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## A Preliminary Analysis Result Certified Cocoa Program



❖ Questions to be answered and implementation approaches

❖ Lessons learnt & Issues to be further researched

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## Context



- **Demand of consumers** for product quality and environmental and social aspects.
- **Vietnam government** has promoted certified agricultural production such as Global GAP and VietGAP.
- **Cocoa is a crop in Vietnam** and all stakeholders aim to develop cocoa in a more sustainable way (unlike coffee).

# Development Impact



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**Improve  
living  
standards**

**Buyers/exporters**

**Cooperative/Private companies**

**Effective  
certified  
value  
chain**

**Fermentation unit 1**

**Fermentation unit 2**

**Fermentation unit x**

**Farmer club 1**

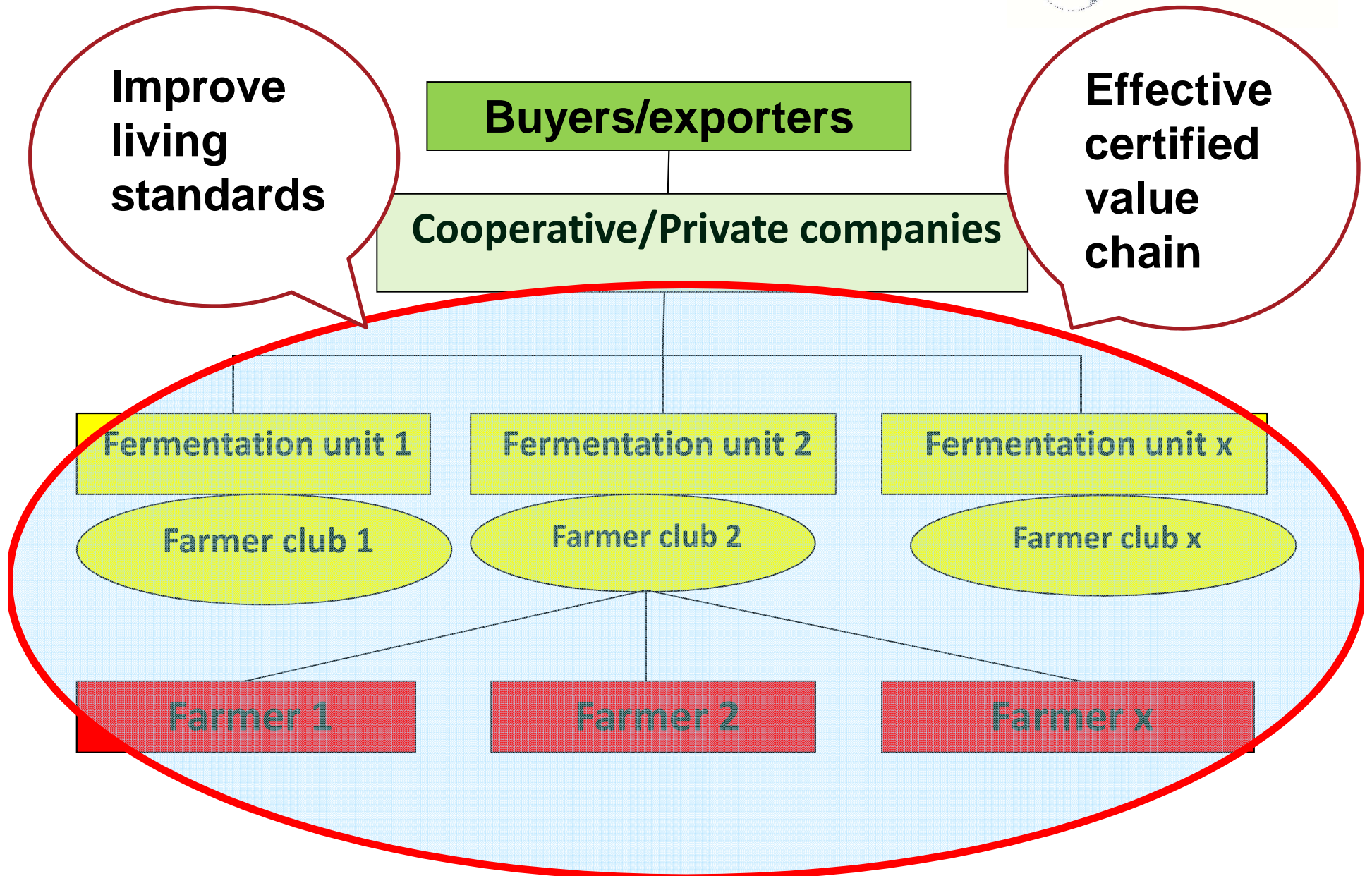
**Farmer club 2**

**Farmer club x**

**Farmer 1**

**Farmer 2**

**Farmer x**



## Questions to be answered



- **What is the most appropriate type of farmer organization** for effective and sustainable certified cocoa value chain development in the Mekong Delta context?
- **What are cost effective cocoa farming and processing techniques** in the local context to ensure consistent supply of volume and quality?
- **What is the most suitable internal control system** to ensure that farmers will produce quality cocoa beans and traceability of certified products
- **What are the roles of different actors** involved in the value chains?

## Implementation Approaches used



- **Multi-stakeholder involvement:** the program has involved different partners including farmers, traders, government agencies and NGOs.
- **Documentation and experience sharing:** start with a small number of innovative farmers and use the results to motivate other farmers to join certified cocoa production
- **Sampling and on-farm research:** For assessing the impact of the program and developing suitable cacao farming techniques
- **Farmer to farmer extension approaches (ToT):** farmer club leaders are trained and they will then train their members



# First Lessons Learnt



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- Local farmers are able to apply **environmentally friendly cocoa farming techniques** as required by certification standards



## First Lessons Learnt (cont.)



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- **Farmer club leaders** should become **demonstrators, trainers** and **coachers** for their farmer members.
- **Farmers leaders** should be enabled to gain **economic profits** from **their services**. Each fermenter cum club leader should have around at least 100 farmers, sufficient pods for fermentation unit.





## First Lessons Learnt (cont.)

- A large number of smallholding farmers should be involved in value chains to ensure **economies of scale**. Each certificate holder should have around 2000 farmers.
- The buyers play key roles in cocoa quality management via pricing policies: **higher price for higher quality**





## What needs to be further studied

- What is **the most cost effective internal control systems under** the local context to ensure consistent supply of quality beans in response to market demands.
- **Mechanisms for farmer club leaders** to work as farmer trainers and coach on mutual benefit basis to avoid other local fermentors buying pods from their club members
- **Enabling environments for buying companies to take lead in value chain development:** the buying companies who have invested in value chain development should have the right to buy cocoa from their farmers, and buying companies should fairly compete (higher price for higher quality beans)



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Thank  
you!