

*Ministry of Agriculture and Rural Development
Institute of Policy and Strategy for
Agriculture and Rural Development*

HIGHLIGHTS OF VIETNAM COFFEE SECTOR

*Dr. Dang Kim Son
General Director*



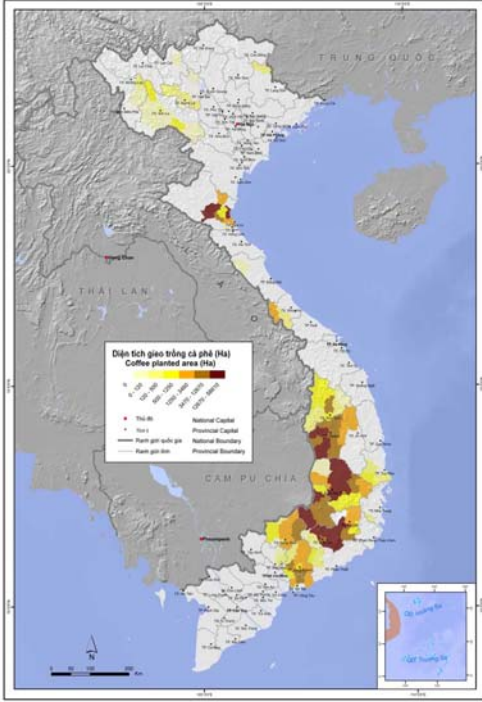
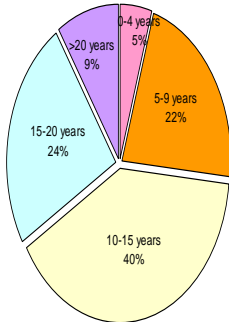
Content of the presentation



- ***Overview of Vietnam's coffee sector***
- ***Impact of economic depression on coffee sector in Vietnam***
- ***Organizational structure of coffee sector in Vietnam***
- ***Next steps for Vietnam's coffee sector***

Overview of Vietnam's Coffee Sector

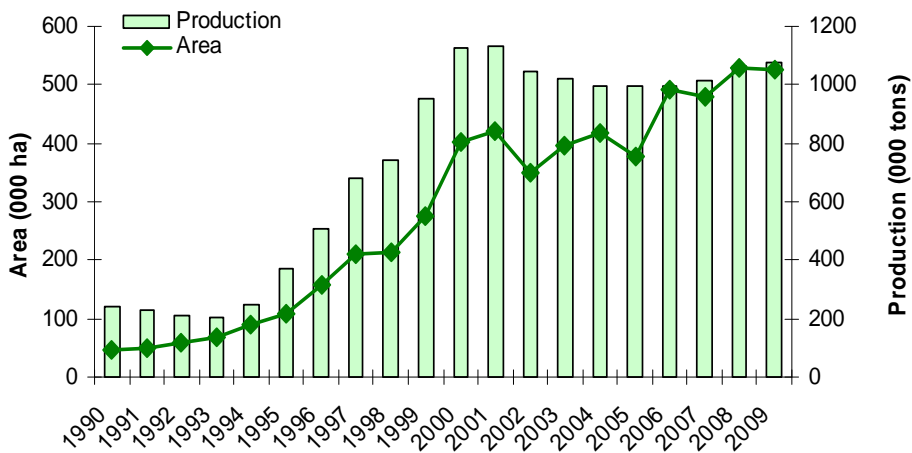
Area structure of coffee by age:
(Source: MARD)

