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Making Markets Work Better for the Poor

Malica

Markets and Agriculture
Linkages for Cities in Asia

Supermarkets and the poor in Vietnam

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FOREWORD

By Alan Johnson and Dominic Smith, M4P

One of the most visible signs of globalization, urbanization and the increasing integration of economic systems is the rapid increase in the supermarket as the dominant form of food retailing throughout much of the world. The rise of supermarkets has resulted in the most rapid and large scale change in food purchasing and production habits in human history.

As Vietnam's economy grows rapidly, becomes increasingly urbanized and integrates further into the global economy, supermarkets are playing an increasingly important role in food retailing systems, and exerting a significant impact upon food production and distribution systems.

As the majority of the poor are concentrated in rural areas, and rely on agriculture for the majority of their earnings, it is inevitable that changes to food production, distribution and retailing systems will have an impact on their livelihoods.

The poor also represent a major consumer bloc in Vietnam. The poor spend a significantly higher proportion of their income on food than any other income group. Changes to distribution and retail systems for food have a strong potential to impact on the poor as consumers.

This book reports the results of the first large scale research into the impact of supermarkets in Vietnam on the poor as consumers, traders and producers. The research has been conducted as a cooperative venture between the MALICA (Markets and Agriculture Linkages for Cities in Asia) consortium and the Making Markets Work Better for the Poor (M4P) project.

Contents

Foreword 3

Chapter I:
Introduction and summary of main results 6

Part 1: Trends and policy on markets and supermarkets 30
Chapter II:
Summary of main findings from literature and study on supermarket development

Chapter III:
Trends & Policy on Markets & Supermarkets in Hanoi 42

Chapter IV:
Trends & Policy on Markets & Supermarkets in Ho Chi minh city 66

Part 2: Poor consumers' access to supermarkets 96
Chapter V:
Poor consumers access to supermarkets in Vietnam

Chapter VI:
Poor consumers' access to supermarkets in Hanoi 102

Chapter VII:
Price comparison between supermarkets and other distribution points in Hanoi 142

Chapter VIII:
Poor consumers' access to supermarkets in Ho Chi Minh city 150

Part 3: Poor suppliers' access to supermarkets 168

Chapter IX:
Poor suppliers' access to supermarkets: Summary of main findings from literature and study

Chapter X:
The Participation of the poor in off-season vegetable value chains to Hanoi 184

Chapter XI:
The Participation of the poor in litchi value chains to Hanoi 225

Chapter XII:
The Participation of the poor in flavoured rice value chains to Hanoi 263

Chapter XIII:
The Participation of the poor in vegetable chains to Ho Chi Minh city 292

List of acronyms

AVRDC	Asian Vegetable Research and Development Centre
CIRAD	Centre de coopération internationale en recherche agronomique pour le développement
DARD	Department of agriculture and rural development
DSA	Département des Systèmes Agraires
DVC	Distribution Value Chain
FAMA	Federal Agricultural Marketing Administration
FAO	Food and Agriculture Organisation
PIB	Produit intérieur brut
GDP	Gross Domestic Product
GSO	General Statistics Office
HCMC	Ho Chi Minh City
IOS	Institute of Sociology
ICARD	Information Centre for Agriculture and Rural Development
IFPRI	International Food Policy Research Institute
IPM	Integrated Pest Management
MARD	Ministère de l'agriculture et du développement rural
NIN	National Institute of Nutrition
ONG	Organisation non gouvernementale
PSO	Provincial Statistics Office
PNUD	Programme des Nations Unies pour le développement
RIFAV	Research Institute on Fruits and Vegetables
SM	Supermarket
SUSPER	Sustainable Periurban Agriculture
VASI	Vietnamese Agricultural Science Institute
VAT	Value added tax
VLSS	Vietnam Living Standard Survey
VND	Vietnam dong

CHAPTER I

INTRODUCTION AND SUMMARY OF MAIN RESULTS

Paule Moustier, Dao The Anh, Hoang Bang An, Vu Trong Binh,
Muriel Figuié, Nguyen Thi Tan Loc, Phan Thi Giac Tam

ABSTRACT

This study assesses conditions for an increased involvement of the poor in food value chains driven by supermarkets and other value-adding outlets. The trends of different distribution chains were analysed through the gathering of secondary data. Surveys on poor consumer's access to different retailing points were made in Hanoi, Ho Chi Minh City and Moc Chau, as well as comparison of prices between the different points of sale in these cities.

Four case studies investigated poor farmers and traders participation in distribution value chains:

- Vegetables for Hanoi from Soc Son district and Moc Chau district;
- Vegetables for Ho Chi Minh City from the outer urban area of Cu Chi district, and from Duc Trong and Don Duong districts in Lam Dong Province;
- Litchi from Yen the district in Bac Giang province;
- Flavoured rice from Hai Hau district in Nam Dinh province.

In-depth interviews with stakeholders along the chains as well as a census of traders found:

- The patterns of horizontal and vertical coordination that link the poor to the markets;
- The distribution of costs and benefits between the farmers and the traders along the chains;
- The respective advantages and drawbacks involved in supplying different types of outlets;
- The employment implications of the different chains.

Markets and street vendors are still the major players in food distribution if you consider quantities sold, areas of sale, and employment. Yet supermarket numbers are increasing as a result of incentives from government that promote ideals of food safety and modernisation - in stark contrast to their negative response to street vending and informal markets.
Street vending and markets generate more employment by volume of business than supermarkets, particularly for the poor. They are also the main points of sale for poor consumers who rarely purchase in supermarkets because of the higher prices and inconvenient locations. This situation may change if prices in supermarkets decrease, which has already happened in the high-turnover supermarkets in Ho Chi Minh City.

Poor farmers have no direct access to supermarkets because of safety restrictions (for vegetables) and quantity and conditions of delivery (for all products) – however there are opportunities to be indirect suppliers of supermarkets by joining (or contracting with) farmer associations that already contracted to supply supermarkets.

Ten farmer associations trading as commercial shareholding entities are regular suppliers of supermarkets for selected products. Some

PART 1: TRENDS AND POLICY ON MARKETS AND SUPERMARKETS

CHAPTER II:

SUMMARY OF MAIN FINDINGS FROM LITERATURE AND STUDY ON SUPERMARKET DEVELOPMENT

By Paule Moustier (CIRAD)

ABSTRACT

The global expansion of supermarkets has been extensively reported over the last decade, and while anticipated lower costs for consumers can be viewed as a positive outcome, the potential for job losses and the tendency toward oligopsonies imply a more negative effect.

The regulation of supermarkets via good business practice codes and by promoting alternative, more poor-friendly distribution chains is advocated by some authors to limit the negative implications associated with supermarket development.

Data collected from 2000 - 2004 in Vietnam has shown a 17% annual growth of supermarkets in Ho Chi Minh City and a corresponding 14% growth rate in Hanoi. This especially applies to the three leaders (Metro Cash & Carry, Coop-Mart and Big C) – and can be seen due to increased urbanization, growing purchasing power, and related effect from the demand for big ticket consumer goods such as cars and refrigerators.

However traditional city markets are still the major players in terms of direct and indirect employment - with markets employing more people than supermarkets for the same unit area, while their food share is estimated to be between 85 and 99% depending on the type of product.

In Vietnam's two largest cities policies have favored the centralization of food distribution via planned wholesale and retail markets; incentives for private investment in supermarkets; and planned cessation of street vending and informal markets. The main rationales underlying these policies are facilitating traffic conditions, monitoring food safety, and the desire to modernize urban ares.

OBJECTIVES AND METHODOLOGY

The objective of Component 1 "Assessing trends and policy on markets and supermarkets in Vietnam" is to review the trends and the effects of policy on these trends. It is based on a literature review at the international level, as well as the review of material and interviews of policy makers in various administrations, such as the Departments of Trade in Hanoi and Ho Chi Minh City.

INSIGHTS FROM LITERATURE ON FOOD DISTRIBUTION MODERNISATION

The fast development of supermarkets around the world has been extensively reported in the last decade, particularly by Reardon and Berdégué (2002) for Latin America, and by a recent workshop organised by FAO in Malaysia on the Asian context (Shepherd, 2004).

Supermarkets were established in the 1930s in the United States and quickly spread to

Europe, - England, France and Germany. In Latin America, where poverty affects 40% of the population, supermarkets experienced rapid growth in the 1980s, spreading from major cities and the wealthier areas to medium-sized towns, in both middle class and working class areas.

Their share increased from 10-20% in 1990 to 50-60% in 2000 – an evolution which required fifty years in the United States (Reardon and Berdegué, 2002).

In Guatemala, the poorest country in Latin America, supermarkets increased in number from 66 in 1994 to 128 in 2002, and were selling 35% of total food sold in retail outlets in 2002 (versus15% in 1994).

In Asia, the first supermarkets emerged in the 1990s and it is reported that Malaysia is the most advanced in terms of supermarket development (Shepherd, 2004). In China supermarkets have had a meteoric rise with annual growth rates of 40% in number and 80% in sales (Zhang, Yang and Fu, 2004).

The fast development of supermarkets all over the world can be interpreted from a number of perspectives:

- A positive approach of food modernisation benefiting all actors in the chain;
- A negative approach considering the injection of foreign capital in the economy that may come at the expense of local actors; chain literature where innovative distribution
- A more balanced approach considering the impact of supermarket development on all actors in the chain.

In Vietnam, supermarkets are seen as having a positive impact by public officials and international experts. This study examines the conceptual basis for this interpretation.

The idea of modernisation of food distribution as a positive innovation has been summarized by Hagen (2002) (see also Figuié and Truyen, infra). It is also conveyed by some authors working on food value chains, e.g Goletti (2004). The focus is on value-adding activities such as: investments in shelf presentation (packaging, storage); advertising; transport infrastructures; selection of suppliers according to criteria of quality; and regularity (see Table14). These activities combined with economies of scale add value to food distribution when compared, to more traditional retail outlets selling uniform, undifferentiated products. (Goletti, 2004). According to Hagen (2002), among the main features of retailer's innovation is self-service, together with prepackaging to prevent damage to products caused by handling. Mass distribution enables economies of scale and increased market power - both drivers for cost reduction.

Hagen suggests that most of these innovations reduce costs, so if they are not automatically adopted by the private sector, it is mostly because external impetus is lacking.

Technical change	Management change
Pre-packaging and self-service Scanning cash registers Other innovations for consumers' convenience: Air conditioning, automatic doors, lightning Freezers, conveyor belts, adjustable shelves	Mass volume distribution Retailer labelling (rather than manufacturing labelling) Product assortment Market research

Table 14– Characteristics of retail innovation according to Hagen (2002)

Hagen distinguishes technical innovation, i.e., packaging, and institutional innovation, where he refers to self-service, product assortment and retailer labelling, but this terming is not much appropriate, the term "institutional innovation" is rather used by economists to refer to changes in relations between stakeholders. What he refers to as institutional innovations could rather be termed as management innovations.

Berdégué (in KIT/RIMISP/IIED2004) mentions four categories of changes brought by supermarkets: (i) technological; (ii) managerial (capacity to keep records for examination by certification agencies); (iii) financial (for investments); (iv) organisational.

However this may be a naïve interpretation. Innovations occur when costs are cut relative to the same amount of output. Innovations are rarely neutral relative to factors of production, they are generally biased in favour of capital. A useful distinction is between capital-saving and labour-saving technology, and also between scale neutral and scale biased technologies.

In labour-saving technologies (including all kinds of mechanisation), it is the labour costs that are decreased, while capital costs increase; these usually come together with scale-bias, when resources used are barely divisible (Ellis, 1988).

Most of the innovations listed by Hagen involve quite substantial capital investment, some require reduced labour, i.e. self-service, mass volume distribution, scanning cash registers. Some transfer activities from traders to consumers (this is the case with self-service or from traders to employees (cash registers); or from traders (and consumers) to farm enterprises (pre-packaging, processed food). As food retailing has very high labour costs relative to profits, modern retailers, e.g. Wal-Mart have paid a lot of attention to managing labour costs and increasing productivity (Fox and Vorley, 2004.)
It can also be argued that supermarket transfers transport costs and time to consumers when compared with street vending, as consumers need to pay for transport to go to supermarkets – pushing them to buy as many items as possible at the same time.

