



Transformation for a Sustainable Future



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ASC	Aquaculture Stewardship Council
ASEAN	Association of Southeast Asian Nations
ASIC	Asian Seafood Improvement Collaborative
BDS	Business Development Services
BSCI	Business Social Compliance Initiative
CEBI	Climate Environment Business Index
CSR	Corporate Social Responsibility
DARD	Department of Agriculture and Rural Development
FAO	Food and Agriculture Organisation of the United Nations
FTA	Free Trade Agreement
GIZ	German Corporation for International Cooperation GmbH
GHG	Greenhouse Gas
GRAISEA 2	The “Gender Transformative and Responsible Agribusiness Investments in South East Asia” project, phase 2
IB	Inclusive Business
ICAFIS	International Center for Aquaculture and Fisheries Sustainability
IDH	Sustainable Trade Initiative
IPSARD	Institute of Policy and Strategy for Agriculture and Rural Development
IRRI	International Rice Research Institute
MARD	Ministry of Agriculture and Rural Development
MCD	Center for Marine Life Conservation and Community Development
MSI	Multi-Stakeholder Initiative
OCOP	One Commune, One Product
PMU	Project Management Unit
PPC	Provincial People’s Committee
PPP/PPC	Public-Private Partnership/Cooperation
RECERD	Research Centre for Resources and Rural Development
SA8000	Social Accountability International Standard 8000
SIDA	Swedish International Development Cooperation Agency
SDG	Sustainable Development Goals
SMETA	Sedex Members Ethical Trade Audit
SMLLC	Single Member Limited Liability Company
SRP	Sustainable Rice Platform
SSP	Small-scale producers
VASEP	Vietnam Association of Seafood Exporters and Producers
VCCI	Vietnam Chamber of Commerce and Industry
VIFEP	Vietnam Institute of Fisheries Economics and Planning
VSSA	Vietnam Sustainable and Clean Shrimp Alliance
WEE	Women’s Economic Empowerment
WWF	World Wide Fund for Nature

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FOREWORD

The “Gender Transformative and Responsible Agribusiness Investments in Southeast Asia” Phase 2 (GRAISEA 2) project aims to support the well-being of smallholder farmers and workers in Southeast Asia. What makes this project special is that it takes a regional approach, supporting people across Southeast Asia. This includes, for instance, working across multiple countries like Cambodia, Indonesia, the Philippines, and Vietnam; influencing important regional agricultural standards and the key regional organisation: the Association of Southeast Asian Nations (ASEAN).

GRAISEA Vietnam has had many successes - this should be clear from reading this book - but I want to stress that the team’s work has been key to the regional goals of GRAISEA. For instance, the continued successes of GRAISEA Vietnam in areas such as fostering connections between businesses and cooperatives, promoting a more inclusive business model, improving working conditions and ensuring the welfare of workers and farmers in the value chain, developing digital applications that support sustainable production and responsible business, policy recommendations, etc. - these have been widely shared across the region (and beyond). GRAISEA Vietnam has, in return, learned from partners and stakeholders in the region and this has supported its own work.

GRAISEA Vietnam also had a key role in influencing agencies that promote international standards, such as the Sustainable Rice Platform and the Aquaculture Stewardship Council, to enhance how they support and provide value to smallholder farmers. GRAISEA Vietnam’s work further influenced international buyers outside the region, such as the recent launch of a gender-transformation tracker in the shrimp sector in conjunction with the UK supermarket Tesco and Vietnamese companies. This amazing work was only possible thanks to the skills of Oxfam in Vietnam, the strengths of their partners, and the commitment and experience of the stakeholders they work with.

On behalf of the GRAISEA team, I would like to express my sincerest gratitude to our partner organizations, professional associations, experts, central and local governments, enterprises, cooperatives, and communities. The GRAISEA 2 project acknowledges the sponsorship provided by the Swedish International Development Cooperation Agency (SIDA) and the Embassy of Sweden in Thailand.

Sincerely,
Ashley Aarons
GRAISEA 2 Team Leader



PREFACE

In 2017, the GRAISEA 1 project concluded with remarkable achievements in the rice and shrimp value chains in Vietnam. Collaborative efforts were established between small-scale producers and buyers, including national, regional, and multinational corporations. Enhancements were implemented in farming methods at both household and cooperative levels, along with adjustments in investment policies and business models. These changes aimed to amplify women's economic empowerment and the resilience of agricultural supply chains to climate change.

While this important progress was acknowledged, the rice and shrimp value chains in Vietnam and other Southeast Asian countries still faced many challenges. Firstly, sustainable production standards were not consistently adhered to by small-scale farmers. Secondly, women's roles and contributions within the value chain were not adequately highlighted and recognised. Thirdly, the linkage between actors in the value chain remained delicate, and farmers' participation in the supply chain remained limited, entailing challenges in managing output consumption and in achieving an equitable distribution of benefits, costs, and risks.

On the enterprise side, difficulties lay in forming partnerships with farmers to establish a stable source of high-quality inputs aligned with international standards (such as GAP/VietGAP, ASC/ASIC, SRP, organic, etc.). Further improvement was deemed necessary to render enterprises' business models and investment strategies more comprehensive and responsible. This encompassed investments in developing raw material areas and implementing welfare policies for employees - especially female workers. In addition, the escalating impacts of climate change - including salinity intrusion, drought, and diseases - posed significant risks to rice and shrimp production in the Mekong Delta, threatening the livelihoods of smallholder farmers, particularly women.

In this context, in 2018, Oxfam in Vietnam, Cambodia, Thailand, Indonesia, and the Philippines coordinated and consulted with communities, partners, government agencies, and experts to design a regional programme that could effectively address these challenges. The GRAISEA 2 project adopted a regional approach to develop responsible supply chains. The project: (1) assisted small scale producers in producing high-quality products that adhere to international standards and foster deeper involvement in the supply chain, thereby ensuring fair and proportionate rewards for their efforts; (2) worked with lead firms to promote inclusive business models accompanied by sustainable investments and sourcing policies that are equitable for farmers and other value chain actors, while ensuring better welfare for employees, especially women, and; (3) advocated for an enabling policy environment and a legal framework at all levels to put the above issues on the policy agenda to be addressed with joint efforts of all relevant parties, thus translating ideas into tangible actions.

Overcoming multiple obstacles, GRAISEA 2 has achieved notable successes, demonstrating the right strategy and direction as it contributes to addressing pressing issues in the rice and shrimp value chains. Of paramount importance has been the strong commitment of farmers and enterprises, the support of local governments, and the unwavering dedication of long-term partners. This collective effort facilitated the mobilisation of knowledge, expertise, and resources which played a pivotal role in the project's success.



THE JOURNEY OF GRAISEA 2



2019-2020

- Project implementation commenced in five provinces
- 28 cooperatives and 50 enterprises received technical assistance and capacity building
- Inclusive business models promoted between 15 lead firms and cooperatives
- Two Business Development Services (BDS) packages developed for 18 enterprises and 44 cooperatives
- Climate Change and Environment Enterprise Index (CEBI)



2021-2022

- Black tiger shrimp-rice farming areas in Tri Luc commune, Thoi Binh district, Ca Mau achieved one of the first group certifications of the Aquaculture Stewardship Council (ASC) in the world
- 15 inclusive business models established and expanded with more than 30 investment and purchasing contracts/MOU signed
- Vietnam Shrimp Forum scaled up nationwide
- National Working Group on the Sustainable Rice Platform (SRP) Standard established
- “Initiatives to increase women’s economic empowerment in the rice value chain” contest
- Climate Risk Reserve fund piloted for the first time in Vietnam
- Programme to support private enterprises in sustainable business development in 2022-2025 approved by the Prime Minister of Vietnam



2018-2019

- Shrimp and rice value chain analysis in the Mekong Delta
- Project design
- Establishment of regional and national Project Management Units (PMUs)
- Partnership establishment



2020-2021

- Public-Private Partnership/Cooperation (PPP/PPC) in An Giang, Kien Giang, and Soc Trang
- Vietnam Clean and Sustainable Shrimp Alliance (VSSA), Bac Lieu Shrimp Association established
- Digital platforms (i.e., the Vietnam Shrimp Forum; online trading platform Chotomca.vn) established to support value chain linkages during COVID-19
- Action plan for Organic Agriculture Development in Ca Mau for 2020-2025 approved by the provincial People’s Committee



2022-2023

- Capacity of 4,468 small-scale producers and 58 cooperatives enhanced
- 112 enterprises, 15 corporations, and more than 10,000 workers benefited
- Rice Hero mobile app was developed and successfully tested among more than 2,000 participants in An Giang province.
- Inclusive business models of Minh Phu Group and Hong Tan company shared at the Asia Inclusive and Responsible Business Forum
- Digital platform to support enterprises and employees launched
- National plan to improve the capacity of agricultural cooperatives to adapt to climate change in the Mekong Delta (2021-2025) approved by the Prime Minister of Vietnam

CHAPTER 01

SMALL-SCALE PRODUCERS





Cultivating Sustainability Through Key Standards

In recent years, Vietnam's agricultural sector has encountered numerous challenges due to global economic, social, and political trends.