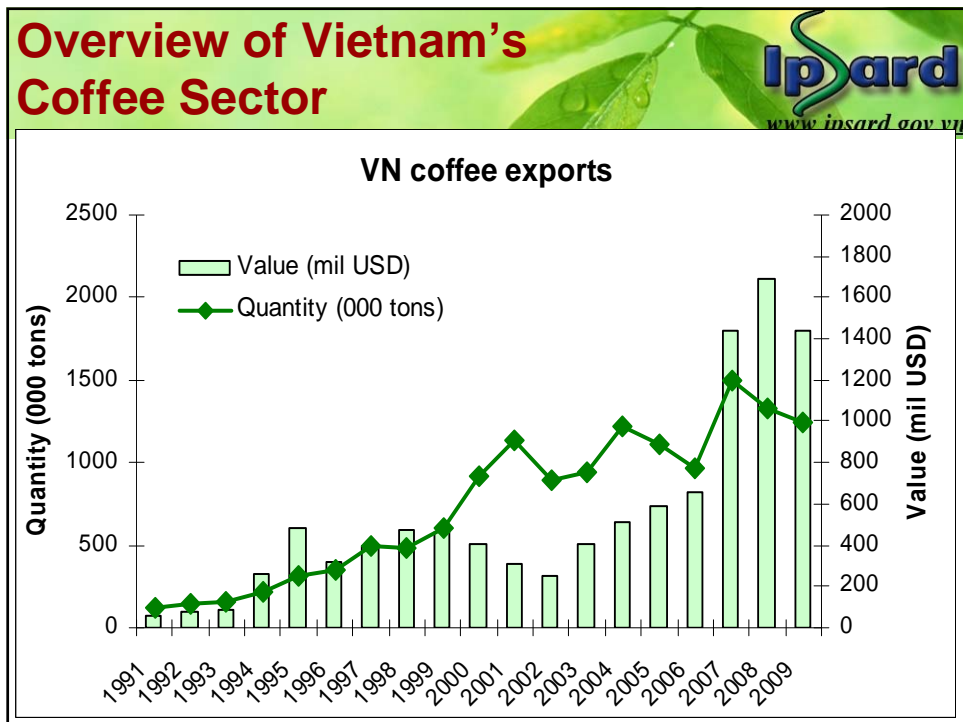
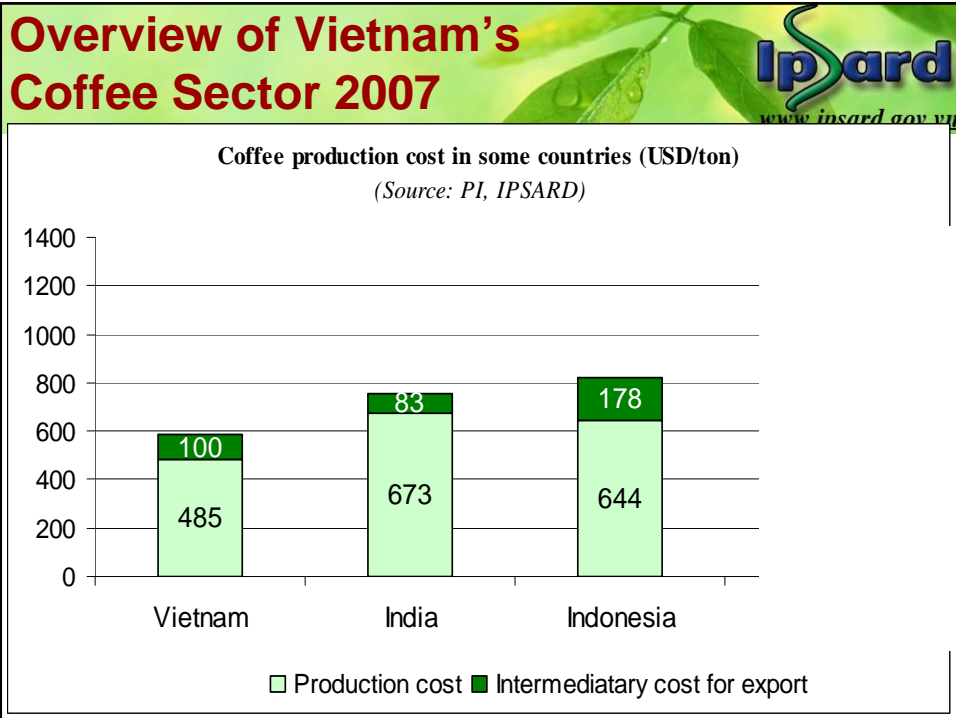