The problem with reduced need for labour and scale biased innovations is that they have a negative impact on employment of the poor, and that they may be less appropriate to Vietnam where labour is in excess supply than capital-saving or neutral innovations (unless massive credit programs focusing the poor are launched).

A major challenge for poverty reduction may be indeed to develop capital-saving and scale-neutral innovations. It may be found that the flexibility of street vending that is able to reach the consumers in a decentralised way, actually saves costs for the consumers compared to more centralised distribution patterns like supermarkets.

Supermarket development around the world is generally concentrated to a few companies. Economies of scale and higher sales help deliver lower unit costs and greater net margins. This allows investments in facilities and an overall reduction in prices to the consumer - but potentially leading to a "spiral of supermarket growth" (Burt and Sparks, quoted by Fox and Vorley, 2004). Carrefour, Ahold, Wal-Mart and Tesco, the four biggest retailers had sales of 520 billion USD in 2003 and employed 2,5 million people (Fox and Vorley, 2004). Oligopolies may be detrimental in the long run for consumers as well as suppliers because they reduce choices of outlets and leave suppliers with "take it or leave it" conditions. Even wholesale markets can no longer play a role in competitive access to markets as their role is increasingly confined to a residual, low quality market.

The policy options recommended by Reardon and al (2002) include the following:
- Examine the potential opportunities brought by supermarkets in terms of broadening consumption markets
- Assist small-scale farmers with training and credit to reach quality and volume standards
- Promote competition within the retail sector, by helping shops to improve quality of services
- Promote good business practices on both sides; for instance, a law was passed in Argentina in March 2002 to impose payment within 30 days. A similar measure was approved in France in 2001, with a penalty of 76 225 euros.

The French law also encompasses a series of measures to deter excessive discounts imposed by supermarkets on their suppliers. But lack of specification makes it difficult to enforce (Taillez, 2002). The same has been reported for England by Fox and Vorley (2004) pointing out the growing nature of listing fees (charging for shelf space for new products), supplier rebates (discounts based on the amount ordered or the time it takes to sell an amount of product) and over-riders (supplier gives back a percentage of sales if a certain annual level of business is achieved). The code of practice dictated by the Department of Trade and Industry in March 2002 has not been applied by supermarkets, as there are no sanctions attached to non compliance. "Those aspects of sustainability that do not resonate with most consumers - fall into a governance gap that is simply not addressed by the current mode of self-regulation of supermarkets" (p. vi); the government has to regulate supermarkets because they are driven by the markets but the market does not remunerate certain public goods that may be jeopardized by the fierce competition between supermarkets for cost-cutting: this is the case with the terms of trade with primary producers; and the regional sourcing, that are components of sustainability that cannot be charged to the individual consumers, but rather should be the object of government regulation (while the cost of environmental and public health can be to some extent transferred to the consumer) .

At the moment European supermarkets benefit from a high level of public acceptance because they appear as customer-driven, instruments of low inflation and an image of high employment. But the focus on consumer value may lead to a danger of crowding out the interests of some other stakeholder groups. Hence even if supermarkets may be seen as positive drivers towards quality requirements, the risk is that the cost of these improvements are increasingly transferred to the suppliers. "The key challenge is to ensure that the gatekeeper role that supermarkets play within the food system is used to drive positive change, rather than pass responsibility on to other less powerful actors" (Fox and Vorley, 2004, p.31).

SUMMARY OF STUDY MAIN FINDINGS

A. Food outlets are diverse

The following distribution outlets can be derived from an inventory of retail places selling food in Hanoi and Ho Chi Minh City:

- Supermarkets: the present definition for Vietnam is diversified shops of more than 500 m² (or specialised shops of more than 250 m²), characterised by self-service, and services e.g. parking areas, guards.

- Shops: shopping area of less than 500 m², with walls and cover; in Ho Chi Minh City it is possible to distinguish family shops and convenience shops, usually in chains (like Co-op shops)
- Formal markets: markets planned by the state (covered or half-covered), with a management board.
- Informal markets: markets not planned by the state (held in the open air); these include permanent and spontaneous mobile markets (which are also called toad markets).
- Among market stalls, it is possible to distinguish open-air markets (or wet markets) and covered markets .
- Informal street stalls: individual stalls held in the street, with a table and sometimes under cover.
- Mobile street vending: vendors selling from baskets or motorbikes, moving from one place to the other, sometimes grouped together to sell on the street.

B. Markets remain major players

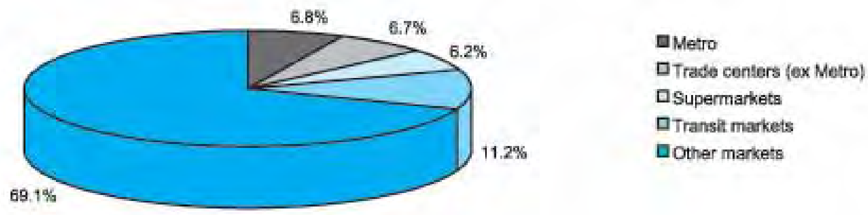
1. In terms of area

In July 2004, there were 136 markets in Hanoi including 5 wholesale markets and 131 retail markets, with a total area of 551,756 m² and totaling 25,464 traders; while supermarkets and trade centers (using the terminology of Department of Trade) accounted for 135,020m². Markets in Hanoi in 2004 account for 80% of the total area of sales (the total area considered does not include street vending, nor shops) (See Figure 6).

2. Employment

Markets provide 9 times more employment than supermarkets in Hanoi. From data supplied by the Hanoi Department of Trade in June 2004, it was estimated that around 29,211 traders worked in wholesale and retail markets in Hanoi, while supermarkets, trade centers and Metro Cash & Carry (which can be summarized as modern distribution) employed 1,917 people stocking shelves (including 557 for food products).

Figure 6- Distribution of Hanoi markets and supermarkets in terms of sale area (June 2004)



- Source: Hanoi Department of Trade in Hoang Bang An, infra
- The category "supermarkets" includes all shops terming themselves as supermarkets and usually higher than 200 m².
- The total area considered here does not include street vending or shops.

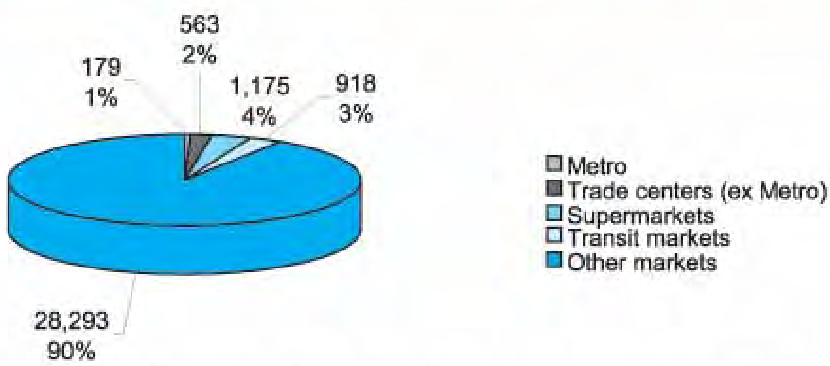
In Hanoi, 89% of supermarkets sell food, and food area accounts on average for 32% of the total business area (the median is 32, the minimum is 2,5, and the maximum is 49,5). In Metro Cash & Carry, the food area accounts for 47% of the total business area (Hanoi Department of Trade, 2004).

These figures include regular employed people working in the trade and not the indirect employment generated by supermarkets and markets, and excluding irregular users of markets like farmers and handicraft workers.

In 2000 it was estimated that 17,645 people were employed in market administration in Vietnam; with an average of 5 staff per market totaling 665 employees for the 133 Hanoi markets (that is 2.3% of indirect employment); using the same figures for 2004 would give a total number of people employed in markets to be 29,876, compared with 3716 for modern distribution.

Table 15 and Figure 7 - Employment numbers in supermarkets and markets in Hanoi

	With available data		With extrapolated data	
	Store	Total	Store	Total
Metro Cash & Carry	179	314	179	314
Trade centers (ex Metro Cash & Carry)	210	393	563	1053
Supermarkets	1116	2231	1175	2348
Total modern distribution	1505	2938	1917	3716
Transit markets	918		918	918
Other markets	25383		28293	
Total in markets	26309		29211	



Source: data of Hanoi Department of Trade, June 2004 (see Hoang Bang An, infra), on number of employees (for supermarkets) and number of traders (for markets) – As some data is missing for some markets and supermarkets, the total number of employees (for supermarkets) and traders (for markets) was estimated by using the available data and estimating the missing data by extrapolating considering the share in terms of size of the supermarket or market – The supermarkets and markets for which there is missing data represent less than 10% of the total.

	Supermarkets (*)	Markets	Total supermarkets + markets
Direct employment	1917	29211	31128
%	6.2%	93.8%	
Direct +indirect employment	3716	29876	33592
%	11.1%	88.9	

Table 16- Total employment in markets and supermarkets

(*): including Metro Cash & Carry

	Supermarkets (*)	Markets	Total supermarkets + markets
Direct employment	923	13145	14068
%	6.7%	93.4%	
Direct +indirect employment	1015	13444	14459
%	7.1%	92.9%	

Table 17 - Employment in markets and supermarkets (food)

(*) including Metro Cash & Carry; for markets we estimated that the share of food vendors relative to non food vendors is 45%, considering the data of JICA (1998) -

	Average number of employed persons /100 m² of total space		Average number of employed persons /100 m² of business space	
	Total	Store	Total	Store
Metro Cash & Carry	0.67	0.38	2.87	1.64
Supermarkets except minimarts	5.28	2.53	5.98	2.86
Minimarts	9.62	5.40	10.36	5.81
Markets		5.95		

Table 18- Comparison of employment by various sale points in Hanoi

Source: data of Hanoi Trade department, June 2004 (see Hoang Bang An, infra), on number of employees (for supermarkets) and number of traders (for markets)

	With available data		With extrapolated data	
	Store	Total	Store	Total
Metro Cash & Carry	84	148	213	562
Trade centers (ex Metro Cash & Carry)	120	84	120	353
Supermarkets	280	562	353	654
Total modern distribution	484	557	923	1015

Table 19- Estimated employment in food distribution in Hanoi

Source: data of Hanoi Department of Trade, June 2004 (see Hoang Bang An, infra), on number of employees, and share of food area in total.

In Ho Chi Minh City, data is only available for 2002 and shows the total of people employed and the retail area: it states a total of 5,408 were employed, in a total area of 330,254 m².

The number of people employed by supermarkets and trade centers in 2002 (5408 people) only represent 0.03% of the total number of people employed in trade in Ho Chi Minh City estimated by HCMC People's Committee (158,302 people, including 61,826 in the food trade). Considering the sales area of supermarkets and trade centers, it gives an average of 1.64/100 m², 1.08/100 m² for trade centers and 2.99/100 m² for supermarkets. On the other hand, employment by markets represents 98,148 in December 2002, representing 19 traders/100 m². In this estimation, only formal markets are taken into account.

Cadilhon (2005) estimated that a maximum of 2.9 workers were employed in the marketing of 1 ton of tomatoes by traditional wholesale business while Metro Cash & Carry employs 1.2 workers per ton. Other estimates will be provided in C3 component for vegetables. These figures tend to confirm that supermarkets and trade centers create less employment than markets due to the use of labour-saving technologies.

3. Food share

Figures given by Hagen are that the retail food share of supermarkets was 1% in 2002 and 2% in 2004 throughout the country, which is far less than the share in total retail distribution, estimated at 10% in 2004 and 15% in 2005 by an unquoted source given by Vietnam Investment Review of 13-03-05 (the total being 24 billion USD in 2004 and 28 billion USD in 2005, with an estimated growth by 14% annually until 2010). An estimation provided by supermarket managers interviewed by Caldihon is that the share of modern retail distribution in HCMC is 7% for fresh food in 2002. Another estimation provided by Cadilhon (2005) is that 70 tons per day of tomato go through wholesale markets while Metro Cash & Carry sell one ton and retail supermarkets around 250 kg/day of tomato - which means that only 0.6% of tomato is sold by modern retail distribution in Ho Chi Minh City (figures for 2004). For vegetables in Hanoi, the share of supermarkets in vegetable sales is a little less than 1% (see Son and al, infra).

