 pandemic has also greatly affected trade between countries, including Vietnam, and Vietnam's import and export activities with ASEAN countries have also experienced a significant drop.

Meanwhile, Vietnam imports some items from other countries as follows:



Table 5: Import value of some key products of Vietnam from ASEAN countries

UNIT: 1000 USD

	2020	2019	2018
Petrol/gasoline	1 866 826	3 034 064	4 573 296
Computers, electronic products and components	4 604 177	3 920 929	3 485 492
Other machinery, equipment, tools and spare parts	2 684 319	2 630 623	2 525 224
Other Base metal	1 077 965	1 169 291	937 361
Liquefied gas	99 630	104 624	149 532
Chemicals	1 051 358	1 012 224	1 194 543
Electrical household appliances and components items	1 192 815	1 259 898	1 212 541
Vegetable and animal oils and fats	796 762	632 352	653 189
Plastic materials	1 372 710	1 607 175	1 804 474
CBU cars	1 511 661	2 153 213	

Source: GSO

Vietnam imports commodities such as chemicals, gasoline, computers, and electronic products, CBU cars, plastic materials... from countries in the ASEAN region. These keys imported products are Vietnamese products that do not have strengths, imports benefit domestic consumption.

In 2020, Vietnam's highest import was computer products, electronic products, and components with an import value of 4 604 177 thousand USD, next by other machinery and equipment, tools and spare parts with an import value of about 2 684 319 thousand USD.

The Covid-19 pandemic has hugely affected the import and export of countries in the region in particular and countries around the world in general. Accordingly, goods of countries that have difficulty in exporting, importing goods for domestic service is also difficult.

CONCLUSION

Based on research on trade between Vietnam and countries in the ASEAN region, to be able to further expand import and export activities between countries in the region in general and to expand Vietnam's import and export activities to countries in the ASEAN region in particular, some suggested recommendations are as follows:

Firstly, improving production capacity, contributing to bringing into play the competitive advantages of Vietnamese goods, focus on agricultural products with various advantages, so that from there can export to countries in the ASEAN region more easily.

Second, Vietnam needs to create factors of economic competitiveness to change Vietnam's position concerning members in the region. Elements that form the competitiveness of an economy include: The infrastructure, technology level, the synchronization of the policy system, the financial and banking system. During the formation of these elements, it is possible to combine and take advantage of external factors such as capital and technology, immediately take advantage of the benefits of integration, and learn from the experiences of previous countries to shorten the time.

Third, improve product quality, focus on products according to international standards, and meet technical barriers and standards of these markets.

Fourth, it is necessary to study the characteristics of the markets of each country to meet the requirements of each market in terms of both traditions and tastes as well as religion.



Fifth, it is necessary to have long-term strategies and policies on bilateral and multilateral cooperation to create conditions for Vietnamese goods to access markets in the ASEAN region more smoothly.

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Cite this Article: Cu Thanh Thuy, Nguyen Ha Thanh Thao (2021). Vietnam-Asean Trade: Solutions for Vietnam's Import and Export. International Journal of Current Science Research and Review, 4(5), 425-429