Overview of Vietnam's Coffee Sector



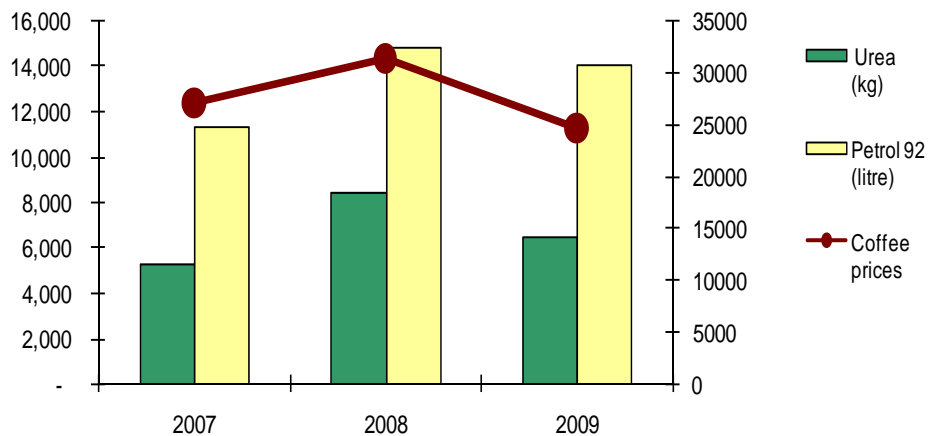
Production and area of coffee in Vietnam