In Ho Chi Minh City only 16 supermarkets out of 36 (i.e. 44%) were selling fresh food in 2004, while 32 were selling prepared food (Cadilhon, 2005).

In Hanoi, out of a total of 55 supermarkets, 38, i.e. 60% were selling food in 2004 (from data of Hanoi Department of Trade in Hoang Bang An, infra).

In 2002, 14 (21) supermarkets out of 32 (38), i.e., 43% (55%), were selling fresh vegetables in Hanoi (Ho Chi Minh City) (Loc, 2003). Yet the share of food in sold commodities is growing fast in Ho Chi Minh City (see Tam and Loan, infra).

C. Supermarkets are developing fast

The official definition of supermarkets dates only from June 2004 (the main criterion is size, more than 250 m² for specialized supermarkets and more than 500 m² for general supermarkets; other criteria include number of products and presence of toilets). Before this date, the Department of Trade registered the number of establishments calling themselves supermarkets, which were commonly more than 200 m². Using this definition, the number of supermarkets appeared to increase quickly between 1990 and 2004 (17%/year in Ho Chi Minh City and 14%/year in Hanoi between 2000 and 2004), to reach 55 supermarkets in June 2004 in Hanoi (plus 9 trade centers, including Metro Cash & Carry) and 71 supermarkets in Ho Chi Minh City in 2005 (See Table 20 and Figure 8).

Year	1990	1993	2000	2001	2002	2004	2005
Hanoi	0	3	25	32		55	
HCMC	0	0	24	38	46		71

Table 20- Trends in supermarket numbers

Source: Department of Trade collected by Hoang Bang An (RIFAV) and Le Thanh Loan (Nong Lam University), by using the census of this department, that considered the number of establishments calling themselves supermarkets, 90% of those were more than 200 m² - The figures do not include supermarkets located in trade centers.

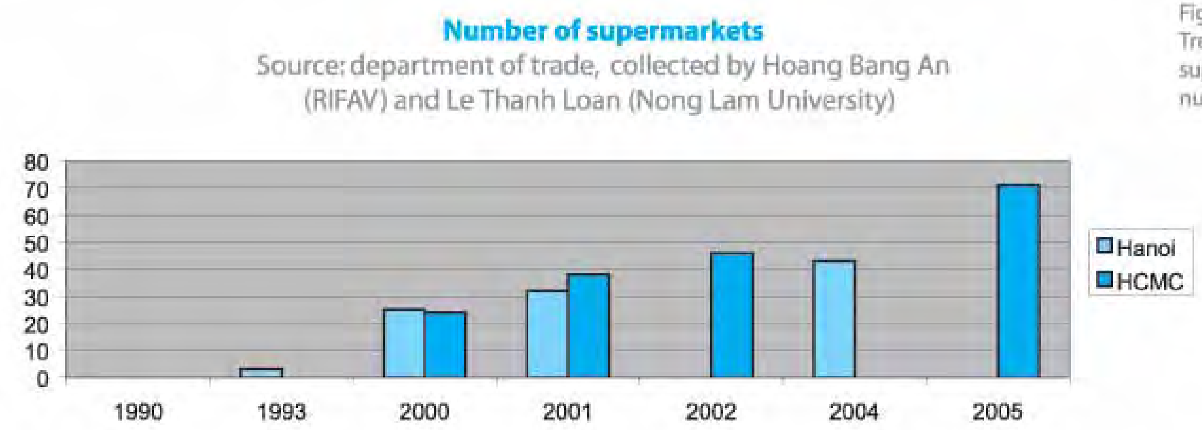


Figure 8- Trends in supermarket numbers

The rate of development is especially fast for the three leaders, Metro Cash & Carry, Coop Mart and Big C, with the expansion of 25 to 30 Coop Mart centers planned before 2008. (Saigon Times, 06/03/2004). The growth rate of Coop Mart in terms of number of shops has been 39% per year from 1996 to 2004, and is estimated to be consistent until 2008, to reach 50 shops. The rate of growth of revenue of Coop Mart is estimated at 25% per year (from 1.5million USD to 66.6million USD) (source: Saigon Times, 06/03/2004). As for Metro Cash & Carry, 8 shops are projected in 2008, compared with 3 in 2002, i.e. a growth rate of 28% per year (Vietnam Investment Review: 24.10.2004). Big C plans 3 more hypermarkets in Hanoi in the five next years (source: Economic Department of French Embassy).

The determinants of supermarket development as presented by Reardon and Berdégué for Latin America are also relevant for Vietnam:

- Increased urbanisation: Although the urbanisation rate in Vietnam (25% in 2002) is lower than the rest of South-East Asia (36%), the annual demographic growth rate is estimated to grow by 3,8% for the period 1998-2020 (Cour, 2001; Moustier, Dao The Anh and Figuié, 2003);

- Growing purchasing power: Especially in the cities which represent 40% of the value of the domestic food market (Figuié and Bricas, 2002). Food expenses per household have risen by 6.16% per year throughout the country between 1998 and 2002, from 111,000 to 141,000 VND/month (Figuié and Dao The Anh, 2004), while the rate in Ho Chi Minh City is 9.13% per year between 1995 and 2003 (9.3% between 2001 and 2003);

- Other related factors include the growing access of women to employment, growing access of households to refrigerators and cars: the access to refrigerators has increased by 6,89% per year in Hanoi and 8,00% in Ho Chi Minh City between 1993 and 2002 (from GSO household surveys): see Table 21 and Figure 9;

- Increased freedom for private local and foreign investment. This is especially the case for European Union stores since 2005 as a result of special trade agreements between Vietnam and European Union (Information of the French Embassy Economic Service in Vietnam);

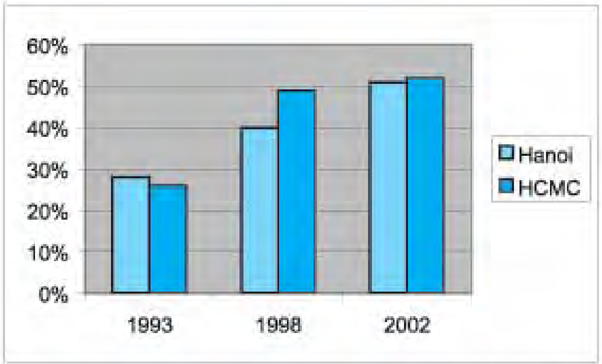
On a global level, multinational retail companies are under pressure to increase their scale of operation by diversifying their outlets outside Europe. Elsewhere food outlets have become saturated and further restrictions imposed for out-of-town retail developments.

In comparison developing countries are characterized as soft local competition, higher mark-ups on food, less restrictive local planning, with growing markets (Dries L. T. Reardon and J.F.M. Swinnen, 2004, quoted in Rondot and al, 2005) .

Table 21 and Figure 9 - Access to refrigerators in Hanoi and Ho Chi Minh City

	Hanoi	HCMC
1993	28%	26%
1998	40%	49%
2002	51%	52%

Source: GSO, VLSS, 1992-1993, VLSS 1997-1998, VHLSS 2002



As documented by Reardon and Berdégué in various countries, and is also observed in Vietnam, supermarkets were first established in central districts, then developed in suburban districts.

D. Foreign and local investors are involved

The three major players in the supermarket distribution of fresh food are:

1. Metro Cash & Carry, the German-owned supermarket chain, open since 2002; theoretically a wholesale distribution chain targeting retailers and restaurant owners – but increasingly visited by individual customers; it has 2 shops in Ho Chi Minh City, one in Hanoi, one in Can Tho, and has planned to have 5 more shops in 2006 (one in Can Tho, one in Hanoi-approved to open in 2005), one in Hai Phong, one in Ho Chi Minh City, one in Danang – source: Vietnam Investment Review, 24.10.04).

2. Big C, a French-Vietnamese venture, in Vietnam since 1999, with 3 trade centers in Ho Chi Minh City and one in Hanoi since January 2005 covering 6,500 m².

3. Coop-Mart, a Vietnamese company, a subsidiary of Saigon Coop Mart, which is under direction from the Vietnamese government, and involves public as well as private share-holders. It accounted for half modern food retailing in 2001 (Hagen, 2002) and had 13 supermarkets in 2004 (12 in Ho Chi Minh City, 1 in Can Tho)

Other Vietnamese supermarkets include Intimex (four supermarkets in Hanoi), Fivimart, Maximart. In relation with Hanoi Department of Trade, and under the leadership of Intimex, the Hanoi Supermarket Association was created in March 2005, with 17 of the 65 operators working on modern distribution in Hanoi as members, including Intimex, Vincom, Trang Tien, Seyu. Its main objective is to promote supermarkets and assist Vietnamese companies to comply with authorities .
In Hanoi, there is one joint-venture between a Japanese and a Hanoi food company, and in Ho Chi Minh City, there are 3 joint-venture operations.

It is planned that four big foreign companies will invest in modern distribution in Vietnam: Parkson (from Malaysia), which has obtained the license to open their first shop by July 2005 – with seven more planned for the five next years (Vietnam Investment Review of 09-01-05); Dairy Farm (from UK), Wal-Mart (USA) and Carrefour (France).

E. Policies are favoring food distribution centralization

1. Nature of policies influencing food distribution

Policies influencing the development of food distribution chains are:

1. Policies directly targeting market and supermarket development;
2. Policies on traffic;
3. Policies on food safety.

These policies are translated into documents at the government and at the city level.

2. Principles behind food distribution policies

Market development is considered important by local and national Vietnamese government to meet the objective of socio-economic development. The basic principles or values attached to market development as conveyed by official documents may be summarised as follows:

- The protection of food and environmental safety: this is expressed by the provision of infrastructures for traffic, drainage, sewage systems (Decree 02/2003/ND-CP) and is mentioned in the 2004 decision on supermarkets (1371/2204/QD-BTM);
- Development of "all types of trading", which includes markets, shops and supermarkets: (drawn from Decree 02/2003/ND-CP on market management and development);
- Modernisation and advanced civilization: this is expressed in Decree 02/2003/ND-CP).

3. Planning of food distribution centralisation

Guided by these principles, the major public intervention in the field of marketing has been the promotion of:

1) A network of planned peripheral wholesale markets. In Ho Chi Minh City, the former ten wholesale markets were to move to the outskirts of the city based on a decision of HCMC People's Committee in April 2003. The transfer of Cau Muoi market to Thu Duc district has already been implemented. In Hanoi, in 2004, Denlu wholesale market was created, and Mo wholesale market was declared illegal, with the traders asked to move to Denlu market. Long Bien market, the major wholesale market for fruit and vegetables will be de-commissioned by 2010. The prohibition of vehicles over one ton has been enforced in Ho Chi Minh City since October 2003.

2) The eradication of informal markets and street vending. In Ho Chi Minh City this relates to 125 informal markets planned to be cleared from 2005 to 2010. In Hanoi, 188 informal markets were scheduled for clearance between 2002 and 2005. The Decrees on traffic law dating from February 2003 states that street vendors are subject to penalties ranging from 20,000 to 40,000 VND.

Yet there is no mention of how the "eradication of illegal trade" will be implemented. Although interviews with traders suggest a combination of injunction, financial sanctions and physical threats by the police. There has been no process described in official documents for negotiation with traders, and as a result new wholesale markets tend to be under-utilised (this is the case with Xuan Dinh market); in Ho Chi Minh City delays in traders transfers caused a temporary food shortage. The impact of the relocation of wholesale markets on food cost and traders livelihoods should be further examined.

The public authorities have so far provided a positive response to authorities towards supermarket development, as it is seen to encourage both economic development, and food and environmental safety, and move Vietnam toward a more modern society. The Ho Chi Minh City People's Committee has approved a plan for 15 new supermarkets between 2005 and 2010, which has been followed by a government call for investment (see Tam and Loan, infra).

No mention however has been made on the potential impact on poverty and employment, or if there will be provisions for restricting the development of supermarkets to sustain current distribution points. These issues are seen as the jurisdiction of city and provinces trade services and the location for building supermarkets has to be in line with the plans of local administration. The development of a modern distribution system indeed is still limited and it may be too early to implement a policy to restrict development.