Vietnam's participation in Free Trade Agreements (FTAs) has expanded export opportunities for agricultural products, while imposing stringent requirements and standards for product origin and quality, as well as safe farming practices that benefit both humans and the environment. Given the escalating climate risks, the agricultural sector needs to strengthen its ability to adapt and recover. The foremost and fundamental transformation needs to originate from farmers - the most crucial actors in the agricultural value chain. They are and will remain the most affected if they persist with small-scale farming, as they will not be able to keep up with drastic

changes in sustainable production and consumption trends worldwide, nor effectively adapt to climate change.

Placing farmers at its core, GRAISEA 2 has focused on improving the production capacity of small-scale producers (SSPs), especially women, so that they adhere to sustainable standards. At the same time, the project promotes collective or cooperative production models which help farmers enhance their livelihoods through more stable market connections and increased resilience to climate change. Equipped with more advanced and sustainable production methods, farmers have secured a renewed position in the value chain. This elevation has granted them increased influence and negotiating power, facilitating a fairer distribution of benefits and risks among all stakeholders.

Vietnam's agricultural sector holds a valuable competitive advantage, benefiting from diverse ecological conditions, ample sunshine, and abundant water resources. However, these competitive advantages can only be optimally harnessed in the hands of skilled farmers. The initial solid steps toward becoming a professional farmer are transitioning from small-scale farming to cooperative production, and the adoption of sustainable farming practices aligned with international standards, which is the key to rigorous global markets.

Recognising this, GRAISEA 2 fostered cooperation among value chain actors – including producers, enterprises, and local authorities – all with the aim of implementing sustainable

production standards. The project accompanies SSPs in technical training while promoting cooperation with international organisations and forums for product certification. These include the Sustainable Rice Platform (SRP) standards for rice, the Aquaculture Stewardship Council (ASC) certification, and the Asian Seafood Improvement Collaborative (ASIC) certification for shrimp, along with other standards such as GAP, VietGAP, organic, etc.

The project also supports the formation and capacity development of cooperative groups and agricultural cooperatives. Transformed from individual small-scale production, these cooperatives have standardised sustainable farming practices. This transformation fosters improved managerial and negotiation

capacity, consequently establishing a solid foundation for strong linkages between farmers and enterprises. With the valuable support of local authorities, farmers are increasingly able to partake in more equitable sharing of benefits and risks in the value chain.

Throughout its endeavours, GRAISEA 2 consistently encourages farmers, especially women, to assert their independence, creativity, and leadership. The role of women is amplified when they participate in meaningful planning, decision-making, implementation, and supervision of production activities within families, groups, and agricultural cooperatives. This contributes to transforming stereotypes about women's roles and capabilities.



The ASC shrimp

Located in the “capital” of black tiger shrimp in Vietnam, and the world, Tri Luc Cooperative (Thoi Binh district, Ca Mau province) is proud to be one of the world’s first farmer groups to achieve ASC certification for black tiger shrimp raised on rice cultivation land by 2022. This demonstrates the effectiveness of the synergistic ties among shrimp farmers, supporting organisations, enterprises, and local authorities.

ASC is a strict and prestigious international certification for aquaculture. It ensures that seeds and production inputs are traceable, and production practices are closely intertwined with environmental protection and the well-being of farmers and communities. ASC certification not only facilitates farmers securing long-term contracts with enterprises at higher prices, but also acts as a ticket for processing and exporting enterprises to access high-end markets.

The journey of changing production practices following ASC certification is no walk in the park. Farmers have to completely change their mindset, acquire many new techniques, familiarize themselves with and systematically apply “foreign” practices such as keeping electronic farming diaries, and undertake a series of demanding tests. “It seemed almost impossible, at times. We had to change drastically from the conventional

practice of applying chemicals in the field,” said Mr. Le Van Mua, Director of Tri Luc Cooperative.

True to its name “Tri Luc,” which translates to “Power of the will”, farmers do not shy away from challenges. Collectively, they underwent a remarkable transformation with the support of the Centre for Marine Life Conservation and Community Development (MCD), Minh Phu Social Enterprise, and other partners. After over four years, the old practices have been completely replaced by new farming methods adhering to ASC standards. The individualistic farming mentality has evolved into an effective, cooperative production approach characterised by standardised processes, optimal utilization of human resources, cost-effectiveness, and uniform product quality. “As members of the cooperative, we had numerous chances to learn and exchange experiences. With farming contracts in place, our products sell like hotcakes with stable prices. We no longer worry about traders pressuring us to sell at undervalued prices,” commented Mr. Tran Van Tinh, a shrimp farmer in Tri Luc Cooperative.

Along their transformation journey, Tri Luc Cooperative had the unwavering support of local authorities at all levels in providing an enabling environment

and strategic advice for cooperative governance. Furthermore, Tri Luc farmers received comprehensive capacity building from MCD, along with the close cooperation of Minh Phu Social Enterprise in production, consumption, and product certification.

On 3 October 2022, the Control Union Peru SAC issued ASC certification to 378 shrimp farms from 252 households, spanning 565 hectares in Tri Luc commune. As a result, the farmgate price of black tiger shrimp saw an increase of 1,000-3,000 VND/kg compared to uncertified products. This model is considered an exemplar for the Sustainable Aquaculture Development programme in Ca Mau province. “Achieving ASC certification is the first step. Ca Mau province aims to have more than 40,000 hectares of rice-shrimp certified by international standards such as ASC and other organic standards by 2030,” said Mr. Chau Cong Bang, Deputy Director of the Department of Agriculture and Rural Development (DARD) of Ca Mau province.



Organic Rice Certificate

Farmers in Vinh Loi Cooperative (Thanh Tri district, Soc Trang province) were once accustomed to traditional rice cultivation practices. However, these practices led to low yield and poor quality, resulting in diminished selling prices. After visiting several organic rice models, Mr. Nguyen Van Ut, the cooperative's director, realized that organic agriculture is a niche market characterized by smaller scale but higher value. Mr. Ut and the cooperative's leaders were determined to transform conventional rice farming to organic production to elevate the value of local rice harvests. "The world is shifting to consuming safe and organic products, we mustn't lag behind this trend" he explained.

The journey of organic rice in Vinh Loi was not without challenges. Initially, farmers were concerned about the new model, which requires substantial effort and the adoption of improved cultivation and field-management techniques.

To overcome these challenges, the Research Centre for Resources and Rural Development (RECERD), Soc Trang Sub-Department of Crop Production and Plant Protection, and Thanh Tri District DARD worked with Vinh Loi Cooperative.

Together, they provided farmers with training courses on advanced farming techniques to achieve organic rice yields on par with those of conventional rice. Furthermore, they provided methods to assess the economic, social, and environmental benefits of organic rice cultivation practices.

Organic rice farming not only entails a higher selling price, but also leads to substantial cost savings from eliminating chemical fertilizers and pesticides, which account for a large proportion of traditional production expenses. As a result, farmers enjoy an increase in net profits of 3-5 million VND/ha. Meanwhile, organic cultivation preserves soil health and ensures stable rice yields and consistent revenue. This practice also safeguards the health of farmers, communities, and the ecosystem's biodiversity. To fully apply these new sustainable farming methods, farmers have shifted their focus from immediate economic gains (one year's revenue) to long-term and holistic benefits.

The significant contribution of Hong Tan Food Single Member Limited Liability Company (SMLLC) in developing value chain linkage with Vinh Loi

Cooperative to purchase organic rice at a high price cannot be understated. This strategic collaboration has created important economic leverage for Vinh Loi Cooperative's members and neighbouring farmers to expand the scope of organic rice cultivation.

Thus far, the organic rice model has expanded to cover 60 hectares owned by 16 members of Vinh Loi Cooperative. The cooperative sells around 350 tons of organic rice per crop at 7,500 VND/kg for non-certified rice, and 10 tons of commercial rice at a higher price. The cooperative is undergoing the certification evaluation process for Organic Rice certification, after which the price is expected to rise to 10,000 VND/kg. Ongoing efforts are underway to promote the export of organic rice to premium markets.

This model has been extended by local authorities and other research institutions across the Mekong Delta. The model of Vinh Loi Cooperative is being considered by provincial governments to design Soc Trang province's organic rice scheme.

Vinh Loi Cooperative met with representatives of Hong Tan Company.
Photo: Oxfam



Women - pioneers in rural economic development

Women's Economic Empowerment (WEE) is a foundational pillar of GRAISEA 2.

The project has supported women in developing and implementing numerous initiatives to cultivate and improve their leadership, entrepreneurship, and brand development skills. Through these initiatives, women can create new products and enhance the value of existing ones to generate more income.

These initiatives serve as both the foundation and the outcome of a transformative journey for women - from traditional roles as homemakers dependent on male relatives for income to becoming proactive and creative actors in livelihood activities. The Women's Livelihood Group Initiative has helped increase women's self-assurance, reshaping perceptions of their role, and advancing gender equality in rural areas.