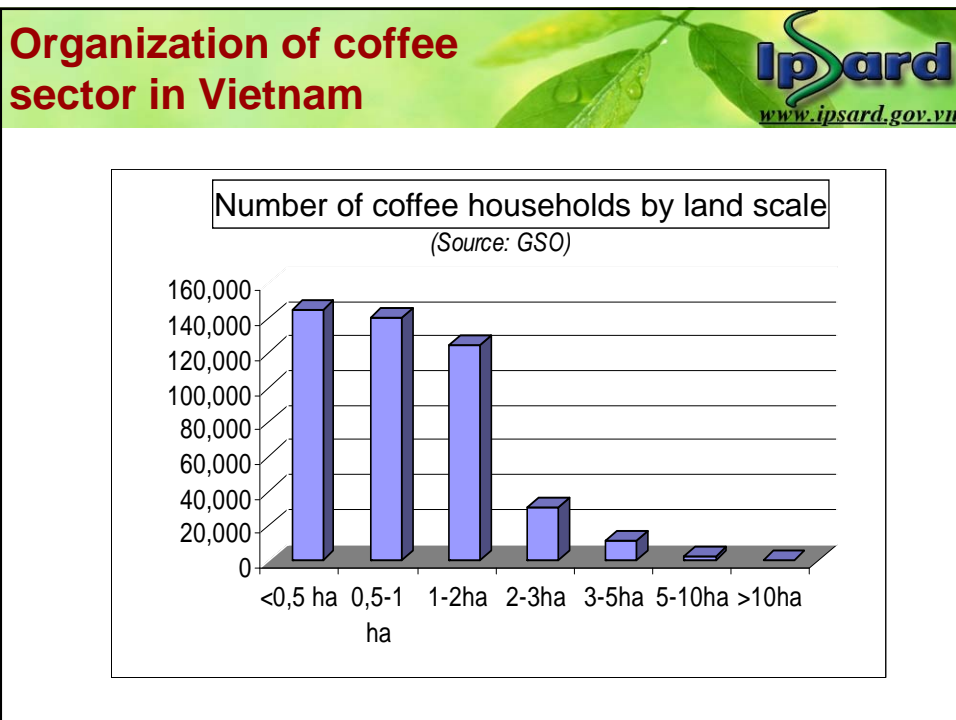
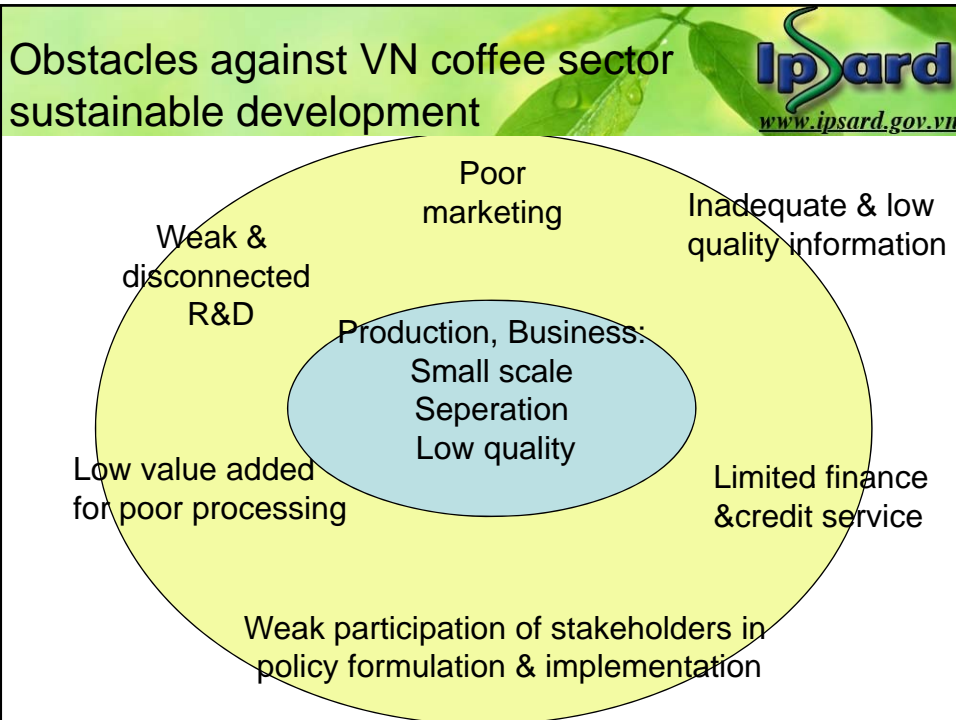
Overview of Vietnam's Coffee Sector