In Malaysia for example, hypermarkets are not allowed to operate within a radius of 3.5 kilometers from housing estates and town centres, and the respective authorities may determine a suitable distance for areas within its jurisdiction, and make an impact study on existing local retail businesses in the vicinity prior to an application being considered (Saimin, 2004). In China it is mentioned that in one neighborhood in the west of Chengdu, five hypermarkets are competing with each other within a radius of 5 km which highlights the need for good urban planning (Zhang, Yang and Fu, 2004).

F. Policies on food safety and centralised distribution are related

Food safety has been a major concern for Vietnamese central and local governments and has led in particular to the 'safe vegetable' programs launched by the DARD of Hanoi and Ho Chi Minh City in the 1990s. These involved training, control, labeling and marketing of vegetables produced using IPM procedures in selected areas.
As supermarkets and convenience shops place food safety as their first criteria of choice of suppliers, this policy helps increase the confidence held by supermarkets and other retailers in domestic suppliers.

Supermarkets have also collaborated with the government to support quality assurance efforts, e.g., Metro Cash & Carry collaborates with the Ministry of Trade to enhance food safety with the support of GTZ. Supermarkets are considered by local authorities to contribute to food safety, through improved storage and availability of conveniences such as toilets. Finally, cleaning and quality control are taken to be easier in permanent markets than in congested informal markets.

Yet the enforcement of food safety issues has been haphazard and uncoordinated (see Son and al, infra and Tam and Loan, infra). The Ministry of Health has official responsibility for foodstuffs control, in collaboration with other relevant Ministries such as Industry and/or Agriculture (see ordinance on hygiene and safety of foodstuffs, standing committee of national assembly, n°12-2003-PL-UBTVQH11. In Hanoi, food quality control by the Department of Health is provided twice a year, during the month of food safety. What officials do with the results is unclear. In Ho Chi Minh City, quality assurance controls are mostly limited to the stalls, shops and supermarkets displaying food safety labels (Phan Thi Giac Tam, personal communication). Control of vegetable production is of the responsibility of the Department of Plant Protection of the city (both for Hanoi and Ho Chi Minh City) but is only enforced for farmers groups involved in safe vegetable programs conducted by the DARD of the city and/or possibly in collaboration with foreign aid projects.

G. Policies have mixed results

In terms of market development, there are indicators of inefficiencies of marketing facilities, e.g., in Ho Chi Minh City in 2003, a total of 57% of formal markets were not operating efficiently. 24% were in excess while 33% were under-utilised. In Hanoi, Xuan Dinh wholesale market, built in 2002 is still under-utilised. This may reflect poor urban planning where the location, size and cost of markets have not been negotiated with traders.
As for the informal markets and street vendors, the attempts to reduce this type of trade have not been enacted with policies of social integration. These vulnerable groups may include farmers trying to supplement their incomes and women trying to support a family (see Son and al, infra).

In conclusion, food policies have been implemented using the principles of complementary trade (markets, supermarkets and shops), the improvement of food safety, and the reduction of traffic congestion, these can all be considered as positive developments in the context of Vietnam; yet there is no specific policy targeting the employment problems created by the eradication of informal markets and street vending, and by the continuous expansion of supermarkets.

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CHAPTER III

TRENDS & POLICY ON MARKETS & SUPERMARKETS IN HANOI

By Hoang Bang An and Nguyen Thi Tan Loc (RIFAV)

CONTEXT AND OBJECTIVES

Since the introduction of 'doi moi' or 'renovation' period twenty years ago, Vietnam's government has concentrated on developing domestic and export markets and introducing a number of policies aimed at reducing poverty.

However, poverty is still widespread particularly in rural areas. According to Mr. Dao Quang Vinh - Vice director of the Institute of Labour Science and Social Affairs, "At present there are 90% of the poor living in the rural areas, where the informal economic sector is still dominant (Enterprise Forum Magazine No 45 - 6/9/ 2004).

Although much larger, the informal sector is tightly bound to the formal sector. (LS Cao Ba Khoat - Enterprise Forum Magazine No 45 - September 06, 2004). Both sectors are dominated by family or individual enterprises. At present the small business sector consists of 3 million companies out of which 5,500 are government, 120,000 are registered as private, 2,5 million are individual households and 864 are non-agricultural co-operatives ("Officialising Private Zone in Vietnam" extending market for individual households - Enterprise Forum Magazine No 45 - September 06, 2004).

It is often accepted that supermarket development can generate a lot of income opportunities in the supply chain in answer to consumer's demands, but this may be at the risk of exclusion of the poor – both as producers or consumers.

In this paper, we will analyze the actions of the government in the field of food marketing, and the impact on the development of supermarkets compared with other forms of food distribution. We will also assess the current situation and trends of the various food distribution chains in Vietnam.

METHOD

The information has been obtained by two methods:

1. Interviewing key informants in administrations related to statistics and trade:
- Ministry of Trade (domestic market policy department)
- Hanoi Trade Department
- General Statistics Office

2. Reviewing key official documents issued by relevant administrations (see list in Appendix)

TRENDS AND POLICIES ON MARKETS AND STREET VENDING

A. Uneven balance of markets

The development of market places in the past few years has helped to meet the demand for locally produced goods. Boards administrating individual markets have played an important role in ensuring the government's policies for having a variety of goods available in the markets. In most provinces and cities, administrations have placed high value on planning and building markets. However, there has not been a unified investment policy for building markets. The number of new markets has increased in the past years but the locations have been haphazard and mostly located in the rapidly growing economic areas, with only few small-scale markets operating in mountainous less developed areas. The distribution of market places in Vietnam is indicated in Table 1.

The highest density of markets is in the North-East area, while the lowest is in the North-West area and Central Highlands, i.e. mountainous areas.

Table 22- Distribution of markets in the country

	Number of markets	Number of markets / 10,000 people	Number of market / 10 km2	Number of markets / commune
Country	8'213	1.07	0.2	0.8
Red river delta	1'642	1.1	1.3	0.6
North-East area	1'291	1.2	2.2	0.6
North-West area	227	1.0	0.1	0.4
North of the Center	1'170	1.2	0.2	0.7
Central coastal area	898	1.4	0.3	1.1
Central Highlands	224	0.8	0.1	0.5
South-East area	1'141	0.8	0.3	1.1
Mekong delta	1'619	1.0	0.4	1.2

Source: General Statistics Office (23/8/2000)

B. Numerous small markets

In Vietnam

Decree No 02/2003/ND-CP of the government related to market development and administration (clause 3) stipulates the standards for market types along the three following categories:

- Type 1: markets with more than 400 traders. These markets are permanent markets. They are located in the important commercial centers of the cities and provinces, or they are key-markets in the distribution of a specific commodity chain. They are used regularly by traders. They must have an area big enough for all services, e.g., parking, loading, storage, weighing and quality assurance.
- Type 2: markets with more than 200 traders. These markets are covered or at least half-covered.They are located in centers of economic exchange. They are used regularly or irregularly. They have appropriate area for their activities and for minimal services such as parking, loading, storage and weigh stations.
- Type 3: markets with less than 200 trading points, uncovered. This type of market is mainly for trading goods in response to the demand of the people in the commune or surrounding areas.

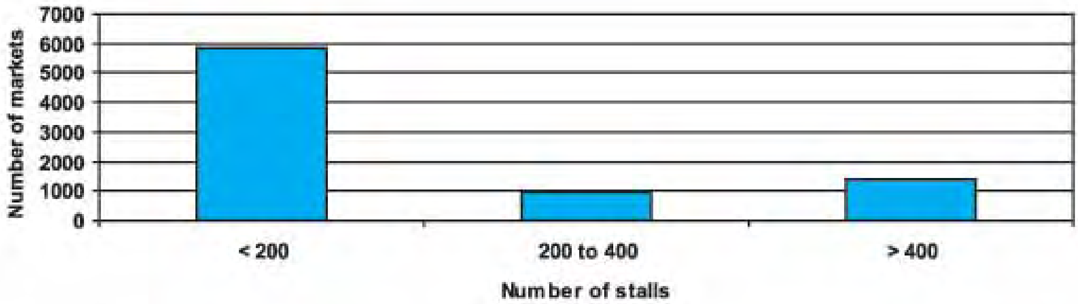
Vietnam has numerous small market-places as indicated in Table 23, Figure 10 and Figure 11: more than 70% of markets have less than 200 traders (this percentage reaches 75% in the countryside, while it is around 60% in cities). Other data, along different categories of size, are given by the Ministry of Trade: they show that around half markets have less than 100 traders (39% in cities, 50% in the countryside), and less than 10% have more than 500 traders (15% in cities and 5% in the countryside).

Table 23 - The size of market places in Vietnam in 2000

Size of markets	Total	Cities		Countryside	
	Number of markets	Number of markets	Percentage %	Number of markets	Percentage %
Total number of markets	8'213	1'959		6'254	
Markets of type 1: more than 400 traders	1'380	555	28%	825	13%
Markets of type 2: 200 - 400 traders	981	244	12%	737	12%
Markets of type 3: less than 200 traders	5'852	1'160	59%	4'692	75%

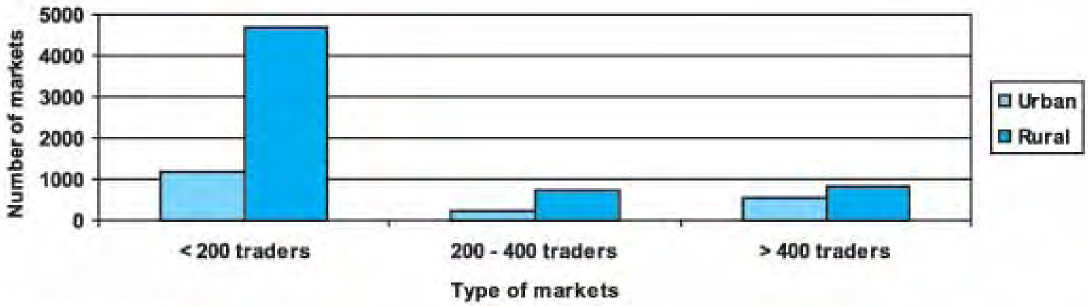
Source: GSO, 2002

Figure 10 - The size of market places in Vietnam in 2000



Source: GSO, 2002

Figure 11 - Type of markets in urban and rural areas



Source: GSO (2002)