The "Initiatives to increase women's economic empowerment in agriculture" contest has supported the completion of 15 women's initiatives aimed at business development, with seven of these being implemented in practice.



"Ever since we switched to organic farming, input costs have decreased, our health [has] improved, and our rice is purchased by Hong Tan at a price higher than the market price by 400 VND" said **Mr. Vo Thanh Truc, a rice producer in Thanh Tri, Soc Trang.**

The cultivation of a homeland's rice brand

"This area is home to delectable rice - rice grown on shrimp-farming land."

"This area is home to delectable rice - rice grown on shrimp-farming land."

Ms. Dieu swiftly packed the five-kilo bag of rice branded "Tri Luc" as she spoke. She didn't hide the regret that her cooperative used to sell raw paddy to the enterprise, yielding little profit.

"After attending conferences, I noticed that other regions were already selling commercial rice while we weren't. So, I came up with this idea, and we unanimously agreed to do it together," said Ms. Van Ngoc Dieu, Deputy Director of Tri Luc Cooperative, of how the Women's Livelihood Group of her cooperative was initiated and started generating additional income streams from rice grown on shrimp fields.

The group started with seven female farmers. As they were not familiar with doing business, the women struggled to build a proper brand and develop packaging. Additionally, as their network was quite limited, promoting their Hoang Yen brand was also a significant challenge.

With the support of GRAISEA 2, the Women's Livelihood Group partnered with Tri Luc Cooperative to develop

a comprehensive processing and packaging line for Hoang Yen rice which was then showcased at agricultural fairs. This marked a significant milestone in boosting the women's confidence and proactiveness in growing their business. From 2022 to mid-2023, Hoang Yen rice sold about three tons, at a price of 24,000-26,000 VND/kg. The profit generated was used to sustain the group's activities, including organising trips for members to visit successful agricultural models.

"We women farmers rarely took part in social gatherings or events in the past; we spent most of our time at home! Now, as a member of the Livelihood Group, I have a job and earn a few hundred thousand dong every day. During these gatherings, we share our experiences and have heaps of fun," Ms. Le Thi Diep, a member of the Livelihood team, beamed.

Through the process of learning, training, and leading the Livelihood Group, Ms. Dieu's perspective on the role of women has changed considerably. She came to realise that they are just as capable as men of generating income through entrepreneurship. "Women have an important role to play. We don't have to be dependent on men."

Ms. Van Ngoc Dieu, Deputy Director of Tri Luc Cooperative. Photo: Nguyen Duc Hieu / Oxfam



Women-led livelihood group at Thuan Phat cooperative. Photo: Nguyen Duc Hieu / Oxfam

Fostering Farmer Entrepreneurship: Diversifying Products through Shrimp Ponds and Rice Fields

Rice and shrimp production are the main sources of income for farmers in Hoa De Agriculture and Fisheries Cooperative (My Xuyen district, Soc Trang province) and Thuan Phat Cooperative (An Minh district, Kien Giang province), especially since they improved their cultivation practices and turned to organic farming in 2018. However, risks from diseases and climate change directly threaten the livelihoods of smallholder farmers, requiring them to diversify their income streams. The pioneers of a start-up initiative in Hoa De Agriculture and Fisheries Cooperative are Mr. Ma Van Hong, director of the cooperative, and his wife, Ms. Huynh Thi Ly. Learning from livelihood models in neighbouring areas, Mr. Hong and Ms. Ly ventured into making shrimp chips to supplement their primary income from their fields. This initiative was more successful than they could have imagined, significantly boosting the couple's earnings.

This model has inspired members of the cooperative to follow suit, leading to the development of various shrimp and

tilapia-based products. These include dried shrimp, shrimp salt, fish cakes, and fish floss; three of which have received "One commune, one product" (OCOP) certification. Hoa De's products are now on shelves at numerous locations in Tay Ninh, Hanoi, and other cities. The farmers from Hoa De have also embraced online platforms like <http://chotomca.vn/> for better sales. The cooperative made 100 million VND in revenue from the sale of these products in the first half of 2023, significantly enhancing the quality of life for local people.

At Thuan Phat Cooperative, Ms. Nguyen Thi Kim Lam, Deputy Director and Head of the Women's Livelihood Group, with the encouragement of the cooperative's Board of Directors, has learned to make tilapia fish cakes. Despite tilapia not yielding high financial returns, the ingenuity and determination of the women at Thuan Phat have turned it into a high-value product called "Chả cá rô phi miệt thứ". This innovation offers a great way to utilize the abundant supply of tilapia, providing an additional

source of income for the community. This product was recognised as a typical rural-industrial product of Kien Giang province, endorsed by the Provincial People's Committee (PPC) in 2021.

In addition to economic gains, these initiatives helped to amplify the voice and role of local women. In the past, women's involvement in production and business was scant. However, they are now actively engaged in discussions and sharing responsibilities with their husbands. They also have more time and opportunities to engage in product development and improve their household income. At Hoa De Agriculture and Fishery Cooperative, women comprise 60% of the members, a significant increase from 34% in 2014, and there are now three female members on the Board of Directors. Similarly, the Thuan Phat Cooperative, which initially had only two female members (out of eleven), has seen this ratio rise to 26%, with eight women out of 30 members, and two female leaders on the Management Board.



Improving cooperative governance capacity

Shifting from household-scale agricultural farming to organized cooperative-scale production is a key strategy for enhancing the competitive advantages of Vietnamese agriculture. In light of this, GRAISEA 2 implemented a package of Business Development Services (BDS) specifically designed for agricultural cooperatives. The primary goal of the BDS package is to comprehensively improve business governance capacity, which has been an intrinsic weakness of most Vietnamese agricultural cooperatives.

Vinh Loi Cooperative, established in 2021, is one of many to have received GRAISEA 2's BDS support to strengthen their governance and operational capacity. The cooperative's management board participated in diverse training courses covering organic production techniques,

cooperative governance, amplifying women's voices, risk management mechanisms, marketing strategies, and market access. In addition, the project facilitated dialogues between cooperatives and businesses, fortifying the cooperatives' voice, fostering mutual understanding, and establishing a solid foundation of trust and cooperation throughout the value chain.

Similarly, 44 other agricultural cooperatives that participated in the BDS component of the project received the guidance of experts throughout the process of management transformation. As a result, they have demonstrated core changes encompassing strategic thinking and management functions such as finance, sustainable production, quality control, and efficient purchasing policies. One highlight of the transition

is that cooperatives have invested considerable resources into promoting women-led business initiatives, as well as formulating and improving policies that are advantageous to their members and associated households.

The determination to shift from traditional farming practices to production adhering to the most stringent agricultural standards, coupled with close cooperation with enterprises and effective communication and engagement with local governments, has turned many cooperatives into genuine economic entities. These cooperatives now earn profits from their operations, while consistently demonstrating a sense of responsibility towards the welfare of the people, the environment, and the ecosystem.



A meeting between Hong Tan company and Vinh Loi Cooperative. Photo: Oxfam

AFTER FIVE YEARS...

4,468 SSPs (more than **50%** of whom are women) have a stronger voice, hold a more equal position, and enjoy fairer benefits from production and business activities in the shrimp and rice value chains.

58 cooperatives have clearly improved in technical capacity for sustainable production by following standards such as ASC/SRP/organic, in cooperative governance capacity, and in the level of participation of women in production as well as in leadership roles.

30 investment and purchasing agreements have been signed between enterprises and cooperatives.

The SRP standard has been recognized as one of best practices for rice producers and businesses in Vietnam.

CHAPTER 02 ENTERPRISES



A key challenge that hinders the progress of Vietnamese agriculture towards stability and professionalism is the lack of strong linkages between various actors in the value chain. Without close collaboration with farmers, enterprises operating in rice and shrimp industries struggle to ensure sustainable raw material areas that yield consistent output and quality.^{1,2} This issue is particularly critical in meeting increasingly stringent market demands, especially for export markets that require traceable products adhering to international standards of sustainable production. In this light, the Ministry of Agriculture and Rural Development (MARD) has identified raw materials as the crucial starting point for building effective and sustainable agro-forestry-aquaculture value chains, as stated in Decision No. 1088³. It is imperative for

Vietnamese farmers and enterprises to enhance the development of raw material areas through comprehensive linkages and equitable sharing of benefits and risks. Farmers need to work towards standardizing agricultural processes to ensure consistent quality and output. Meanwhile, enterprises need to establish reliable purchasing practices with preferential prices. Furthermore, it is essential for enterprises to implement policies that provide technical and material support to farmers.

In pursuit of this goal, GRAISEA 2 has partnered with pioneering enterprises in the shrimp and rice sectors to advocate for inclusive and responsible business practices. This includes adhering to sustainable production standards and improving the welfare of workers, particularly women.

