Vietnam Coffee Profile

Vietnam Nature Condition

1. The climate: Tropical and Diversified.
   - Different types of climate between the North and the South.
   - In the North: 4 seasons
   - The South: 2 seasons: Dry and Rainy season.

2. The soil:
   Total soil of 33 million ha.
   - 10 mil. Ha of Agriculture Soil, 15 mil. Ha of forest land
   - Bazal soil, Alluvial Soil
Vietnam Coffee Development

- Arabica is grown in the altitude of over 1,200m above the sea level.
- Robusta is grown in the altitude of over 500m above the sea level so Vietnam coffee is well-known for its sweet smell.
Vietnam Coffee Varieties

The Robusta (Cupping Scores):

The Arabica (Cupping Scores):

Vietnam Coffee Quality

Much improvement during the past time thank to (1). Good agriculture Practice Applying. (2). Increasing of capacity of after-harvesting processing factories, using the wet processing:

- Over 60% of area is certified by 4C, Utz, Rainforest Alliance, Fairtrade.....
- Vietnam government has implemented Premium Coffee program for both Arabica and Robusta.
- Win Silver Medal for AROMA
- Win Brone Medal for Intensive Coffee
- Win the second best for Arabica in ABODY certificate with the scores of 84.63
Vietnam Coffee Production and Export

- Export Volume and Value: Export market of Vietnam Coffee is over 80 countries and territories worldwide.

<table>
<thead>
<tr>
<th>MY (October-September)</th>
<th>2013/14</th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18f</th>
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</thead>
<tbody>
<tr>
<td>Export volume (thousand tons)</td>
<td>1,469.06</td>
<td>1,256.64</td>
<td>1,566.77</td>
<td>1,385.49</td>
<td>1,400.00</td>
</tr>
<tr>
<td>% change</td>
<td>18.10%</td>
<td>-14.29%</td>
<td>24.60%</td>
<td>-11.46%</td>
<td>0.72%</td>
</tr>
<tr>
<td>Export value (million US$)</td>
<td>2,909.40</td>
<td>2,481.83</td>
<td>2,701.99</td>
<td>3,036.13</td>
<td>2,700.00</td>
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<tr>
<td>% change</td>
<td>-5.40%</td>
<td>-14.78%</td>
<td>8.87%</td>
<td>12.59%</td>
<td>-11.18%</td>
</tr>
</tbody>
</table>

Challenges of Vietnam coffee industry

- Climate change
- Volatility of globle price and long period of downtrend price.
- Alternative crops: Avocado, Durian...
- Too many smallholdings: 600,000 farm households with average farm-size of less than 1ha and limited access to credit
- Limited value chain integration
New development period of Vietnam Coffee Industry

Remain the position of 2nd biggest green bean coffee exporter of the world and double the export value to 6 billion USD:

- Focus on productivity and quality improvement through coffee rejuvenation program.
- Promote the development of cooperatives and value chain linkages
- Invest in processed coffee: roasted coffee, soluble coffee, 3in1 and 2in1 coffee.
- Trademark promotion and expand export market for roasted and ground coffee, 3in1 and 2in1, soluble and others.
- Increase domestic consumption to 15%.

Coffee Estimation for 2019/20

- Coffee production of Vietnam will reduce remarkably (Estimation of 15% reduction):
  - The El nino will come again in 2019 and put serious impact on coffee.
  - The long period downtrend of global price may restrict farmers’ efforts to improve productivity.
THE VIETNAM COFFEE DAY
DECEMBER 10TH YEARLY