VIET NAM THE BIGGEST ROBUSTA COFFEE COUNTRY







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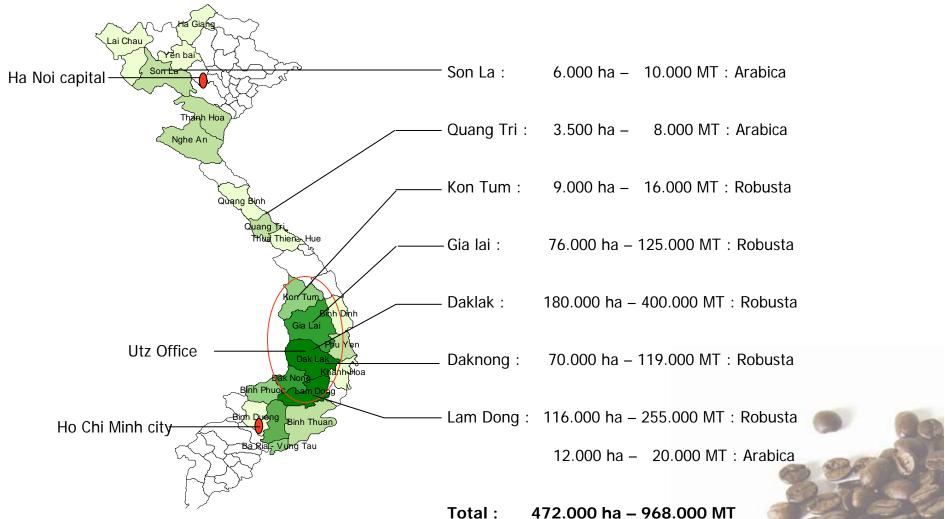
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Part 1: Viet Nam Coffee