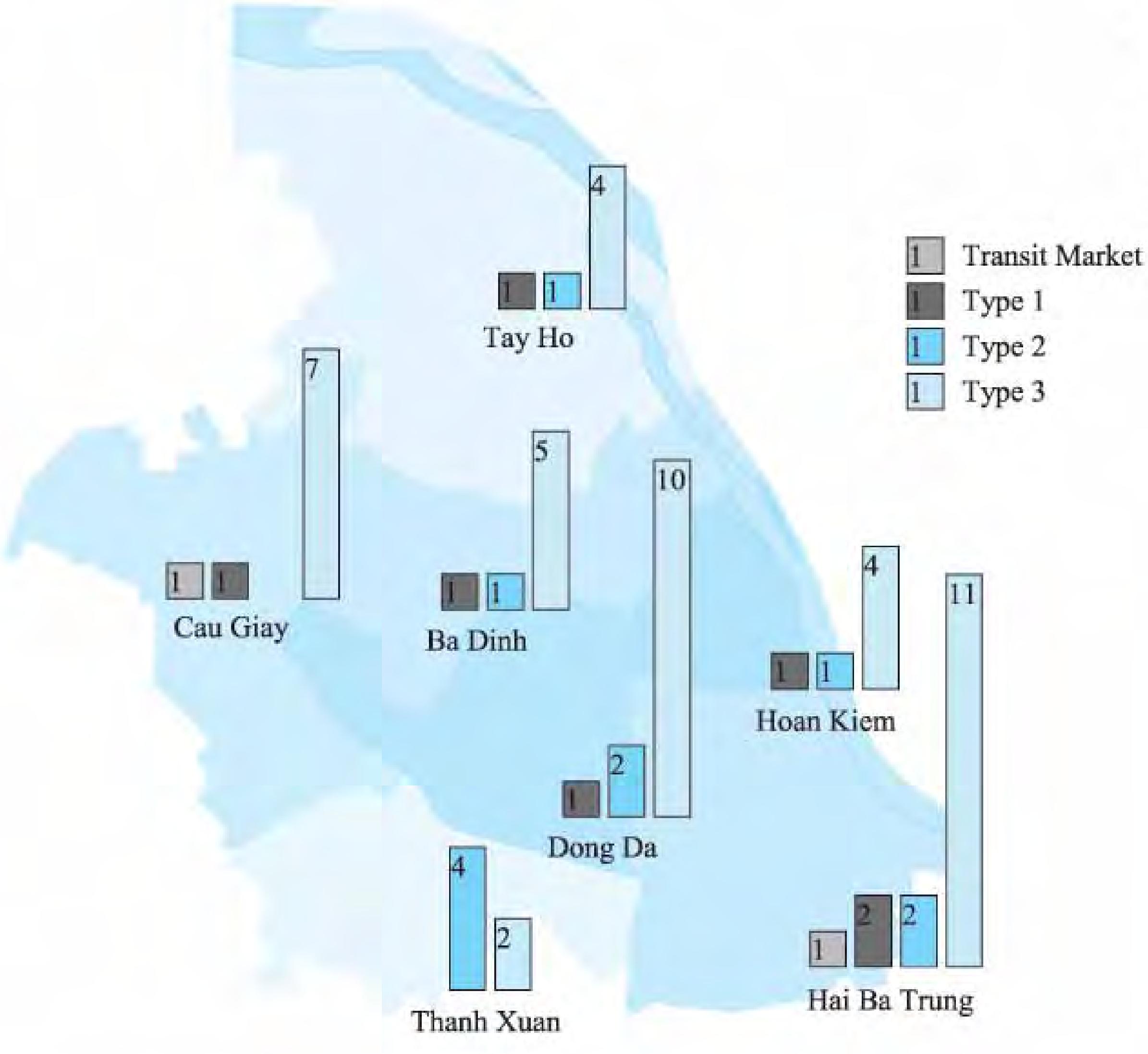
The average area for each trader in 2002 was 11.7 m² in the city markets and 12.5m² in the rural markets. In addition to regular traders, irregular users work in markets, including farmers selling their own products (83 farmers on average per market day) and handicraft workers (11 per market day).

In Hanoi

According to the report by the Hanoi trade Department (May 2003) on the state of market management and development for 2000-2010. by the end of 2002, there were 63 markets throughout the city districts with a total area of 235,101m² and 72 markets in the countryside covering a total area of 291,855m². The average area of a city market was 3,731m² and 4,000m² for a outer-urban market. The average area of a stall was 3 m². The total number of permanent traders in Hanoi markets was 24,145, out of which 15,455 traders were in the urban area and 8,700 in outer-urban areas.

Markets with less than 200 traders accounted for 60% of the total, markets between 200 and 500 traders for 25% of the total, and markets over 500 traders for 15% of the total. By 30/7/2004, there were 136 markets throughout Hanoi area (63 in the center and 73 in the periphery), out of which 5 were peripheral markets of agricultural products and specialized goods (they can be also called transit markets, or pivotal markets, or wholesale markets), the other markets are retail markets, 9 are markets of type 1, 20 markets of type 2 and 102 markets of type 3 with a total area of 551,756 m2 containing 25,464 traders. This gives an average area of 22 m²/trader, with a lot of variations, even at the level of wholesale markets (for instance, 107 m²/trader in Den Lu, but only 7 m²/trader in Dich Vong). Markets are especially numerous in the central urban districts (see Map 3 and Map 4).

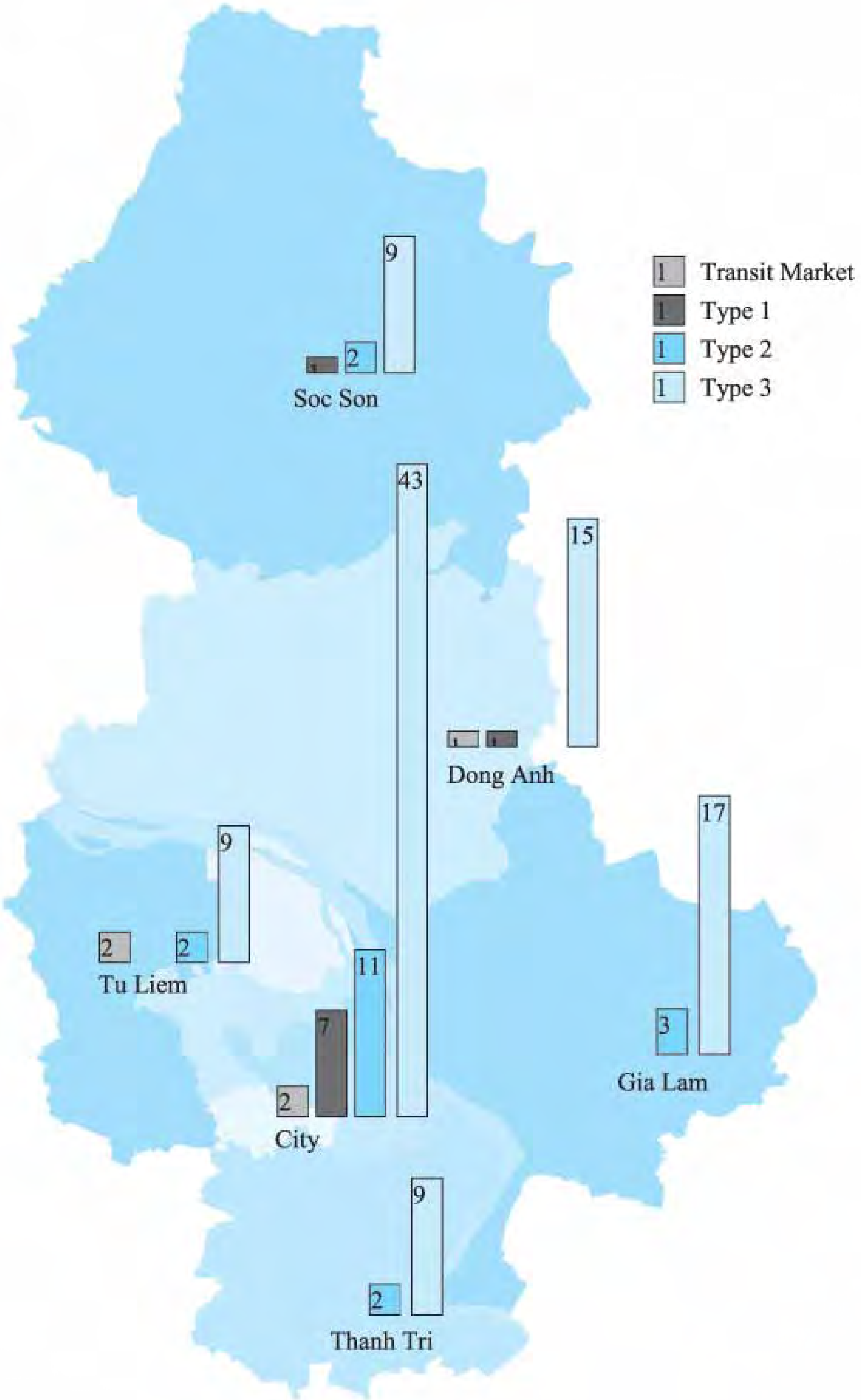
Map 3- Number and type of markets in the urban districts of Hanoi in 2004



Source: Hanoi Department of Trade, July 30, 2004 (map done by M. Cugnet)

2 New districts of Hoang Mai and Long Bien are not involved for these data.

Map 4- Number and type of markets in the suburban districts of Hanoi



Source: Hanoi Department of Trade, July 30, 2004 (map done by M. Cugnet)

[3] New districts of Hoang Mai and Long Bien are not involved for these data.

C. Poor market conditions

In Vietnam

According to the Ministry of Trade assessment in August 2000, the condition of markets in Vietnam has neither matched their role and position in the current Vietnamese economy, nor enabled to meet the demand of both sellers and buyers.

At the moment only 11.6% of the markets are totally covered, 31.5% are half-covered, 33.8% are made of temporary stalls and 23% are held on the ground (the latter percentage amounts to 31.2 % in the North-West region), and rural areas are characterized by a higher share of non covered markets (see Figure 12 and Table 24).

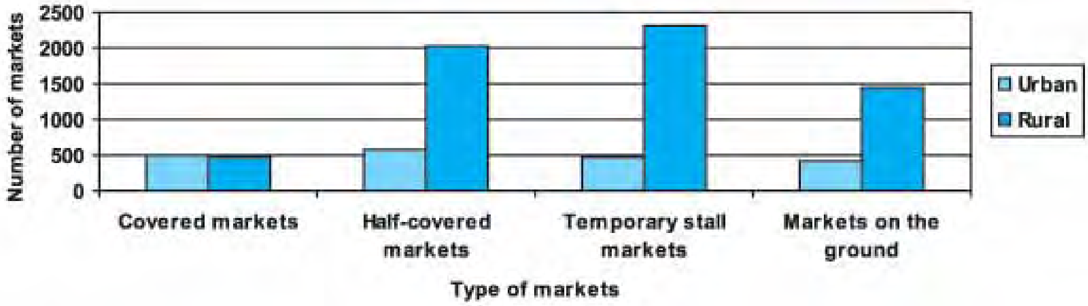


Figure 12 - Type of markets in urban and rural areas

Source: GSO, 2000

Table 24 - Types of markets in urban and rural areas

	Covered markets		Half-covered markets		Temporary stall markets		Markets on the ground	
	Number	%	Number	%	Number	%	Number	%
Throughout the country	957	11.6	2'590	31.5	2'779	33.8	1'887	23.0
Cities	487	24.2	572	29.2	476	24.3	433	22.1
Countryside	479	7.6	2'018	32.3	2'303	36.8	1'454	23.3
Red river delta	110	6.7	587	37.7	473	28.8	472	28.7
North-East area	151	11.7	269	20.8	505	39.1	366	28.3
North-West area	21	9.2	50	22.0	85	37.4	71	31.3
North of the Center	98	8.4	423	36.1	493	42.1	156	13.3
Central costal area	99	11.0	303	33.7	364	40.5	132	14.7
Center highlands	29	12.9	62	27.7	102	45.5	31	13.8
South-East areas	157	13.7	404	33.4	320	28.0	261	22.8
Mekong delta	292	18.0	492	30.0	437	27.0	398	24.6

Source: GSO, 2000

Building and upgrading of markets has not received enough attention by authorities at different levels. There are only 6,104 planned markets - which account for 74.3% of the total number of markets, the rest (25.7%) are spontaneous and held on the pavement or in the street, especially in the cities, and cause problems in terms of traffic and environment.

In Hanoi

At the end of 2002, the infrastructure of markets was generally poor and many were only temporary. Paths in the markets were narrow which contributed to a negative impact on the business as well as on fire prevention and control (source: Hanoi Trade Service, 5/2003). There were almost no parking places in the markets and water drainage and lighting system were lacking. Many markets did not have clean water available in the fresh food area. 88% of the markets had sewage system but none of good quality. The number of markets getting flooded after heavy rains accounted for 42% while 85% of the markets had toilets but they were unhygienic. There was a shortage of peripheral markets of agricultural products to act as a source for fruits and vegetables before the transfer of these commodities into the urban area. While there was not enough space in the food sections for some markets, on the second floor of Dong Xuan, Bac Qua, Hom Duc Vien markets there were many empty stalls which represented a waste of infrastructure.

D. Uneven market management

In 2000, out of 6,104 planned markets, 2,748 markets (i.e. 45% of the total) had no administrative Board. In 2000, the total number of administrative staff employed in markets was 17,645, out of which 10,088 - 57% - were permanent staff and 7,557 were contracted employees -43%- (source: Ministry of Trade, 8/2000). The average market had 5 administrative staff, with an administration Board. In some markets in the South the administration Board was put under the control of associations, e.g., the veteran association. In addition there were 7 enterprises of different economic sectors throughout the country specializing in market managing business. Though some of them were called companies, they were actually public administrative units developing income-earning activities.

The circular 15/TM-CSTTTN on market organization and management issued on 16/6/1996 by the Ministry of Trade does not deal with practical problems relative to the planning, building and upgrading of markets.