¹ According to Dr. Le Van Banh, former Director of the Cuu Long Rice Research Institute, Vietnam has many good rice varieties, even better than those of competing countries. However, due to pursuing three crops per year, the quality is not yet high and remains inconsistent (source: <https://kinhtedothi.vn/vi-sao-kho-xay-dung-thuong-hieu-quoc-gia-cho-gao-viet.html>)

² In 2023, the shrimp sector will face significant challenges such as unstable farming conditions and unreliable sources of raw materials (source: <https://chongbanphagia.vn/xuat-khau-tom-se-am-dam-dip-dau-nam-n25874.html>)

³ The pilot project on areas of agricultural and forestry raw materials meeting standards for domestic consumption and export in the period of 2022-2025 (Decision No. 1088/QĐ-BNN -KTHT)

The Inclusive business and responsible investment model in agricultural value chains

One of the key priorities of GRAISEA 2 is promoting Inclusive Business (IB) and responsible corporate investment. The project has delivered training and technical support packages to assist enterprises in improving their business models and policies in a more inclusive and responsible manner. These initiatives include:

(I) Facilitating sustainable and mutually beneficial linkages with small-scale producers;

(II) Formulating and implementing policies on investment for producers, development of raw material areas, and sharing of production risks, and;

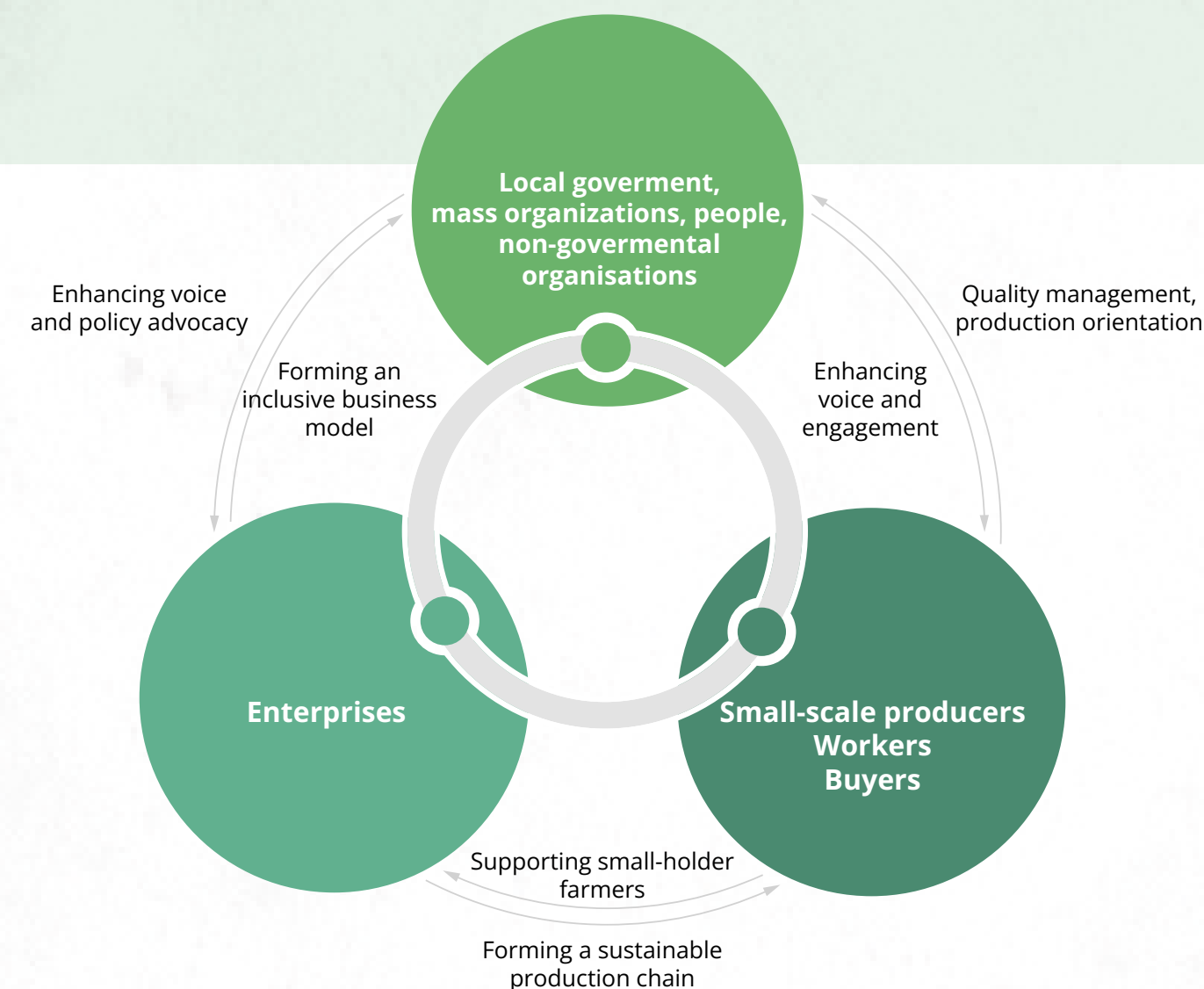
(III) Enhancing internal policies to improve the welfare of workers, especially women.

This model plays a crucial role in providing small producers, especially women, with greater opportunities to participate in production and business activities. It ensures equitable benefits for them and establishes a “safety net” in times of risk. Moreover, this approach results in an amelioration of working conditions for employees within the enterprise, thereby fostering a sense of security and stability in their work environment.

The value chain model employed by GRAISEA 2 aligns with local and

national development objectives, thus encouraging the active involvement of individuals, enterprises, and local authorities. Through the collaborative efforts of farmers, entrepreneurs, scientists, and government agencies, positive changes have manifested in rural development within the Mekong Delta.

⁴ The inclusive business model is designed to engage low-income individuals in the value chain of enterprises and production establishments, enabling them to provide goods, services, and livelihoods in a commercially viable manner while creating shared value. Within this model, low-income individuals have the opportunity to participate in core business activities of the enterprise, for example, as suppliers, distributors, retailers, or customers, thus fostering mutually beneficial relationships.



The inclusive business model from a production linkage perspective

Hong Tan Food Single-Member Company Limited, established in 2017, specializes in rice production, processing, and distribution in the Mekong Delta. From its inception, Director Ms. Luu Thi Yen Hang was determined to shape Hong Tan's business strategy around the focus on high-value export markets, prioritizing quality over quantity. However, she encountered challenges and uncertainties in achieving this goal. In 2018, Ms. Hang and Hong Tan began participating in the BDS package offered by GRAISEA 2. This marked a turning point as they discovered a more defined and solid path. Ms. Hang shared, "We recognized the shortcomings in our business model and were eager to learn. We now understand how to establish mutually beneficial linkages with farmers and apply scientific knowledge to ensure superior quality from our raw material areas."

Since 2019, Hong Tan has partnered with cooperatives in Dong Thap, Kien Giang, Soc Trang, and Tra Vinh provinces to cultivate organic rice. The company not only purchases products from these cooperatives but also imparts technical guidance to farmers to enhance their farming practices. In 2023, by participating in capacity-building and consultancy programs implemented by the Vietnam Chamber of Commerce and Industry (VCCI) in Ho Chi Minh City, Hong

Tan has made significant improvements to its facilities and factories, culminating in the successful attainment of ISO 22000 certification. Recognizing the importance of the workforce, they also engaged in training courses on risk assessment and the implementation of Occupational Safety and Health practices, aimed at creating a safe and employee-friendly work environment. In the same year, Ms. Hang represented small and medium-sized enterprises in Vietnam's rice sector at the Asia Inclusive and Responsible Business Forum held in Bangkok, Thailand.

"The inclusive business approach has brought Hong Tan many benefits - invaluable experience, a reputable brand, and fruitful collaborations with farmers and local authorities in Mekong Delta provinces", Ms. Yen Hang smiled with pride. "Hong Tan has evolved into a trusted and beloved producer of clean rice, contributing to a healthy community."



Ms. Yen Hang attended the Trade and Investment Cooperation Conference between India and Dong Thap province.



South Vina Shrimp Joint Stock Company and its inclusive business model

As a key player in the shrimp sector, South Vina Shrimp Joint Stock Company has worked with shrimp farmers since the inception of GRAISEA 2 in 2018. The company takes pride in maintaining stable raw material areas that ensure uniformity in output and quality. The shrimp it purchases is traceable and certified by ASC or ASIC. By embracing the inclusive business model facilitated by GRAISEA 2, by the end of 2022, the company had signed contracts with 10 cooperatives, resulting in a 10%-15% increase in income for 4,400 affiliated farmers.

South Vina Shrimp Joint Stock Company shows that the inclusive business approach benefits all actors in the value chain, particularly the enterprise itself

in the long run. This model is highly sustainable as the enterprise reinvests in developing raw material areas for farmers. This investment takes various innovative forms, including the provision of technical guidance to farmers, offering short-term capital to cover material and seed costs, and upgrading production facilities.

Inclusive business extends beyond responsible linkages with farmers; it also encompasses internal policy reforms. South Vina Shrimp Company strives to improve working conditions for its employees, with a focus on gender equality. Notably, the company has implemented a software platform enabling employees to share their opinions and provide feedback on their satisfaction levels. The input from

workers has led to tangible changes, including advancements in occupational safety, working conditions at the factory, extended maternity leave, and complimentary food at the canteen.