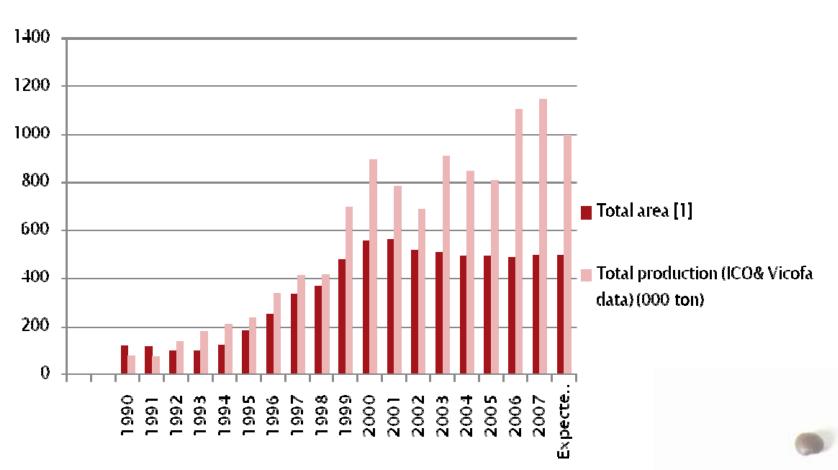
Coffee areas





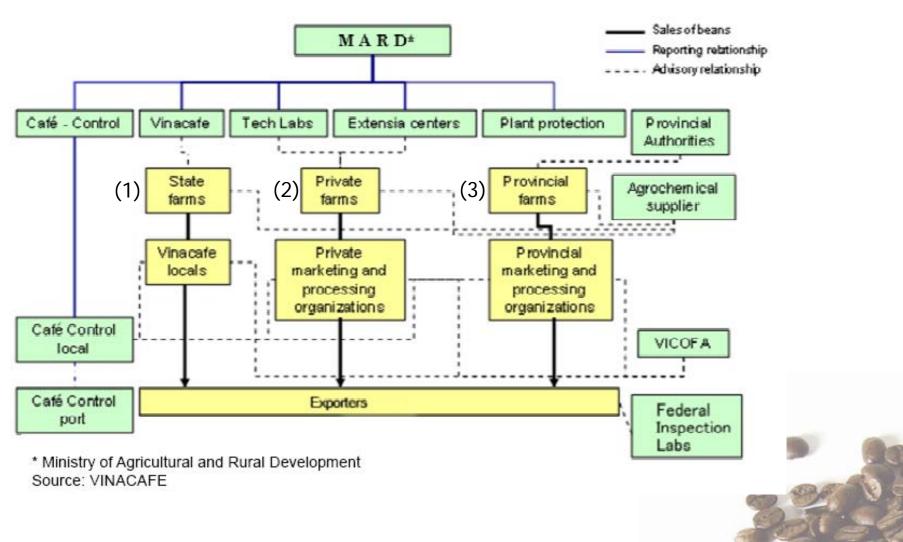


National coffee production





Coffee Sector Organization





State Farms (1) _ Provincial Farms (3)

- 15% of total
- Organizing and managing by government in the beginning
- Now independent in business
- Professional in farming
- Coffee area from 500 ha to 5000 ha per farm
- Distribute for each farmer around 1 3 ha
- Good quality







First group

- Individual farmers move from low land to high land to plan coffee under government's policy 20 years ago: 50% of total
- Support from government about land, living conditions and extension services
- Coffee area around 0,5 to 1,5 ha/household
- Environmental and living conditions are at certification standard for coffee
- Good quality





Private Farms (2)

Second group

- Individual farmers move from low land to high land to plan coffee non government's policy 20 years ago: 35% of total
- Without any support from government: Lack information.
- Coffee area around 0,5 to 1,5 ha/household
- Environment and living conditions are below certification standards for coffee
- Problems in farming system and coffee quality





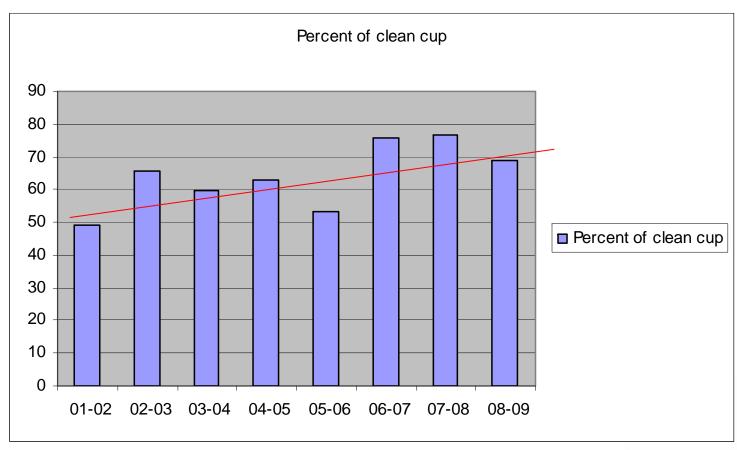
Coffee growing structure

- -Type of coffee : 95% of Robusta 5% of Arabica
- Density 1100 trees/ha for Rob. 5000 trees/ha for Ara.
- 30% coffee area had windbreak and shade tree
- 70% coffee area without windbreak and shade tree
- Altitude of Robusta from 500 to 800
- Altitude of Arabica from 500 to 800 is 50% of total
- Altitude of Arabica from 1000 to 1400 is 50% left (in Lam Dong)





Coffee quality



Source: CAFECONTROL Dec. 2009



Part 2: Viet Nam Coffee Quality Improvement

- No expand coffee area: Fix at 400.000 ha and 1.000.000 MT/year
- Improve coffee quality by :
 - + Rolling out the good modern of sustainability of coffee including Utz Certified program
 - + Capacity building for extension network
 - + Develop sustainable coffee training materials
 - + Support credit with low interest for coffee farmers
- Develop VietGAP for coffee
- After 2 years all Viet Nam coffee exported have to follow international quality standard