E. Policies on market-places

In Vietnam

The policy principles on markets planning and development are indicated in clause 4 of the decree 02/2003/ND-CP from which the following is drawn:

- Markets represent an important component of the overall socio-economic structure. Planning for socio-economic development should include market planning. The planned markets should enable a marketing system with a size appropriate to the volume of goods in circulation and contribute in boosting production and promotion of goods. It is necessary to develop markets in the remote areas (mountainous areas and islands), to satisfy the demand for cultural exchange by ethnic minority groups and develop commodity chains, especially those of agricultural, forestry and fish products. Market planning has to go along with the development of basic services (accommodation, traffic, electricity, drainage, sewage and other public investments to ensure care of the environment).
- Current existing markets should be upgraded step by step.
- "Market development must be examined together with the planning for the development of socio-economic infrastructures, and of shops, supermarkets and trade centers, in order to effectively promote all types of trading to meet the increasing demands of all economic sectors as well as to maintain the national cultural character, with a trend towards modernisation and advanced civilization." This sentence is important because it suggests that the government wants a balance between market places, shops and supermarkets.
- The government should have appropriate policies in place to encourage all economic sectors to invest in market building and administration, additionally it should also take measures to promote the positive impacts and reduce the negative implications of market places.

The targets for 2000-2010 are indicated below:

In the cities: Rationalise central markets as centers of goods distribution and develop the supermarkets and commercial centers; concentrate on improving the big markets; clear away all temporary stalls.

- In the countryside: Concentrate on developing markets in small towns ; promote the units for first processing, sorting, packing and storage as well as shops for agricultural inputs and food; establish a stable, long-lasting relationship between production and marketing; develop production, extend markets and ensure stability of quantities and prices.

- In the mountainous areas: Increase the number of market days so as to increase the market exchanges between different areas; promote input trade; encourage private traders in the areas.

In Hanoi

Between 1997 and 2003, a series of measures were taken to develop Hanoi market places:

- In 1997 Hanoi People's Committee issued the decision 3569/QD-UB (16/6/1997) for the organization and administration of the markets in Hanoi with 6 chapters and 23 clauses. It indicates the categories of markets (type 1, type 2 and type 3), and guidelines for building, organization and administration of markets as well as inspecting and dealing with problems occurring in the markets.
- In November 1998, the Institute of Planning of the Ministry of Construction designed a project of planning and upgrading markets in Hanoi until 2020.
- On 13/2/2000, the Hanoi Communist Party Bureau had issued the announcement 159/TB-TU on "Organizing markets in Hanoi until 2005". Through this document, the People's Committee provided guidance to its provincial and district branches, that advises active investment in building, upgrading and renovating the markets in their area.
- In May 2003 the Hanoi Department of Trade delivered a report on the development of markets and their administration since 2000 including advice on developing Hanoi markets up to 2010.
- In 12/2003 Hanoi People's Committee issued a decision on development and administration of markets in Hanoi.

As a result of these decisions, the following changes in market-places were implemented (source: Hanoi Trade Office, May 2003):

- In 2000, 2 new markets were built, 20 were upgraded, and 4 markets were rebuilt.
- In 2001: 10 new markets were built, 33 were upgraded, 5 were rebuilt
- In 2002: 4 new markets built, 5 rebuilt, 25 upgraded.

Between 2000 and 31/12/2002, 16 new markets had been built, 78 had been upgraded, and 14 had been rebuilt.

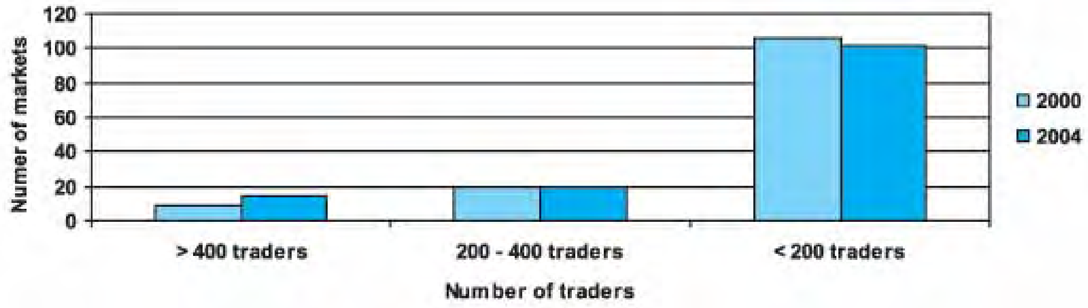
From 2000 to 2004, there has been an increase in the number of markets of more than 200 traders (see Table 25 and Figure 13). Since then the total number of markets has been stable, as all the new markets have been built on the location of old markets, apart from Trau Quy market, in Trau Quy commune, Gia Lam district.

	31/12/2000			30/07/2004		
	Total	Urban	Periurban	Total	Urban	Periurban
Number of markets	135	63	72	136	63	73
> 400 traders	9	-	-	14	-	-
200 – 400 traders	20	-	-	20	7	13
< 200 traders	106	-	-	102	43	59

Table 25 - Trends in the number of markets by number of traders

Source: Hanoi Statistics Office

Figure 13 - Trends in the number of markets by number of traders



Source: Hanoi Statistics Office

In 2000, all the wholesale markets (Bac Qua, Long Bien, Cau Giay and Nga Tu So) were spontaneous markets. In 2004, the markets of Dich Vong and Phia Nam (also called Den Lu) had been built. Finally, in 2010, it is planned that there should be no more spontaneous wholesale markets, but only planned markets (See Map 5).

From 2003 to 2005:

According to the Hanoi Trade Office (May 2003), the target by 2005 is to bring into operation 8 wholesale peripheral markets at the gateways of the city for food products: Hai Boi, Ngu Hiep, Gia Thuy, Phung Khoang, Xuan phong, Xuan Dinh, Dich Vong, Den Lu and 2 markets of flowers and ornaments. Products in the peripheral markets will be processed and sorted before redistribution to the retail There is a current focus on building and improving markets and market services while clearing away the illegal temporary markets in the city (source: Ministry of Construction, 11/1998). The total number of markets built, upgraded and renovated is 52 - of which 12 are newly built, 20 are rebuilt and repaired, and the rest were upgraded. In addition markets in 20 commune were renovated and temporary stalls were removed.

From 2006 to 2010:

The total number of the markets built and renovated in 2006-2010 is 58, of which 15 are newly built, 15 are rebuilt and 20 will benefit from annual renovation. 6 peripheral and specialized markets will be built, 4 markets of type 1 upgraded; 7 markets of type 2 rebuilt or built; and 16 markets of type 3 will be built or renovated.

Map 5 - The evolution of Hanoi wholesale markets from 2000 to 2010

Wholesale market places in 2000: unplanned markets

Wholesale market places in 2004: planned and unplanned markets

Wholesale markets in 2010: end of unplanned markets

Source: Hanoi Department of Trade, 2003

However, there are still problems in the market administration:

- Building and upgrading have taken place slowly, particularly for new peripheral markets. The investment process has taken longer than expected, which has slowed down the building process. Finding a suitable site, compensating the previous occupants, clearing the area and mobilizing capital are very slow.

- In many markets, the market administration lacked efficiency. Price regulation (26/04/2002) was not seriously enforced, in particular prices are not on display. Cleanliness of the site, food safety, and fire prevention have not received enough attention. This is illustrated by the fire that occurred in Dong Xuan market in 1995 which caused damage worth billions of VND. The regulation of stall sites has also been problematic, e.g., paths in the markets are used as selling spaces, and issues brought up by traders and consumers have not been resolved in a timely fashion.

issues brought up by traders and consumers have not been resolved in a timely fashion.

F. Policies on Temporary markets

By the end of 2000, Hanoi had 135 permanent markets and 188 temporary markets. Temporary markets respond to the growing demands of the city, especially for the middle-class, but they also are both illegal and cause traffic disruption and hinder pedestrians. Hanoi People's Committee have adopted new policies on temporary markets described in " Planning, Developing and Upgrading Markets in Hanoi till 2020". This document states that all illegal temporary markets in the districts and provinces will be cleared away as follows: 2002, 53 points cleared away; 2003, 55 points, 2004, 27 points and 2005, 53 points. Between 2000 and 31/12/2002, 16 informal markets had been cleared away.

TRENDS AND POLICIES ON SUPERMARKETS

Trends in supermarkets

A number of commercial centers, supermarkets and shops have been established in the past ten years by the public and private sector (including joint-ventures). To assess the trends in the number of supermarkets, it is first necessary to be clear about the definitions. This is not easy as the official definition of supermarkets dates only from June 2004.

Before this date, the Department of Trade registered the number of establishments calling themselves supermarkets, 90% of those are more than 200 m². Based on this definition, the number of supermarkets has increased quickly between 1990 and 2004 (see Table 26 and Figure 14). In the first half of 2004, Hanoi had 55 supermarkets according to the Department of Trade (and 24 according to official definition) mostly located in the old districts of the city (Hoan Kiem, Dong Da, Ba Dinh), while some districts, including Tay Ho, Gia Lam, and Soc Son, had no supermarkets. By comparing the data from 2002 to 2004 – this shows that supermarkets first set up in the city center and then expanded in the less central districts including Cau Giay, Tu Liem and Dong Anh (Map 6 and Map 7).

	1990	1993	2001	2004
Number of supermarkets according to Department of Trade category	0	3	32 supermarkets 4 trade centers	55 supermarkets (including 12 minimart and big shops) 9 trade centers
Number of supermarkets according to official definition	0	n.a.	n.a.	24 supermarkets 8 trade centers

Table 26. - Evolution of supermarket number in Hanoi (1990-2004)

n.a.: not available
Source: Hanoi Department of Trade

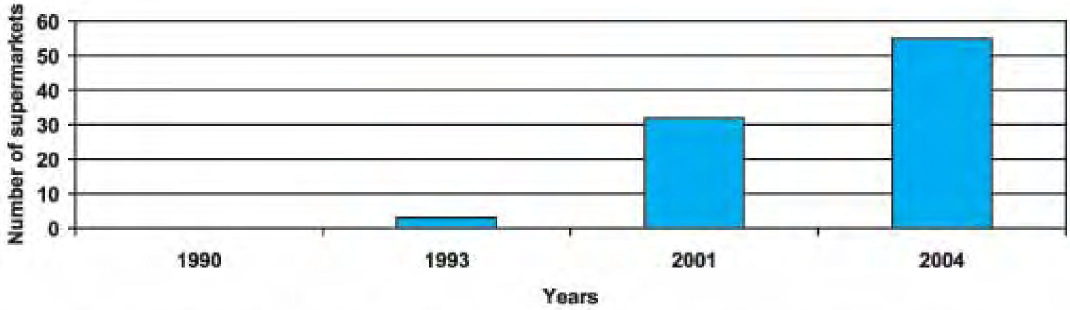
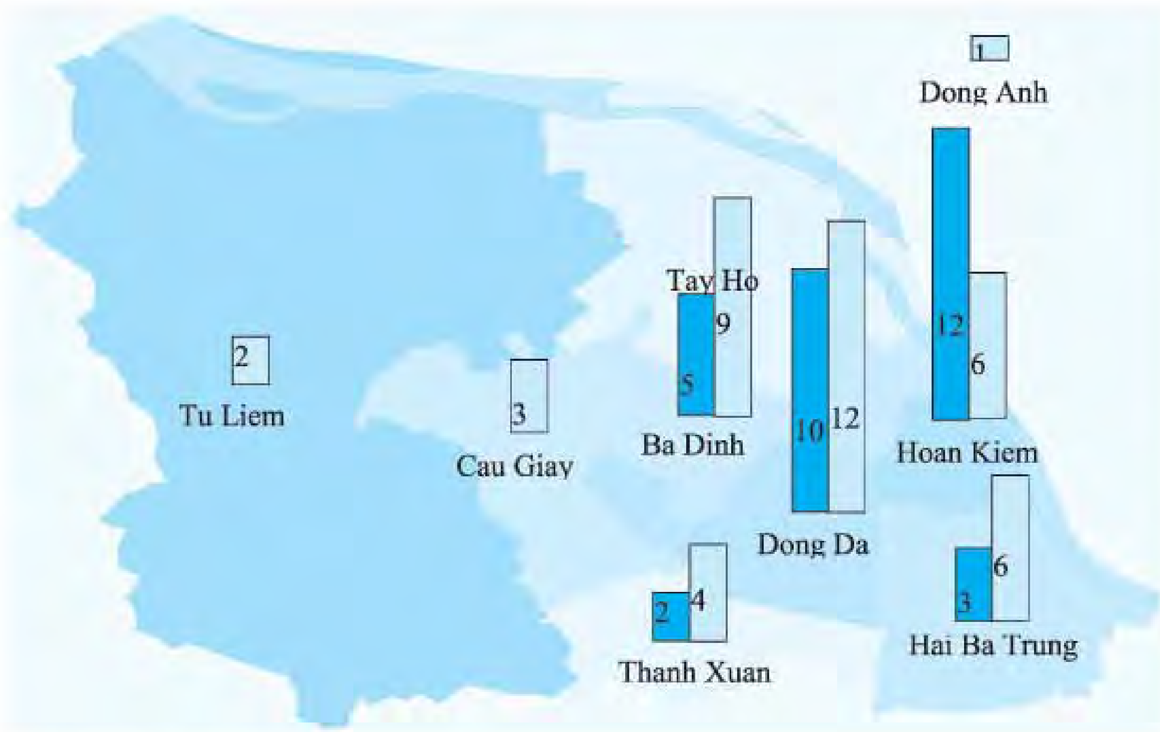


Figure 14 - Evolution of supermarket number in Hanoi (1990-2004)

Source: Hanoi Department of Trade (based on the consideration by this department of the establishments calling themselves supermarkets), and not including the trade centers.