To date, the proportion of female managers at the factory has reached 70%, a significant increase from about 30% in 2015. These managers have the confidence to contribute ideas and make decisions at the company.

As an active member of the Bac Lieu Shrimp Association, South Vina Shrimp Company endeavours to promote the inclusive business philosophy and practices to other enterprises, thereby contributing to the development of a more sustainable shrimp sector.

Minh Phu Seafood Corporation - An Inclusive Business Model in the Strategic Positioning of a Lead Firm

Minh Phu Seafood Cooperation Joint Stock Company (Minh Phu Cooperation) is a leading company that employs an inclusive business model in shrimp production in the Mekong Delta. The enterprise has developed and implemented sustainable shrimp farming models in association with small-holder farmers, typically engaging in the cultivation of wild tiger shrimp in mangroves in Nhung Mien (Ca Mau) and shrimp farming in rice fields in Tri Luc (Ca Mau). In 2017, the establishment of Minh Phu Forestry Shrimp Chain Society JSC (Ca Mau) marked a significant step. This social enterprise reinvests 60% of its profits to create social/environmental impact, and to support shrimp farming households and agriculture/forestry/aquaculture farms as they transition to sustainable shrimp farming in line with international standards.⁵

Farmers working with Minh Phu Group to produce black tiger shrimp in compliance with international standards (such as ASC) reap significant benefits thanks to consistent yields and higher

prices compared to non-certified shrimp. This can be attributed to Minh Phu's exclusive pricing and support policy for households that have achieved international certification. Currently, Minh Phu Group holds farming contracts with cooperatives, facilitating shrimp purchases from over 2,000 farmers (about 50% of whom are female).

As a founding member of the Vietnam Sustainable and Clean Shrimp Alliance (VSSA) and a participant in various forums, Minh Phu Cooperation shares its experiences and contributes to the formulation of sustainable aquaculture and shrimp value chain development plans in Ben Tre, Tra Vinh, Ca Mau, and Kien Giang provinces.

Internally, Minh Phu Group has implemented many reforms in social protection policies for its employees, particularly benefiting women. These include the company's welfare policies for female workers such as reduced working hours, lighter duties during pregnancy, dedicated lactation rooms, and support for maternity and child-

rearing initiatives. Mr. Phan Van Tam, Director of Administrative and Human Resources, emphasised, "Our female employees, constituting 71% of the workforce, are integral to the company's success. The company also signs its employees up for training programmes, encompassing occupational safety, communication skills, presentation skills, and management proficiencies. These efforts contribute to enhancing the qualifications and skills of employees, especially female workers, and pave the way for more promotion opportunities. The responsible business practices have led to notable improvements in the enterprise's management and business efficiency – I am confident this is the right direction for the company".

Through inclusive and equitable value chains, Minh Phu Cooperation has established itself as a model business committed to sharing benefits with farmers, practising responsible investment, and contributing to the Sustainable Development Goals (SDGs) while also achieving sustainable financial performance.

⁵ Minh Phu Cooperation commits to purchase all certified shrimp. Farms with ecological certification receive 20,000 seeds/year from the company. Farmers whose fields are certified will benefit from payment for forest environmental services at the rate of 500,000 VND/ha and an additional value of about 3,000 VND/kg. Source: <https://vca.org.vn/di-giua-vung-tom-rung-sinh-thai-xac-lap-ky-luc-viet-nam-a26355.html>



Shrimp purchasing between social enterprise Minh Phu and Tri Luc Cooperative. Photo: MCD

AFTER FIVE YEARS...

112 small and medium enterprises (SMEs), along with **15 leading corporations**, have participated in various project activities.

More than 10,000 workers have benefited from the improvement of corporate policies.

15 IB models have been promoted, incorporating responsible investment policies; regulations to enhance social welfare, leadership roles, and working conditions for women; and climate risk management.

30 long-term agreements and contracts have been signed between enterprises and cooperatives.

CHAPTER 03

CLIMATE CHANGE

ADAPTATION





Vietnam's main region for rice and seafood production, the Mekong Delta, is severely impacted by climate change. It is estimated that a 1-meter rise in sea levels could affect 7.2% of the agricultural land in both the Mekong and Red River Delta. Furthermore, the likelihood of natural disasters, such as droughts and floods, is expected to increase in the Mekong Delta.⁶

In this light, GRAISEA 2 has undertaken many initiatives to increase people's adaptability to climate change. The project has supported the implementation of nature-based and resilient farming methods and technology to mitigate greenhouse gas (GHG) emissions during production. Moreover, the project has established coordination mechanisms for disaster risk management. The project's activities are in line with the Vietnamese government's embrace of the circular economy and "greening" the agriculture sector, along with its commitment to achieving net-zero emissions by 2050.

⁶ <http://ihrc.org.vn/Tac-dong-cua-bien-doi-khi-hau-doi-voi-san-xuat-nong-nghiep-o-dong-bang-song-Cuu-Long-8.html>

Rice Hero

The Vietnamese government has pledged to cut its agricultural GHG emissions by 30% by 2030 compared to the baseline level in 2020.⁷ While it is Vietnam's main economic sector, rice production is responsible for 50% of the country's total agricultural GHG emissions.⁸

Numerous initiatives have been implemented to assist rice farmers in enhancing cultivation practices to lower GHG emissions. In support of this goal, GRAISEA 2 has developed the Rice Hero mobile app, which aids farmers in monitoring GHG emissions throughout the production process. The app simplifies the calculation of GHG emissions at the farm, cooperative, and corporate levels. Users (i.e., farmers and businesses) only need to input production, harvesting, and processing data, and the app will calculate emissions per hectare of rice land. This information forms the basis for

estimating the carbon footprint⁹ during production and processing, which can assist the process of achieving the "low carbon" label necessary to access potential export markets.

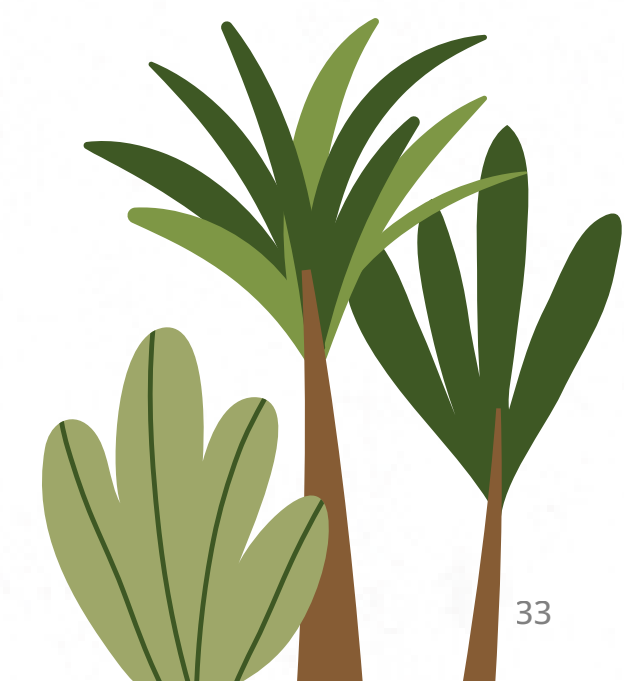
The Rice Hero app was tested among more than 2,000 participants including farmers, cooperatives, agricultural extension centres, agricultural technical and service centres, and rice enterprises in An Giang (Thoai Son, Chau Thanh, Chau Phu, and Tri Ton districts). Even in its early stages, Rice Hero has attracted significant interest from rice growers, businesses, and state management organisations at all levels. By enhancing stakeholders' production, business, and management capabilities in adopting low-emission agricultural practices, this initiative contributes to Vietnam's aspiration of achieving zero net emissions in 2050.



⁷ At the COP26 Conference in the UK in 2021, Vietnam joined the "Global Methane Emission Reduction Commitment" with the goal of contributing to a reduction of at least 30% of total methane emissions by 2030 compared to 2020 levels in farming, animal husbandry, solid waste management, wastewater treatment, oil and gas extraction, coal mining, and fossil fuel consumption.

⁸ Report "Towards a Green Agricultural Transformation in Vietnam: Moving to a Low Carbon Rice Model" by the World Bank in Vietnam.

⁹ A carbon footprint is the total amount of greenhouse gas emissions that come from the production, use, and end of life of a product or service.



Climate risk Reserve Funds

Due to the rise in drought, saltwater intrusion, and unpredictable weather attributed to climate change, agricultural and fishery production in Vietnam is exposed to numerous challenges. These challenges were further exacerbated by the COVID-19 pandemic, which disrupted supply chains and reduced demand for agricultural products, worsening the production landscape. Farmers were hit hardest by these compounding crises. These lessons encourage innovative and practical risk management mechanisms to help farmers manage unfavourable events and maintain stable agricultural supply chains.

