



Cultivating Vietnam's coffee sector through collaboration

The Grow Asia network is enhancing coffee quality, output, sustainability and farmer incomes through linking agribusiness and government efforts by the Vietnam Coffee Task Force



About Vietnam's coffee industry

- Vietnam is the world's most competitive coffee producer, accounting for nearly 60% of global Robusta exports
- Yields rank highest in the world and the country is the lowest-cost supplier
- 95% of production from smallholders
- Smallholders face environmental challenges (ageing tree stock, depletion of groundwater supply, diminishing soil fertility and climate change) and farming methods are unsustainable
- Grow Asia's multi-stakeholder partnership platform is critical to facilitating the strong coordination necessary to address the challenges to the future of Vietnam's smallholders



Multi-stakeholder partnership platform

Grow Asia brings together all stakeholders in the value chain to align and advance solutions

- Led by Nestlé and self-organized around 22 partners, including 5 Government Agencies, 6 Development Partners and 11 private sector companies (including Nestlé, as offtaker, Yara & Syngenta as input suppliers)
- Formed Farmer Groups around co-operative hubs for distribution of inputs and aggregation of production
- Key interventions:
 - Improved fertilizer application and use
 - Sharing best practices from partners
- Certification of sustainable production by 4C and Rainforest Alliance
- Intervention became more sophisticated with advanced finance and technical solutions



Partnership for Sustainable Agriculture in Vietnam (PSAV)

Country Partnerships address issues and coordinate activities at a local level

- PSAV established the Coffee Task Force in 2010, bringing together local industry players to address issues together
- The Coffee Task Force is self-organized and sets its own, localized program
- Coordinates holistic solutions across the entire value chain, such as enhancing farmer access to knowledge, inputs, premium prices through certification and markets
- Performance metrics in place
- Sits within the Ministry of Agriculture's International Cooperation Department. It creates opportunities for government, private sector, NGOs, and other stakeholders to align activities and policies with needs and opportunities
- Creates a platform to support project expansion and provide access to donors, partners and information





National tri-sector behavior and collaboration improved

Our cross-cutting nature transforms agriculture at a system level

- PSAV established Vietnam Coffee Coordination Board (VCCB) 2013:
 - Enables stakeholders to participate in policy dialogue, in line with country and Grow Asia goals.
 - The success of VCCB is being repeated by the Tea and Spice sector
- Developed National Sustainability Curriculum:
 - Identifies, defines, and prioritizes national sustainability issues and how to resolve them
 - Commercially neutral curriculum, strengthens institutional capacity and forms the basis for farmer training and methodology
- Developed 4 cooperatives: Lam Dong, Dak Lak, Dak Nong and Gia Lai
- PPP coffee documentary film was broadcast on Dak Lak media



Smallholder impact

The Vietnam Coffee Task Force is helping thousands of smallholders improve their productivity and sustainability

- 17% **increased yield**
- 14% **increased income**
- 55% **reduction in greenhouse gas emissions per unit of production**
- 66% **reduction in water footprint**
- 20% **reduction in fertilization use**
- 250 **demo plots established involving more than 7,000 coffee farmers**
- Developed training materials used by more than 65,000 coffee farmers**
- Supported 55 farmer leaders for over 4,378 farmers in 4 provinces**
- Good Agricultural Practices are now part of Government Extension officer training curriculum for wider impact**



“The success of this project in Vietnam is a testament to the power of the multi-stakeholder approach. Not only was the environmental footprint of the crop halved, but the VCCB - initially only seen as a mechanism for the mainstreaming of Good Agricultural Practices - enabled taxation policies to be adjusted to support the coffee export sector. Such is the success of VCCB that similar boards are being established in the tea and spices sectors.”

Grahame Dixie,
Executive Director, Grow Asia