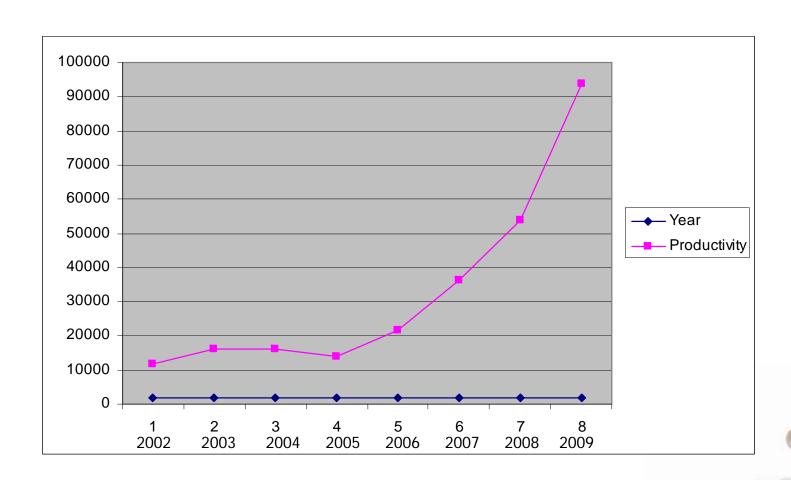
Part 3: Viet Nam with Utz Certified program

- Utz Certified came to Viet Nam in 2002 through Andira and Cafecontrol
- 3 certified producers in the first year starting with 11600 tons
- Utz Certified had Field Representative in September 2005
- Representative office in October 2006
- Expected 30 certified producer with 100.000 tons up to 2010.
- Certified program growing up every year
- Amount of Utz coffee sold avg. 40% certified coffee.