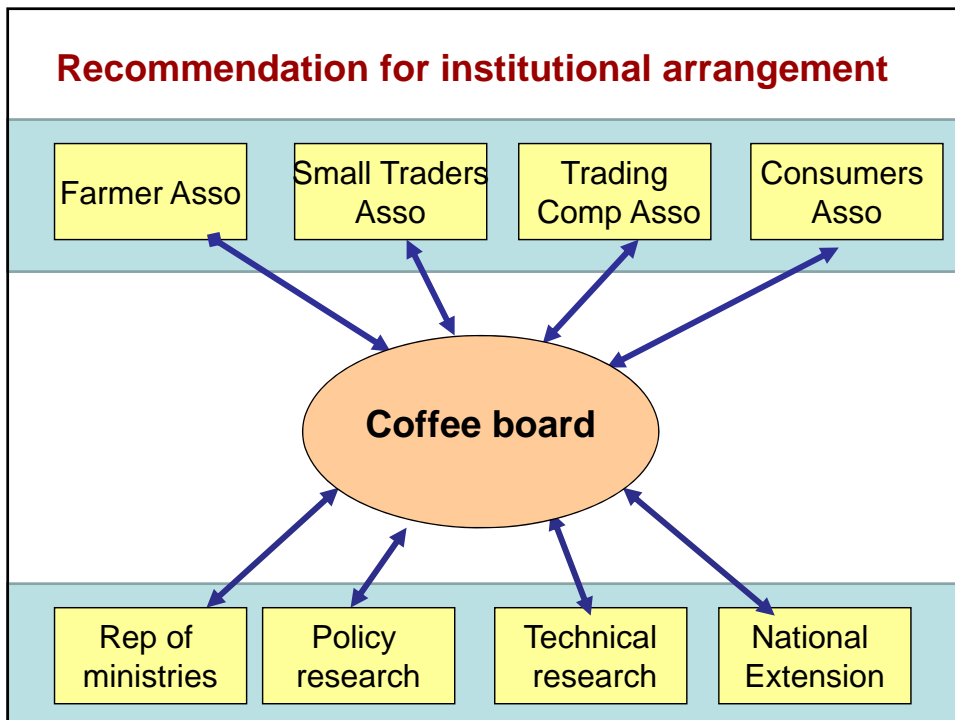
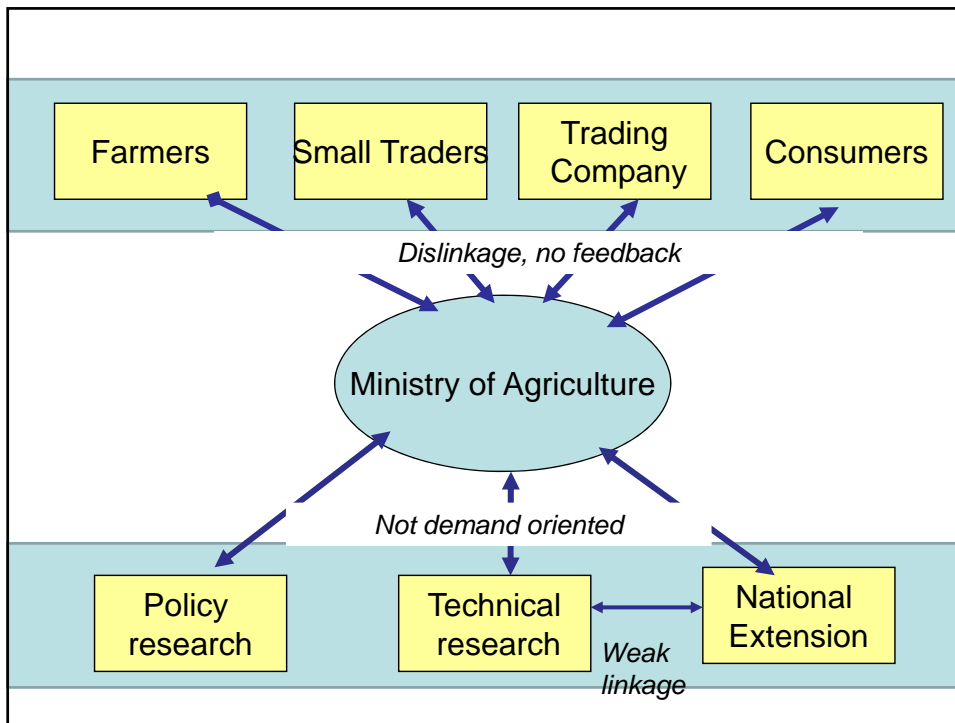
Coffee input and output prices (VND/unit)



Impact of economic depression on Vietnam enterprises

- In 2008, high interest rates created difficulties to many enterprises. The state bank had to adjust basic interest rates 18 times, up to 14%/year in 4 successive months, compared to 8,25% in 2007 → limited access to credits for investment.
- In 2009, despite of better exchange rate and lower interest rates, limited access to USD of coffee enterprises → difficulties to export traders.





Recommendation:

Setting up the coffee board with the following functions:



- Formulate and propose sector **policies and strategies**
- Conduct **research, development and education**
- Provide and disseminate **market information**
- Support **marketing and market promotion**
- **Institutional** set up for the sector

Recommendations



Public investment & public services

- Develop the coffee domestic market promotion program
- Develop market information system
- Set up supply and demand monitoring system

Policy

- Improve coffee quality to add value
- Develop sustainable coffee sector (water management, environment pollution...)
- Improve high and environmental friendly used technology

Recommendations



International cooperation:

- Attain sustainable resource management
- Develop domestic market promotion
- Improve value added and apply risk management for poverty reduction
- Set up demand and supply monitoring system and develop information sharing
- Set up sector institutional arrangement
- Apply effective technology

Thanks for your attention!

Please visit us at

www.agro.gov.vn

www.ipsard.gov.vn