The Reserve Fund for Climate Risks and Production-Consumption Linkage Issues was initiated in this context. Established with reciprocal contributions from businesses and the project, the fund is a risk-sharing mechanism for farmers, thereby helping to build long-lasting relationships between farmers and enterprises. This initiative has been piloted at Vinh Loi Cooperative with

the participation of Hong Tan Food SMLLC. Technical support was provided by RECERD, VCCI in HCMC, and Oxfam. The fund was initially financed with 130 million VND from the project. In circumstances of shocks, farmers can access finance from the fund to invest in repairing facilities, stocking supplies for the coming season, and re-establishing their livelihoods. Additionally, the fund provides farmers with technical assistance to help them recover more quickly as the economy transitions to a 'new normal'. The fund is particularly geared towards supporting women facing challenging circumstances.

The Risk Reserve Fund demonstrates enterprises' social responsibility and inclusive vision towards SSPs. Besides technical solutions, the establishment of this fund is another initiative to enhance the resilience of farmers in the Mekong Delta in the face of climate change.



Signing ceremony to establish the Risk Reserve Fund between Hong Tan Company and Vinh Loi Cooperative. Photo: RECERD



CEBI

To realize its commitment to achieving net-zero emissions by 2050, Vietnam needs to ensure that both public and private sectors have the motivation and capacity to take climate actions commensurate with their capabilities.

In pursuit of greater accountability and transparency in climate information, GRAISEA2 partnered with the Department of Climate Change (Ministry of Natural Resources and the Environment) to develop the Climate Environment Business Index (CEBI)¹⁰ for rice and shrimp enterprises. This set of indicators is a tool for businesses to self-assess their compliance with environment-related criteria and regulations. This is a voluntary mechanism to encourage enterprises and processing facilities to develop and apply

environmentally-friendly and sustainable production practices.

Products with low-emission labels will be an inevitable market trend in the coming years, especially in countries upholding environmental considerations, such as the United States or Europe. Therefore, assessing and transforming operations towards greener production technologies, and improving efficient fuel consumption, will pave the way for enterprises to enter international markets. On the other hand, CEBI data assists the government and investors in determining their own climate-friendly business. CEBI is being piloted and has shown the potential for further improvement and broader implementation across other sectors.

¹⁰ CEBI was developed based on the idea of the Corporate Climate Index (CBI) - a web-based voluntary registration system for businesses of the United Nations Development Programme (UNDP). CEBI focuses on shrimp and rice sectors with more detailed information.



The Shrimp-Rice Model

Since the 1970s, shrimp-rice farming has been an adaptive technique characterised by seasonal variations in salinity. Farmers grow rice in the rainy season and brackish shrimp in the dry season. This circular and reciprocal model of production allows rice plants to benefit from the organic waste produced by shrimp farming, reducing the need for pesticides and fertilisers. On the other hand, growing rice helps lower toxic substances and controls the environmental conditions in shrimp ponds. As a result, shrimp-rice rotation increases both productivity and efficiency.

However, it has been challenging to scale the shrimp-rice model due to unsynchronised zoning which leads to inefficient management. Farmers mostly produce at small scale and still follow conventional methods, resulting in low and unstable productivity. This, together with loose supply chain linkages, presents another obstacle to developing high-quality shrimp-rice farming areas.

In 2019, an extensive study of the shrimp-rice farming model was conducted as part of the GRAISEA 2 project in the Mekong Delta. The findings revealed that this model has high economic efficiency and sustainability, as well as good adaptability to production conditions in coastal regions. It also helps maintain biodiversity, reduce water waste, improve farming space, and lower disease risks. Furthermore, the model offers greater economic advantages than conventional rice-intensive farming methods. Another analysis shows that the shrimp-rice rotation model was 3-4.5 times more profitable than intensive shrimp farming. Farmers in the Mekong Delta reported

profits of 60-70 million VND/ha/year using this model.

Based on these findings, Oxfam has worked with partners to strengthen technical support, develop manuals, and pilot a number of shrimp-rice models in Ca Mau, Bac Lieu, and other locations. The black tiger shrimp-rice model in Thanh Quoi commune, My Xuyen district, Soc Trang province, typically yielded 3-6 times higher profits than the intensive rice model. In Ca Mau province, the shrimp-rice model at Tri Luc Rice and Shrimp Cooperative (Thoi Binh district) demonstrated adaptability to climate change while bringing high economic, social, and environmental benefits. This recognition positioned it as a sustainable farming model in the province, even being endorsed by Ca Mau PPC to be scaled up under the province's "Organic Agriculture Development Plan for 2020-2025". Beyond Vietnam, the shrimp-rice model has garnered the attention of other communities in Southeast Asia as a sustainable initiative amid increasingly complex and unpredictable climate change processes.

Building on that success, the project organized a national workshop to promote the shrimp-rice model in the Mekong Delta. This event attracted enterprises, cooperatives, scientists, and policymakers at central and local levels. Meanwhile, the workshop was one of the project's many efforts to mobilise knowledge, experience, and resources and to strengthen linkages between stakeholders to create an effective environment and new momentum for developing a sustainable shrimp-rice model in the future.

CHAPTER 04

DIGITALIZATION

IN AGRICULTURAL

VALUE CHAINS



Digital transformation and digital economy development have been identified as a strategic direction for the agriculture sector. Accordingly, it is crucial for agriculture sub-sectors and relevant stakeholders to promote the development of digital platforms and digital content services, as well as facilitate linkages between producers and consumers on e-commerce platforms.¹¹

GRAISEA 2 has made substantial contributions to this effort. It has developed solutions and digital platforms that assist stakeholders – particularly farmers, enterprises, scientists, and policymakers. In addition to facilitating information exchange and market access, these initiatives encourage sustainable and low-emission production practices while also improving the governance capability and operational efficiency of stakeholders. Furthermore, these digital solutions help to standardise information, thereby presenting management authorities and policymakers at all levels with a comprehensive picture of agricultural production and business.

¹¹ Decision No. 5275/QĐ-BNN-VP dated 31 December 2021 on the Digital Transformation Plan of the Ministry of Agriculture and Rural Development in 2022.



A training session on management capacity for cooperatives. Photo: Oxfam

Online learning platform for workers in aquaculture and rice sectors

The turnover rate of employees in Vietnam, particularly in the aquaculture and rice processing sectors, surpasses 30%, presenting a significant challenge. This poses difficulties for both businesses and employees in meeting the necessary requirements for participation in mandatory training courses aimed at enhancing job performance and workplace safety.

To address this, GRAISEA 2 worked with the Labour Relations Committee (Vietnam General Confederation of Labour) to develop a digital training and learning platform specifically tailored for workers in the aquaculture and rice sectors. The main aim of this platform is to migrate training courses onto a digital platform, allowing employees to learn, take exams, and receive electronic certificates remotely instead of in-person. The platform is designed to ensure that learners achieve

the same level of competency as they would in face-to-face training, while also saving time and costs.

The system includes four comprehensive training courses: Occupational Safety & Health, First Aid, Fire Prevention Skills, and Enterprise Safety Rules. Furthermore, the platform offers essential knowledge on the Labour Code and regulations on workers' rights, labour welfare, social insurance, health insurance, and information on gender equality, women's economic empowerment, and climate change adaptation. This promotes a holistic learning experience. Users can access the platform at <https://oxfam.welearning.vn/> or download the WeLearning LMS application on the App Store for iPhone or Google Play for Android.