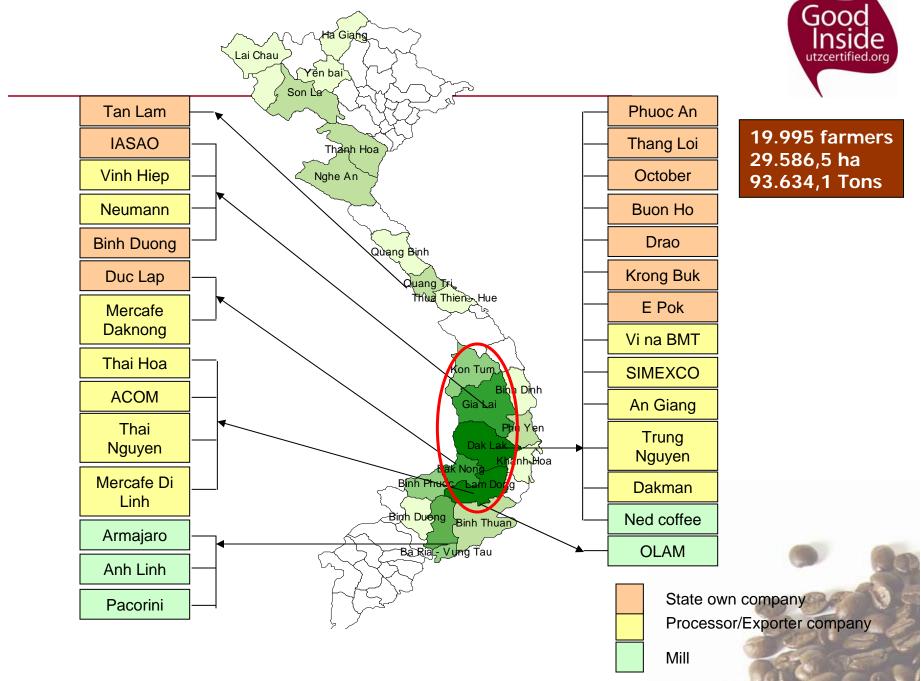




Results of Utz Certified in Viet Nam

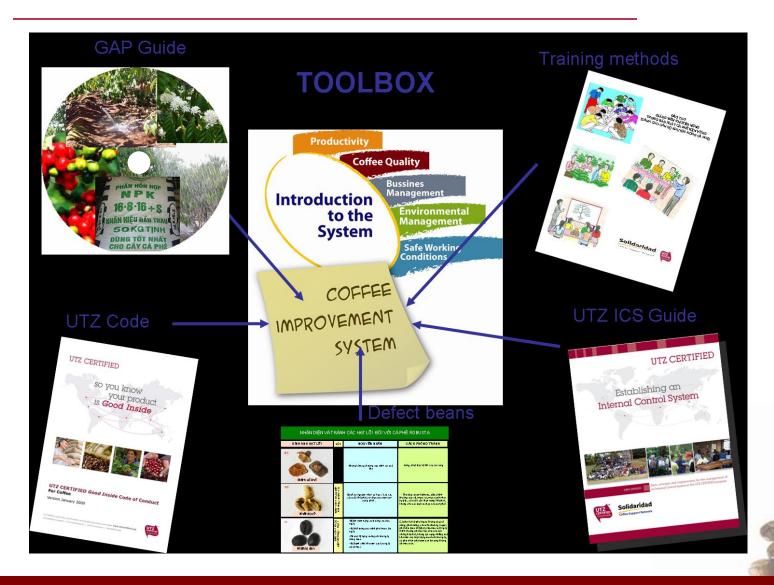


Results of Utz Certified in Viet Nam



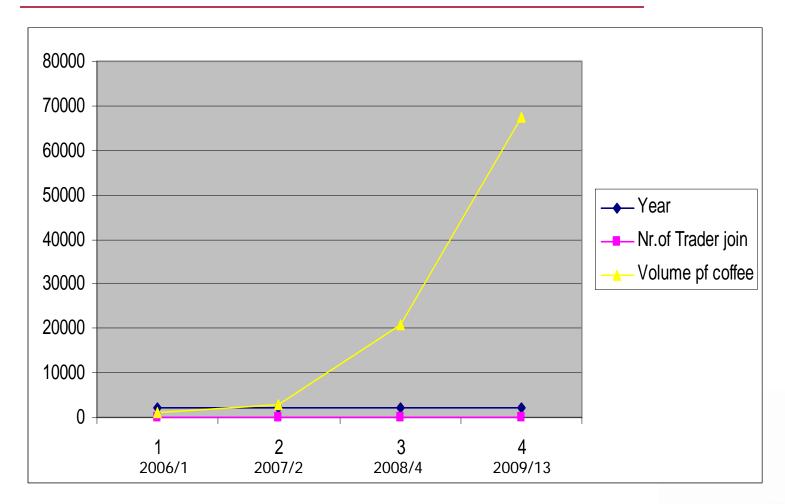


Utz Certified as the key to improve coffee quality









13 Utz Certified project belongs to Traders/Processors with 67.489 tons (79% in total)



Utz Coffee production

- Almost Utz Coffee are top quality
- 1. Type of coffee:
 - Arabica wet processing, altitude from 600m to 1400m
 - Robusta grade 1 wet processing : polished and unpolished
 - Robusta grade 2 dried processing : polished and unpolished
- 3. Market price and Utz premium:
 - Arabica : London market price + (120 150 USD) /ton premium
 - Robusta grade 1: London market price + (50 60 USD) /ton premium
 - Robusta grade 2 : London market (100 to 120 USD)

+ (50 – 60 USD)/ton premium





Orientation of Utz Certified Viet Nam since 2010

- 1. Develop local market to improve Utz coffee demand
- Improve quality of certification program by tools development, training and organize TA network (extension)
- 3. Care about the quality of training in FFS of certified producers
- 4. Show to the coffee farmers the benefit is not premium. Farming professional, good environment and community are more benefit than premium
- 5. Preparing Utz certification program for Tea and Cocoa







Good inside

THANK YOU