Map 6 - Supermarkets by districts

Dong Anh and Tu Liem are 2 suburban districts

Map 7 - Trade Centers by districts

Source : Hanoi department of trade

Policy regulations

Prior to 2004:

Before 2002, either the Ministry of Trade or Hanoi city administrators had a specific planning strategy for supermarkets and shops. On 31/10/2002, Hanoi People's Committee has released the Decision 142/2002/QD-UB promulgating regulations on the Administration of Supermarkets and Trade Centers in Hanoi that stipulates the following:

Definitions:
- Trade centers are constructions including supermarkets, wholesale and retail shops, and service centers, concentrated in one area or place which has been thoroughly planned and managed.
- Supermarkets are large modern retail shops, equipped, and operating in a self-service mode and selling consumer goods to meet the demand of the population.

Conditions and Standards for Supermarkets and Trade centers:

- In accordance with the president's Decision 178/199/QD-TTG on the labeling of domestic and imported goods, commodities must display labels, they should be guaranteed for food safety and hygiene, graded, sorted and packed with an indication of price. The total number of products sold should be more than 3,000. Food products should account for at least 30% of the total revenue. Aisles or walkways in supermarkets should be unencumbered. There should be an area for goods storage, parking places, an equipped security team in uniform, cash registers, bags, wardrobe for customers' private belongings and clean toilets. The minimum area is 150m2 for a supermarket and 1,000m2 for a trade center.

The 2004 decision:

On 13/9/2004, the Ministry of Trade released the decision 1371/2204/QD-BTM on regulations of supermarkets and trade centers for all the country.

Definition of supermarkets according to infrastructures and size:
This decision defines supermarkets as "modern stores, general or specialized, having abundant and diversified kinds of goods with assured quality; meeting criteria on business space, technical facilities and management as well as business organization capabilities; adopting civilized and convenient service modes so as to satisfy the customers' shopping demand

To be called a department store, a commercial business establishment must have business location in line with the commercial network development planning of the province or city and have business scale and organizing capability. The business space should be more than 500 m² for general supermarkets and more than 250 m² for specialized supermarkets. The number of products should be more than 4,000 for general supermarkets (more than 500 for specialized supermarkets)".

More specifically, the following characteristics are given in terms of design, infrastructures and presentation of goods:

- "Having solid and highly-aesthetical architectural works with advanced and modern designs and technical facilities, meeting the requirements of fire prevention and fighting, environmental sanitation, safety and convenience for all kinds of customers having car parks and rest rooms for customers, suitable to business scale of the department store.
- Having a system of advanced and modern warehouses and technical equipment for preservation, preliminary processing, packaging, sale, payment and business management;
- Organizing and arranging goods according to commodity lines or commodity groups in a civilized and scientific manner for convenient and fast selection, purchase and payment by customers; having lockers for personal belongings; providing catering and entertainment services, services for the handicapped and children, home-delivery service, and services of goods sale via Internet, post and telephone".

Three grades are defined in terms of size and number of products (see Table 27).

	General supermarkets		Specialized supermarkets	
	Size of business space	Nr of goods	Size of business space	Nr of goods
▪ 1st class	▪ > 5,000 m²	▪ >20000	▪ >1,000 m²	▪ > 2000
▪ 2nd class	▪ 2,000-5000 m²	▪ > 10000	▪ 500-1,000 m²	▪ >1000
▪ 3rd class	▪ 500-2,000 m²	▪ > 4000	▪ 250-500 m²	▪ > 500

Table 27 - The three grades of supermarkets as defined in the 2004 decision

Source: Decision n° 1371/2004/QD-BTM

According to Mr. Vu Vinh Phu - Vice director of Hanoi Trade Department, the size of most so-called supermarkets and trade centers in Hanoi does not reach the standard given in the decision 1371/2004/QD - BTM on regulations for Supermarkets, Trade centers issued on 13/9/2004 by the Ministry of Trade. This is shown in Table 28.

General supermarkets and trade centers		Specialized supermarkets	
Size of business space	Nr	Size of business space	Nr
▪ > 5000 m²	▪ 2	▪ >1000 m²	▪ 1
▪ 2000-5000 m²	▪ 4	▪ 500-1000 m²	▪ 3
▪ 500-2000 m²	▪ 25	▪ 250-500 m²	▪ 2
▪ 150-500 m²	▪ 20	▪ 150-250 m²	▪ 3
▪ 40-150 m²	▪ 2	▪ 130 m²	▪ 1
▪ Total	▪ 53	▪ Total	▪ 10

Table 28 - The size of supermarkets and trade centers in Hanoi in June 2004

Source: list established by Hanoi Department of Trade in 2004-for one supermarket, there is no indication of size.

The number of supermarkets and trade centers corresponding to the size criteria of September 2004 was 37 in June 2004 (and 32 when taking the full definition), rather than 63 as established in the list of Hanoi Department of Trade. According to the decision only the establishments following the criteria listed above are allowed to bear a designation of supermarket.

Regulations in terms of labeling

"Goods must have their own commercial names or bear the commercial names of department stores or trade centers (if they have no commercial names, they must have their own names) and their origins clearly inscribed according to the provisions of law. They should have numeral codes or barcodes, for those goods for which numeral codes or barcodes may be registered, in order to facilitate the management of department stores or trade centers and the supervision by customers".

"All kinds of goods and services traded in department stores or trade centers must have their prices clearly inscribed in the goods labels or packages or posted up at goods stands or counters or service-providing places".

Regulations in terms of food safety

"Food products must ensure the hygiene and safety criteria and have their use durations clearly inscribed on their packages. For fresh or unpacked preliminarily processed agricultural products or food, they must be sorted and classified and have their origins, quality as well as use durations clearly inscribed at goods, fake goods, goods of unclear origin, goods with expired use durations and goods not up to quality standards as prescribed by law (such as degraded goods, inferior quality goods, contaminated goods and diseased animals or plants, etc.), goods containing toxic chemicals on the list of those subject to restricted business under law should not be traded.

Goods must be supplied stably and regularly through goods orders or contracts with producers and business people".

Public monitoring of supermarkets

The Trade Services in cities and provinces should be responsible of the supermarket administration in coordination with the relevant administrations of the People's Committee of the cities and provinces.

The investors must make plans in accordance with the current stipulations on administration of investment and construction when building, upgrading or renovating supermarkets on a large scale. The location for building supermarket has to be in line with the plans of local administrations in terms of market development.

CONCLUSION

The government has been paying a lot of attention to developing a domestic trading network to satisfy consumer demand that includes: terminal wholesale markets, commercial centers, supermarkets and retail markets. However planning has not been well balanced between the zones and some new markets, such as Xuan Dinh market, are not in use which represents wasted resources.

Government policy should try to combine the objectives of traffic improvement, hygiene and food safety and traders' employment by providing suitable areas for temporary markets in every district.

At present the government encourages the development of supermarkets and planned wholesale and retail markets, while it has a negative attitude towards temporary markets and street vending. The main reason given is the image of modernisation provided by supermarkets, as well as hygiene and traffic considerations. However temporary stalls could also be regulated to achieve similar standards. Future planning decisions regarding distribution chains should consider the potential impact on poverty and employment

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APPENDIX

Results of the Survey on supermarkets and trade centers in Hanoi in June 2004 (Source: Hanoi Department of Trade, 2004)

Trade Centers											
Names	Address	Toilets	Store em-ploy-ees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Super-market criteria **
				Floor	Business	Parking area					
Metro Cash & Carry Thang Long – Whole-sale Trade Center ***	Co Nhue, Tu Liem	Y	179/ 314	46940	10925	4200	9500	47.1	Textile, fashion, sport, toy, communication means, electric objects, tools, household equipment, office stationary, paper, suitcase, soft drink bottled, grocery, candy, milk, frozen foods, cake, wine, cigarette, chemical and beauty products, food, vegetables and fruits.	Metro Cash & Carry cash & carry Vietnam co ltd.	Y
Viko Trade Center	148, Giang Vo Str., Ba Dinh	Y	30/90	8000	5000	1000	5383		Includes office and supermar-ket area. Electric and electronic machine, jewelry, precious stones, office stationary, household products, consumption goods, beauty products	Bao Ha joint stock company	Y
Asean Trade Center	10, Pham Ngoc Thach Str., Dong Da	Y	20/50	1150	1000	400	8000	45	Beauty products, cleaning products, drinks, cake, candy, household products, foods	Trade and hotel company	Y
Cat Linh Trade Center	1F, Cat Linh Str., Dong Da	Y	75/128	2000	1800	100	8000	12	Food, technologies, house-hold products, beauty products, cleaning products, sundry goods	Hanoi trade company	Y

* Number of employees working in the shop departments divided by total number of supermarket employees (which included administrative staff, cashiers, guards..)
** According to 1371/2204/QD-BTM decision
*** This is a cash and carry supermarket rather than a trade center

Trade Centers

Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Floor	Business	Parking area					
Trang Tien Trade Center	24, Hai Ba Trung Str., Hoan Kiem	Y		22000	9100	3500			Includes: office and supermarket area. Textile, fashion, sport, toys, electrics objects, tools, household equipment, office stationary, soft drink bottled, grocery, candy and cake, milk, wine, cigarette, chemical and beauty products	Trang Tien trade investments company	Y
Intimex Trade Center	26. Le Thai To Str., Hoan Kiem	Y		2400	1500	500			Includes office and supermarket area	Intimex Import-export company, Trade ministry	Y
Star Bowl Culture, Sport And Entertainment Center	2B, Pham Ngoc Thach Str., Dong Da	Y		4300	5000	300			Includes office and supermarket area and bowling service	Hanoi culture, sport and entertainment center co ltd.	Y
Cau Giay Trade Center	139, Cau Giay Road,		70/110	2922	1992	250		25	Includes office and supermarket area. Foods, technologies, textile, confection, tools, culture products, metallic and electric machine	Cau Giay trade joint	Y
Nghia Do Trade Center	1 Nghia Tan Str., Cau Giay	Y	15	3012	3700	250	1200		Includes office and shops area		

Supermarkets

Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Lang Ha Supermarket	23, Lang Ha Str., Ba Dinh	Y	30/52	570	570	50		49.5	Wine, cigarette, foods, candy and cake, sugar, milk, soft drink, rice, frozen products, clothes, cleaning products, chemical and beauty products, household equipment, glassware, porcelain	Bao Quang production and trading joint stock company	Y