<https://oxfam.welearning.vn/>

Viet Shrimp Forum

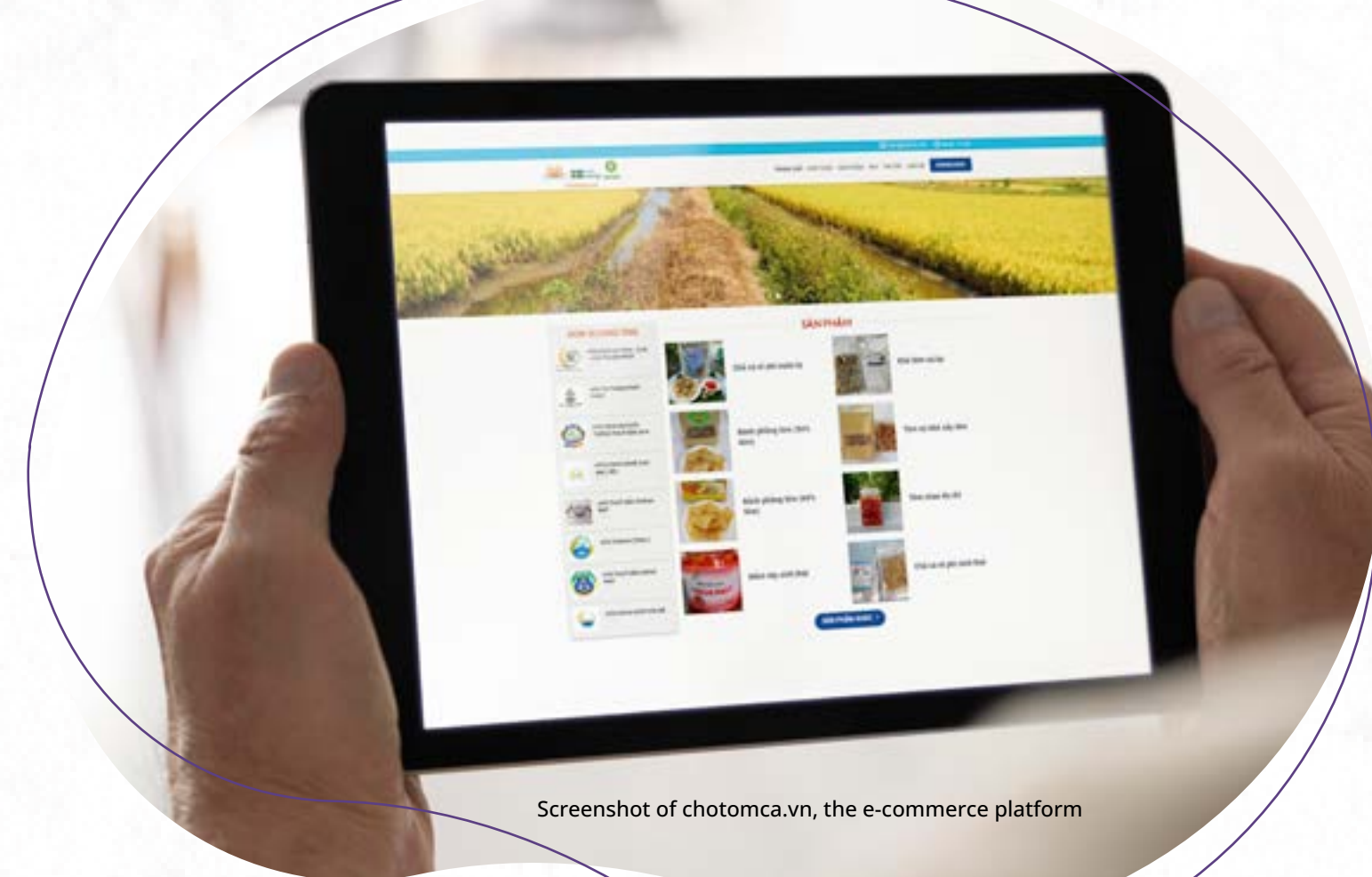
The Viet Shrimp Forum, established in 2016, is one of the most prominent information exchange platforms in the Vietnamese shrimp industry.

The Viet Shrimp Forum smartphone app was launched in 2022 to address the need for more frequent information exchange and interactions among state management agencies, enterprises, scientists, and shrimp farmers. This app is designed to provide users with up-to-date and reliable weather and market information, legislation, regulations, and expert advice on shrimp farming techniques. With a substantial user base of over 7,000 registered individuals, this app has effectively enhanced communication and collaboration among various stakeholders within the value chain.

Android:



iOS:



Screenshot of chotomca.vn, the e-commerce platform

Employee feedback mechanism

To promote the adherence of shrimp processing and exporting enterprises to social responsibility standards (such as SMETA, BSCI, and SA8000), GRAISEA 2 developed an app that can be integrated in businesses' existing systems. This app serves as a channel for employees, particularly female workers, to provide feedback, suggestions, and to express their satisfaction levels regarding working conditions and processes.

Employees can use this app conveniently at their workplace to submit complaints concerning abuse and discrimination and to propose improvements to working conditions directly to their supervisors and business leaders. Thus far, the project has successfully supported three shrimp processing and exporting

companies to set up and implement this system across six factories with around 8,000 workers, of which more than 80% are female. The operation of this system significantly contributes to ensuring that businesses comply with rigorous regulations regarding employee feedback mechanisms outlined in social responsibility standards.

Notably, South Vina Shrimp JSC has adopted this mechanism through their website at <http://svs.megapis.net/>. Additionally, Thai Hoa Food JSC and Khang An Food JSC have seamlessly integrated this feedback mechanism into their respective management systems.



<http://svs.megapis.net>

E-commerce platform

During the COVID-19 pandemic, GRAISEA 2 made a vital contribution to developing and implementing digital platforms to enhance market access for SSPs. Among these, e-commerce website chotomca.vn provided effective assistance for cooperatives in promoting their products to potential buyers.

Through this platform, cooperatives and businesses can directly sell a variety of products such as dried shrimp, frozen shrimp, shrimp chips, etc. This enhances their ability to find partners, explore new markets, connect with customers, and, ultimately, contribute to stabilising their production and livelihoods.

The website has garnered a significant user base with tens of thousands of people using its services. Serving as an efficient trade connection channel, it facilitates the gradual establishment of a compelling image and brand for aquaculture products, promoting the concept of "from farm to table".



<http://chotomca.vn/>



CHAPTER 05 POLICY

An enabling policy environment makes a crucial foundation for the sustainable development of the agricultural sector, fostering responsible production and business practices, and effectively adapting to climate change. In this regard, GRAISEA 2 has advocated for the application of sound agricultural practices as a fundamental prerequisite for influencing policy discussions at the local, national, and regional levels.



Multi-Stakeholder Initiatives

GRAISEA 2 supported the establishment and operation of Multi-Stakeholder Initiatives (MSI), fostering collaboration among management agencies, businesses, non-governmental organisations, and rice/shrimp farmers. These initiatives serve as platforms for mobilising diverse resources, expertise, and joint efforts to address emerging issues and challenges. Through a range of activities, MSIs significantly contribute to policy discussions and advocate for government support in strategic development orientations, regulations, and guidelines for the shrimp and rice sectors. Additionally, they facilitate meaningful connections with international forums, enabling global networks for the exchange of knowledge and best practice.

By the end of 2022, the project had made significant contributions to the establishment and provision of technical support for a total of nine MSIs:

- Three Public-Private Partnerships/Cooperations (PPP/PPC) in Kien Giang, An Giang, and Soc Trang provinces
- A National Working Group on the Sustainable Rice Platform (SRP) standard
- The Vietnam Clean and Sustainable Shrimp Alliance (VSSA)
- The Bac Lieu Shrimp Association
- A Corporate Social Responsibility (CSR) think-tank
- The Viet Shrimp Forum and app

The MSIs have been successful in providing input and advocating for the

integration of sustainable production and business practices into provincial and national guidelines, programmes, and policies. Some important programmes and projects include the "Organic Agriculture Development Plan for 2020-2025 in Ca Mau Province", Decision No. 854/QD-TTg in 2022 approving the project on "Improving climate change adaptation capacity of agricultural cooperatives in the Mekong Delta 2021-2025", and the "program to support private enterprises to do sustainable business in 2022-2025" approved by the Prime Minister in 2022.

Furthermore, the MSIs have played a crucial role in the development of Decree No. 26, which focuses on labour rights, working conditions, and supporting policies for the aquaculture sector.



Sustainable Rice Platform – A comprehensive approach to transforming the livelihoods of rice farmers in Vietnam

In response to the growing focus on climate-sustainable production practices, the Sustainable Rice Platform (SRP) developed the SRP standards¹², recognized as the first and only standards for sustainable rice production. Realizing the potential benefits of these standards for rice farmers, businesses, and the industry, GRAISEA 1 and 2 initiated a pilot programme in the Mekong Delta from 2017 to 2019. This pilot covered 167 hectares, consisting of 35 rice-growing households in Thanh Giang cooperative, Thoai Son district, An Giang province.

GRAISEA 2 partnered with Can Tho University, An Giang DARD, the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD), and SRP to develop guidelines for rice cultivation following SRP standards. The project also conducted training for farmers and cooperatives, with regular assessments to monitor progress. Additionally, GRAISEA 2 provided equipment and subsidies for rice seeds and facilitated linkages between small-scale producers and enterprises. A notable example is the successful linkage between Thanh Giang Cooperative and Gentraco. The project also placed significant importance on training focused on gender equality and women's empowerment for farming households.

The sustainability of rice cultivation immensely improved. This was seen in the farmers' average SRP score, which

increased from 56.9/100 to 64.3/100 after just one cropping season. By the end of 2019, the selling price of SRP rice was 100-250 VND/kg higher than other commercial rice. The rice from the cooperative also met the minimum residue level requirements, achieving a contract signing rate of 96%. Farmers witnessed an increase of 17% in their Summer – Autumn 2017 income compared to conventional practice.

While the market for SRP rice remains relatively new and limited both in Vietnam and globally, the successful pilot in Thoai Son district, particularly in collaboration with Gentraco, has led to notable changes in the cultivation and processing practices of rice producers. These changes have made their practices more sustainable and demonstrated the potential for future replication and expansion.

Advocating for systematic policy-based change

By working with partners such as IPSARD, the Department of Cooperatives and Rural Development, the German Corporation for International Cooperation GmbH (GIZ), Rikolto, and Loc Troi Group, GRAISEA 2 has successfully facilitated the establishment of the SRP Working Group in Vietnam. This Working Group has played a crucial role in supporting the implementation of SRP practices, enhancing the capabilities of farmers and local staff, fostering market

opportunities for SRP rice, and offering valuable insights for policy discussions on promoting SRP in Vietnam.

