# Postcards from Post: Interview with Tony Harman, Australia’s agricultural counsellor in Vietnam

(Duration 15 mins 37 secs)

## Transcript

[Video begins]

**Tim Dawson (host)**: Australia exports over 70% of its agriculture, fisheries and forestry produce. And DAFF has a network of agricultural counsellors posted in Australian embassies across the globe to help make that trade happen.

In this series, we'll hear from those counsellors. Welcome to Postcards from Post.

Today, we're speaking with Tony Harman, our agricultural counsellor based in Hanoi, Vietnam. G'day! Tony, how you going?

**Tony Harman**: [Hello in Vietnamese] Tim, it's a pleasure to join you here from the Australian Embassy in Hanoi.

**Tim**: Can you tell us, as Vietnam is growing and becoming, a bigger power and a stronger economy in Southeast Asia, how important is this relationship between Vietnam and Australia?

**Tony**: Yeah, I think it's fair to say, Tim, the relationship has never been stronger, and I know that's often a flip and throwaway line, but I think in this case it is, it is very true. Last or very recently, well, last year we celebrated 50 years diplomatic relations with Vietnam. And that was really a good opportunity to showcase the strength of the relationship early this year, we upgraded, to a comprehensive strategic partnership, which is the highest level of bilateral relations and then prior to, and when you look at the start of last year, it was only China, Russia and India that held hat status with Vietnam.

So, we really, we really are in the box seat. We have a big diaspora in Australia. Vietnam's, Vietnamese is the fourth biggest spoken language in Australia. We have a lot of people-to-people connections. It's a major market. A lot of Vietnamese students study in Australia and the can-do attitude of the Vietnamese people see a whole lot of the diaspora filling gaps in the in the market economy over here and in getting things done so constantly, you know, dealing with a very flourishing and entrepreneurial economy here, and there are enormous opportunities.

If we look in the last 3 years to the end of the last financial year trade to this market. Agriculture, fisheries, forestry, trade to this market, increased, three-fold, over the last 3 years, became our fourth biggest trading, market.

So, when you look at the 3 of the world's biggest economies. China, the United States and Japan were numbers one, two, and three. And then you've got an economy that sits, somewhere around, in the mid-thirties globally, you've got a GDP per capita outside the top 100. So, purchasing power is a lot lower than, for other markets to be trading to yet we were sending, last year we sent around $5.3 billion worth of agriculture, fisheries, forestry products here.

So, a remarkable success story, a bit of that was the pivot away from China but also, it is a very fast-growing economy. The Vietnamese, economy printed at 6.9% just recently in terms of its economic growth. There are a lot of fundamentals that will provide tail winds for many, many years. So, all of those features that have made Vietnam a manufacturing powerhouse increasingly been leveraged by the agriculture sector. And that, means that they are able to have a stronger demand for the products that we put in, which are largely complimentary. A lot of the things we send here can't be produced, in, Vietnam.

So, we have cotton. It's our biggest market for cotton. Last year it was a top three for wheat, barley, lobster. It's our second biggest horticultural market globally. It's our second biggest live export market and a major market, for beef, too, because we are the leading provider of premium beef into this market. And as the economy grows and people get wealthier, they will demand, more premium beef. And they will, trade up from eating, eating offal products. And beef is still only about 9% of land-based protein consumption here.

So, there's a big runway for growth. So, there's a lot of very, very good features of the economy, that have led us to, to the position we're in at the moment.

Now, the trade will jump around a bit, particularly with more opportunities back in China. But Vietnam has proven itself as a very, important market and a market that over time will, be able to grow. And when we had the pivot from China, there are a lot of Vietnamese importers that previously were priced out of the market. It gave them an opportunity to be able to buy Australian product in bigger volumes. And that was including our wheat and particularly our cotton. And then through the grants and our work and work of our industry associations being able to work with supply chains over here to help demonstrate the benefits of those embedded attributes in those commodities. So that has allowed us to build back premium, and demand price stickiness for Australian agricultural commodities because we're able to work through the supply chain to get a better price and create value for downstream consumers.

So, it means instead of turning Australian cotton into a low value t-shirt, we can look at higher value products, and that creates demand. And we're helping and working with our supply chains here to demonstrate how they can create demand for how they can create value for downstream consumers. And we can capture some of that along the supply chain. So that's very important. When you look at our trade set, there is a bifurcation, essentially, there's the high value premium agribusiness inputs that we provide. So, they have, feedstocks for, the agribusiness supply chains here in Vietnam. And they create wealth and, generate employment here in Vietnam.

And we're constantly, demonstrating that point to the Vietnamese, and then at the other end, we have the consumer ready products. So, we have high end seafood, our dairy, our premium, premium meats and our horticulture products. And then we compete very strongly in the market there, and we have a very strong brand presence. And, with a lot of our exporters being, into this market very early, that has allowed us to grow with the economy. And we're in a very enviable position.

And it's something that, other embassies here in Vietnam comment regularly, and they're very envious of the of the position that we have in the market and we hold and our profile that we've been able to build and the access that we get to officials here.

**Tim**: You were talking there about beef, wheat and cotton being, some of the major things that we're exporting to Vietnam. But what other commodities can you see? Or an opportunity for Australia to grow the market in Vietnam and, on a daily sort of basis? What would you be doing to help, these Australian commodities get over there?