Supermarkets

Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Thang Long GTC Supermarket	87-89 Le Duan Str., Hoan Kiem	Y	30/40	400	330	50	8000	83.41	Foods, candy and cake, drinks, chemical and beauty products, household equipment, shoes, clothes, wine	Thang Long GTC tourism and trade company	Y
	15-17 Ngoc Khanh Str., Ba Dinh	Y	30/40	560	560	90	8000b	83.41	Foods, candy and cake, drinks, chemical and beauty products, household equipment, shoes, clothes, wine		
Marko Supermarket	148 Giang Vo Str., Ba Dinh	Y	25/180	1000	1000	400	3000	30	General trading	Phuong Anh co ltd.	Y
	649 Kim Ma Str., Ba Dinh	Y	30/180	1000	1000	400	3000	30	General trading		
	379, Tay Son Str., Dong Da	Y	30/180	1000	1000	400	3000	30	Consumption goods, construction materials, high quality imported and local equipments and machines Wholesaling and retailing. Foods, beauty products, household equipment, electric machines		
Giang Vo Intershop Supermarket	C4, Giang Vo Str., Ba Dinh	Y	12/29	500	500	50	13179	46.3	Production means, consumption goods, foods; goods selling, buying and consignation branch, alcohol drinks, cigarette	Hanoi general trade and service company	Y
Truc Bach Fivimart	10 Tran Vu Str., Ba Dinh	Y	30/89	2500	1200	800	20000	30	Production means, consumption goods, foods; goods selling, buying and consigning branch, alcohol drinks, cigarette	Nhat Nam joint stock company	Y
Tran Quang Khai Fivimart	210, Tran Quang Khai Str., Hoan Kiem	Y	42/174	3000	1800	1200	20000	30	Fresh foods (meat, fruits and vegetables, fish, cooked food), transformed products, high tech products, cake, drinks, beer, wine, chemical and beauty products, electronic household equipment	Nhat Nam joint stock company	Y
Hanoi Seiyu Supermarket	8 Pham Ngoc Thach Str., Dong Da	Y	39/65	1000	800	300	10000	77	General trading: agriculture, forest, seafood, foods, wine, cigarette, transformed products, consumption goods	Joint venture between Japan and Hanoi food company	Y
Intimex Lakeside Supermarket	26, Le Thai To Str., Hoan Kiem	Y	65/85	2400	1500	500	15000	65	Frozen products, transformed products, drinks, beauty products, household products, confection	Intimex trade center	Y

Supermarkets

Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Super-market criteria
				Flooring space	Business space	Parking area					
Intimex Hao Nam Supermarket	131-135, Hao Nam Str., Ba Dinh	Y	50/58	1800	1200		15000	60	Wine, beer, cigarette; goods selling, buying and consigning branch; trading service, foods, candy and cake, chemical and beauty products, cleaning products, clothes, rice	Intimex trade center	Y
Thai Duong Supermarket	76, Nguyen Chi Thanh, Dong Da	Y	30/52	480	450	20		49.5	Beauty products, foods, household equipment	Bao Quang production and trading company	Y
Hanoi Star Supermarket	36, Cat Linh Str., Dong Da	Y	18/28	630	630	10	3000	19	Beauty products, foods, household equipment	Thien Giang trade co ltd.	Y
	2B, Pham Ngoc Thach Str.	Y	27	898	898		3000	25	Beauty products, foods, household equipment		
Techsimex Supermarket	9, Dao Duy Anh Str., Dong Da	Y	28/52	1125	900	500	40000	10	Foods, household equipment, chemical and beauty products	Techsimex technique service and import-export company	Y
Family Mart	152a, Lac Trung Str., Hai Ba Trung	Y	8/14	140	125	20		40	Foods, chemical and beauty products, household equipment, fashion, essential consumption goods	Technologies and techniques application company	Y
	59, Khuong Trung Str., Thanh Xuan	Y	30/65	1000	700	300	1200	20	Essential consumption goods, transformed products, hi tech products		
	3A-4A, E Hospital Road, Cau Giay	Y	8/15	200	150	90	5500				
Tay Do Supermarket	Km 10+300 Phu Dien Str., Tu Liem	Y	30/52	100	700	300	6455	20	Household equipment, chemical and beauty products, hi tech foods, clothes, shoes, clocks, computer, toys for children	Trung Tin joint stock company	Y
Co Loa Supermarket	Dong Anh Town	Y	15/26	300	400	30	10000	10	Foods, bazaar, fashion, office stationary, beer, wine, cigarette	Co Loa tourism and trade company	Y
Hanoi Coop Mart	1e, Truong Chinh Str., Thanh Xuan	Y	22/61	1500	1120	200	20000	30	Foods, beauty products, household equipment, confection, fine arts objects	Hanoi trade cooperatives union	Y

Supermarkets											
Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Vinaconex Supermarket	17T1, Trung Hoa, Cau Giay	Y	17/39	750	750		8434	60	Office and apartment leasing, restaurant and supermarket trading, production materials selling. Foods, candy and cake, beauty products, household equipment, clothes, textile	Vinaconex – construction import-export general company	Y
Thanh Ha Supermarket	CC2, Bac Linh Dam, Hoang Mai	Y	8/40	1000	1000	200		49.5	Foods, hi tech products, office stationary, hand-crafted products, jewelry, wine, cigarette, candy and cake, milk, vegetables and fruits, agriculture, forest and seafood, electric machines, glasses	Thanh Ha trade co ltd.	N
5 Nam Bo Supermarket	5, Le Duan Str., Ba Dinh	Y	43/60	1621	4000		4750	10	Hi tech products, sundry goods, office stationary, electric machines; goods, selling, buying, consigning branch	No 5 Nam Bo bazaar	N
Dinh Tien Hoang Trade Center	7, Dinh Tien Hoang Str., Hoan Kiem	Y	40/78	200					Production materials, consumption goods, foods, goods, beer, wine selling, buying, consigning branch	Hanoi bazaar company	N
Thai Ha Supermarket	174, Thai Ha Str., Dong Da	Y	13/21	159.3	318.6		3050	2.5	Specialized in household and office interior	Minh Hoa trade co ltd.	Y
Anh Thu Interior Supermarket	80, Chua Boc Str., Dong Da	Y	3/5	600	500	60			Specialized in household and office interior	Anh Thu production and trading company	N
	132, Le Duan Str	Y	3/5	250	250	60			Electronic machines, electric domestic, gas materials, stationary office, chemical and beauty products, fashion, foods, candy and cake, household equipment		
Elmaco Supermarket	240, Ton Duc Thang Str., Dong Da	Y	20	504	464	40	8000		Specialized in household and office interior	Electric and mechanical materials company	N
Tam Tu Interior Supermarket	155A, Nguyen Luong Bang Str., Dong Da	Y	4/9	600	550	50			Specialized in interior: dinner set, salon, bed, chest, wardrobe, cupboard, office table and seat, office cupboard		N
Bach Khoa Supermarket	E7, Bach Khoa, Hai Ba Trung		185	185					Specialized in foods, transformed and high tech foods, office stationary	Hanoi food company	N

Supermarkets											
Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Dam Trau Trade Center	112A3 Dam Trau, Hai Ba Trung	Y	9/29	400	200			18.7	High tech products, transformed products, frozen products, fresh foods, household equipment, candy and cake, drinks	Ho Chi Minh city import-export joint stock company branch	N
Thanh Xuan General Store	C12, Thanh Xuan Bac	No	42/63	1689	1024		5500	23.8	High tech products, sundry products, office stationary, electric domestic, wine, cigarette, beauty products	Hanoi bazaar company	N
Vinaconex Electric Machine Supermar-	17T3, Trung Hoa, Nhan Chinh	Y	4	220	170		57		Specialized in electric machine	Vinaconex - construction import-export general company	N
Quan Nhan Supermarket	B1, Thang Long International	Y	5/10	180	180	30			Foods, office stationary, household equipment, beauty products	Quan Nhan private company	N
North Linh Dam Supermarket	Linh Dam, Hoang Mai	Y	12/21	700	350	200	1600	4.68	Sundry products, fresh foods, household equipment, electronic and electric machines, foods, forest products, restaurant service, candy and cake, wine, beer, cigarette, beauty products,	No 1 Le Lai construction private company	N
Thanh Tam Supermarket	19, Cat Linh Str., Dong Da	Y	15	400	1600	20	100		Specialized in construction materials, interior	Tam Tu co ltd.	N
Dinh Cong Ace Mart	CT6, Dinh Cong, Hoang Mai	Y	12/17	385	350	150	1500	2.1	Fashion, toys, household equipment, foods, chemical	Thinh Thai trade and service co ltd.	N
Todimax Supermarket	5 Dien Bien Phu Str., Ba Dinh	Y	30/52	700	600	40			Specialized in electronic machines, electric domestic, consumption goods	North Electric machine joint stock company	N
Nha Xinh (Beautiful House) Interior	12, Tran Binh Trong Str., Hoan Kiem	Y	13	1000	1000	50			Specialized in office wood furniture: bed, cupboard, table, seat, sofa, kitchen cupboard, showcase	AA architecture and construction company	N

Supermarkets

Names	Address	Toilets	Store employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Steel Supermarket	Km 12, No32 National Road, Tu Liem	Y	40	3800	3000	400	1000		Specialized in metallic products: steel	Hanoi Metallic company	N
Vinatex Supermarket – Fashion Center	25, Ba Trieu Str., Hoan Kiem	Y	39/71	1000	800	400	42000		Specialized in textile and fashion products	Vietnam confection general company	N

Minimarts and Shops

Names	Address	Toilets	Store employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Lakeside General Store	19-21, Dinh Tien Hoang Str., Hoan Kiem	Y	35/44	280	248			30	Foods, confection, household equipment, high tech products, sundry products, hand crafted products,		N
Duty free shop	C4 Giang Vo, Ba Dinh	Y	10/27	250	250	100	312		Wine, cigarette, beauty products, electronic and electric machines, electric domestic	Hanoi trade and service company	N
Diplomatic corps Duty free shop		Y	9/20	250	250			170	Car, two wheels motor vehicle, air conditioner, television, beer, wine, drinks, candy and cake, foods, beauty products, glasses, pens, electronic and electric domestic, office equipment		N
D2 Giang Vo General Store	D2, Giang Vo, Ba Dinh	Y	24/32	270	200	100	6740		Household equipment, electric domestic, porcelain, aluminum, canned foods, milk, sugar, coffee, cereal, tea of all categories, confection, toys, beauty products, wine, cigarette	Hanoi bazaar company	N
18 Hang Bai Supermarket	18, Hang Bai Str., Hoan Kiem	Y	28/51	300	300	20	2000		High tech products, sundry products, beauty products, confection, electronic machines, telephone	Hanoi trade company	N

Minimarts and Shops

Names	Address	Toilets	Store-employees / total	Area (m2)			Number of items	% of food area	List of commodities	Managing company	Supermarket criteria
				Flooring space	Business space	Parking area					
Citimart Supermarket	49, Hai Ba Trung Str., Hoan Kiem	Y	8/10	300	280		1500		Household equipment, beauty products, foods, goods consigning branch	Dong Hung trade and service co ltd.	N
Sport Supermarket	157K, Nguyen Thai Hoc Str., Ba Dinh	Y		120	100				Specialized in clothes, shoes and sport equipment	Private company	N
Markt Centre' Trade	6, Chua Boc, Dong Da	Y	6/11	270	270	23.14			Candy and cake, canned foods, beauty products, household equipment, cleaning products	Bach Hoa trade co ltd.	N
PTIC Computer Supermarket	156, Ba Trieu Str., Hai Ba Trung	Y	5/33	200	150				Specialized in computer equipment		N
Golden Bee Supermarket	86, Mai Hac De Str., Hai Ba Trung	Y 5/7	40	40		2000			Chemical and beauty products, drinks, candy and cake, office equipment, textile, spices and foods, milk products, beauty products, frozen products		N
Womab Supermarket	B2, Thang Long International Village	Y	3/9	200		30			Specialized in products for children and mum	Thien Trang trade co ltd	N
"Cho Hang Vui" Supermarket	Peninsula Linh Dam, Hoang Mai	Y	6/9	320	320	100	1500		Supermarket marketing, selling , goods buying and consigning branch, restaurant service, beer, cigarette	Thanh Tan An co ltd.	N
"Newkids" Kids Supermarket	48 Ba Trieu Str., Hoan Kiem	Y	6/9	150	130		150		Clothes, shoes, toys, products for children, school equipment, beauty products for children, goods buying and consigning branch		N