In 2022, the Prime Minister of Vietnam approved the National Plan on “Enhancing the Resilience of Agricultural Cooperatives in the Mekong Delta to Climate Change for the period of 2021-2025”. Thanks to the collaborative efforts of stakeholders and the SRP Working Group, the SRP standards have now been recognised as one of the endorsed sustainability standards for households and producers in the rice industry.

This significant milestone provides a firm groundwork and inspiration for all parties involved to continue their effort to promote the widespread recognition and adoption of the SRP standards in Vietnam. Moreover, GRAISEA 2 remains committed to working closely with other stakeholders within the SRP Working Group to propose policy recommendations that will facilitate the adoption of SRP practices throughout the country.



PPP signing ceremony between the Project, representatives of businesses, cooperatives, Kien Giang Provincial Agricultural Extension Center, and Kien Giang Provincial Department of Agriculture. Photo: RECERD

Vietnam Sustainable and Clean Shrimp Alliance

Vietnam has emerged as one of the leading global markets for shrimp exports. However, the shrimp industry faces significant challenges, particularly in terms of establishing robust domestic supply chains and meeting increasingly rigorous requirements for clean and sustainable production from key markets like Europe and the United States. “In order for Vietnam’s shrimp industry to achieve sustainable growth, it is imperative to promote clean shrimp production and ensure the hygiene of the farming environment” highlighted Mr. Chau Cong Bang, Deputy Director of the Ca Mau DARD. This necessitates close and effective coordination among all stakeholders, including producers, input suppliers, processors, and exporters, to ensure transparent origin tracking and strict adherence to regulations and standards governing food safety, social responsibility, environmental protection, and sustainability.

Since 2019, GRAISEA 2 has fostered collaborations with both domestic and international organisations such as

MCD, IDH, and Seafood Watch, to engage in discussions with representatives from enterprises, shrimp farming cooperatives, and local authorities about establishing the Vietnam Sustainable and Clean Shrimp Alliance (VSSA). Through an exhaustive process of consultation, dialogue, and stakeholder engagement, VSSA was founded in December 2020 as a legitimate association with 71 members. Notably, the majority of its members are shrimp processing and exporting enterprises, input material suppliers, as well as representatives from shrimp farming cooperatives in Ca Mau province.

With the initial goal of building a dynamic and sustainable shrimp production industry that meets international standards, VSSA, as a nascent body, faced numerous challenges in terms of organisation and growth. To address these challenges, GRAISEA 2 worked with IDH to provide support and consultation to develop VSSA's comprehensive five-year Development Strategy (2021-2025), outlining clear priorities and strategic goals for the organisation. Additionally, a detailed action plan with specific milestones for each year was formulated to ensure a structured approach to achievement. In conjunction with creating the Development Strategy, the project assisted VSSA in creating a draft Code of Conduct which aims to establish uniform standards of behaviour and cooperation among VSSA members and within the organisation. With this support, the organisation can maintain a consistent direction and priorities in its operation and development. Moreover, these measures serve as a foundation for VSSA to effectively pursue its goals.



Fisheries Industry Business Connection Day and Signing Ceremony to join the Vietnam Sustainable and Clean Shrimp Alliance. Photo: QUACERT

¹² The SRP standards, issued in 2015, provide guidance on science-based practices for sustainable rice production while ensuring human health and safety as well as maintaining labour rights.

PARTNERS AND COMMUNITIES OF GRAISEA 2

International organizations and partners

- Swedish International Development Cooperation Agency (SIDA)
- Embassy of Sweden in Bangkok, Thailand
- Embassy of Sweden in Vietnam
- Oxfam Affiliates in the United Kingdom, Sweden, Indonesia, Cambodia, Thailand, the United States, and the Netherlands
- The GRAISEA Project Management Unit (GRAISEA PMU) in Southeast Asia
- The Sustainable Rice Platform (SRP)
- The Aquaculture Stewardship Council (ASC)
- Asian Seafood Improvement Collaboration (ASIC)
- The World Wide Fund for Nature (WWF)
- Rikolto
- The German Corporation for International Cooperation (GIZ)
- The International Rice Research Institute (IRRI)
- The Food and Agriculture Organisation of the United Nations (FAO)
- Sustainable Trade Initiative (IDH)

Implementation partners

- Vietnam Chamber of Commerce and Industry (VCCI) in Ho Chi Minh City
- International Centre for Aquaculture and Fisheries Sustainability (ICAFIS)
- Centre for Marine Life Conservation and Community Development (MCD)
- Research Centre for Resources and Rural Development (RECERD)

National partners

- The Ministry of Agriculture and Rural Development (MARD)
- The Department of Crop Production
- Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD)
- The Directorate of Fisheries
- Vietnam Fisheries Surveillance
- Vietnam Association of Seafood Exporters and Producers (VASEP)
- Vietnam Institute of Fisheries Economics and Planning (VIFEP)
- The Asian Organic Agriculture Research and Development Institute
- Can Tho University

Partners at the province, district, and commune levels

- The People's Committee of An Giang Province
- The Department of Agriculture and Rural Development of An Giang Province
- Sub-Department of Crop Production and Plant Protection of An Giang Province
- An Giang Agricultural Technical Services Centre
- The People's Committee of Thoai Son District of An Giang Province
- The People's Committee of Tri Ton District of An Giang Province
- The People's Committee of Soc Trang Province
- The Department of Agriculture and Rural Development of Soc Trang Province
- Sub-Department of Fisheries of Soc Trang Province
- Sub-Department of Crop Production and Plant Protection of Soc Trang Province
- Soc Trang GALS Core Group
- The People's Committee of My Xuyen District, Soc Trang Province
- The People's Committee of Vinh Chau Town, Soc Trang Province
- The People's Committee of Ke Sach District, Soc Trang Province
- The People's Committee of Thanh Tri District, Soc Trang Province
- The People's Committee of Nga Nam Town, Soc Trang Province
- The People's Committee of Kien Giang Province
- The Department of Agriculture and Rural Development of Kien Giang Province
- Kien Giang Agricultural Promotion Centre
- The People's Committee of Hon Dat District, Kien Giang Province
- The People's Committee of An Minh District, Kien Giang Province
- The People's Committee of Tan Hiep District, Kien Giang Province
- The People's Committee of Giang Thanh District, Kien Giang Province
- The People's Committee of Bac Lieu Province
- The Department of Agriculture and Rural Development of Bac Lieu Province
- Bac Lieu Shrimp Association
- Bac Lieu Agricultural Promotion Centre
- The People's Committee of Gia Rai Town, Bac Lieu Province
- The People's Committee of Phuoc Long District, Bac Lieu Province
- The People's Committee of Hong Dan District, Bac Lieu Province
- The People's Committee of Dong Hai District, Bac Lieu Province
- The People's Committee of Ca Mau Province
- The Department of Agriculture and Rural Development of Ca Mau Province
- The Department of Labour, Invalids, and Social Affairs of Ca Mau Province
- Sub-Department of Fisheries of Ca Mau Province
- Ca Mau Women's Union
- Vietnam Sustainable and Clean Shrimp Alliance (VSSA)
- The People's Committee of Thoi Binh District, Ca Mau Province
- Division of Agriculture and Rural Development of Thoi Binh District, Ca Mau Province
- The People's Committee of Ngoc Hien District, Ca Mau Province
- Division of Agriculture and Rural Development of Ngoc Hien District, Ca Mau Province
- The People's Committee of Tri Luc commune, Thoi Binh district, Ca Mau province



Business partners

Minh Phu Seafood Corporation JSC
Minh Phu Forestry Shrimp Chain Society JSC
Gentraco Company
Hong Tan Food Single-Member Company Limited
South Vina Shrimp JSC
Thai Hoa Food JSC
Bo de Seafood Corporation
Cuu Long Technology and Investment Corporation
TBNET Telecommunication JSC
Trinh Van Phu Trading and Services Single-Member Company Limited
Dai Duong Xanh Viet Nam Import-Export Company Limited
Camimex Group Corporation
Thanh Doan Seafood Import-Export JSC
Nam Can Seafood Import-Export JSC
Hoang Minh Nhat JSC
Ong Tho Rice Company Limited

Several typical cooperatives

Nui To Cooperative
Thuan Phat Rice Crab Shrimp Service Cooperative
Tri Luc Cooperative
Vinh Loi Cooperative
Hoa De Agriculture and Aquaculture Cooperative
Toan Thang Fishery Cooperative
Thanh Cong 1 Cooperative
Thanh Dat Cooperative
Tay Phu Agricultural Cooperative
Ta Danh Agricultural Cooperative
Tri Luc Service, Rice-Shrimp Production Cooperative
Cai Bat Aquaculture Service Processing Trade Cooperative
Doan Phat Agricultural and Fisheries Service Cooperative
Huy Thinh Aquaculture Cooperative
Doan Ket Cooperative
Tan Long industrial shrimp farming cooperative
Tan Hong Cooperative
Tai Thinh Phat Farm Cooperative
Hong Hoa Aquaculture Cooperative