**Tony**: We're working on, plums and blueberries. We have a two-by-two approach where they're paired with, pomelo and passion fruit from Vietnam. And hat's, a process that's coming to conclusion, particularly around the plums. We opened market access for honey early in the year.

The feedback we get in in market is, phenomenal. The products, that we're seeing listed on the on the shelves of Australian produce, that's now in in market, it's very, very pleasing when you actually work with, the department and industry on those things over many years. You see, those come to, come to fruition.

We're underrepresented in dairy, and I realise our dairy production footprint is shrinking, in Australia, and it's not necessarily the need to find new markets when you're servicing existing markets. But we are underrepresented there. And that's something that, we could, probably compete a little stronger with, the Europeans with, the US and and New Zealand. But I think, we do have a lot of products in market, in our trade set, it'd be almost 200. And there's lots of scope to grow, whether it's infant nutrition. So, this is the second biggest market for formula powder in globally. Well, in terms of Australia's exports, also with nuts, we're seeing increases there.

Wine as a category, it's probably underrepresented. We're only about 10 million. But again, we're number four in the market. And there's an opportunity to grow that over time as people become more wealthy and become more accustomed to drinking wine. So there really is a lot of opportunity to extend what we're doing now, with our commodity set to add value to that commodity set, to, bring fusion products and new products to the to the market as our food technologists get better in designing new forms of dairy and other sorts of sorts of things and also the with market access, new commodities coming in to expand the range of products that we're putting into the market here.

**Tim**: As you expand that range of products, how do you differentiate our products from the competitors? And how do you tell that story of Australian sustainable agriculture that we're clean, clean and safe and that, our sector is committed to reaching, climate change targets and so on?

**Tony**: So that's a good question, Tim. And it is always very important to differentiate your brand. We have an excellent country brand here. And when Vietnamese consumers – and this is from the Vietnamese agriculture Minister down – when they think of, premium beef, they think of Australia and MLA have done an excellent job in being able to make that that association. So, we do have a very, very strong brand around the meat side of things.

It's probably more competitive on the horticulture side, there are some very good product that, comes into market. And again, we have to be very careful as an industry that we are properly servicing the market and putting, good quality premium product in, because when we put substandard product in, consumers have a bad experience, they often move on and don't come back. So that's very important. We have the country brands, and then we have, the proprietary brands of a of a lot of our horticultural product here. And one sort of reinforces the other.

There's mutually re-enforceable benefits of getting that right. So that's quite important. We do a lot of television, a lot of media profiling, our expertise, our knowledge, our background experience. Australia is regarded here, and partly that's because we are a regional neighbour of Vietnam. We're very well regarded for agricultural expertise, and it has spillover benefits for the quality of our product. We're seen as one of the preeminent, agricultural producing nations globally and trading nations globally. And Vietnamese are very hungry for expertise, and that's where the work of CSIRO and ACR the biosecurity co-operation work that we do, the work we do with engagement around AFIS and preorder compliance, are very, very important. It helps really build those, those networks, that reputation and that brand strength.

**Tim**: What do you love about Vietnam? What? Some of the things you really enjoy.

**Tony**: Yeah. I love the people. I love the food. I love the beauty of the country. The spirit of entrepreneurship, the can-do attitude. The way that people can, can pursue an objective and get there it it's really quite empowering. I also like, being part of the embassy community, working with the different tribes from the different agencies, seeing how they work and how we can help each other, to achieve our individual and collective goals. All of that is tremendously rewarding.

**Tim**: Tony, I've heard a rumour that you were on Vietnamese television for a huge audience cooking a lobster. Can you tell us about that and how that came to pass?

**Tony**: Ah, yes, Tim, that that was for a taste of Australia promotion a few years ago. It's probably about 3.5 years ago now. And that was with Celebrity Chef Hong, who, has a show on, VTV one, the Premier TV station here, the premier National TV station. He's also author of a lot of cookbooks that look at traditional Vietnamese cooking and, give them a modern twist. So, he's very well known. I shot some footage in the market, a lot of people came up to and, yeah, and wanted to talk to him while we did that. And then we went and cooked, cooked the lobster. So that was when we got market access for, Australian lobster for the eastern and, sorry for the southern and Western rock. Lobster. Eastern came a little bit later, and that was to promote that we paired it with, paired it with some, Margaret River wine. So that was an experience.

**Tim**: Sounds like a very tough day there on the job.

**Tony**: It was 42 degrees so sort of, yeah, it was a bit tough from a weather perspective.

**Tim**: And Luke Nguyen. Are you also going to be seeing him soon?

**Tony**: Ah, yes. He was involved in a lot of our promotional work and as a Taste of Australia ambassador. And he, curated the menu for, our Taste of Australia event that that we had here in Hanoi last year. And Minister Wong attended. We had over 1000 people. And we got some – with the assistance of the department and of Vietnamese authorities – we got some kangaroo meat in. We're still working on market access, but we got special approval, and he made some kangaroo sausages. So, I did an interview, which I sent back to the department. And, hey, that was that was, really good. We've done a little bit of work with Luke.

**Tim**: Tony Harman, thank you so much for your time. We've been speaking with Tony Harman, our agricultural counsellor based in Vietnam and looking after Cambodia and Laos as well of course. Keep up the good work. It sounds like you guys are doing a tremendous amount over there to keep the relationship good between our countries and to support our agricultural exports. And other than that, I think I will try my best (or worst) Vietnamese and simply say [goodbye in Vietnamese].

**Tony**: [Goodbye in Vietnamese].

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We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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