



Market Value Chain Research: Case Study in Nghia Trung Commune, Binh Phuoc Province, Vietnam

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Introduction

Agriculture in the study area of Nghia Trung commune is characterized by perennial cash crop production systems with cashew, rubber, coffee, and pepper. Apart from these main crops, farmers have gradually diversified their farming systems with fruit trees such as durian and rambutan and annual crops such as cassava, vegetables and bamboo shoot. Crop diversification and integration of vegetables and fruit trees into agro-forestry system is expected to improved farmers income but its economic viability has not been assessed. A market value chain research is therefore essential to provide key solutions for more cash crop diversification concerning profitability and marketability in pursuit of achieving the greatest opportunity for market-driven development.

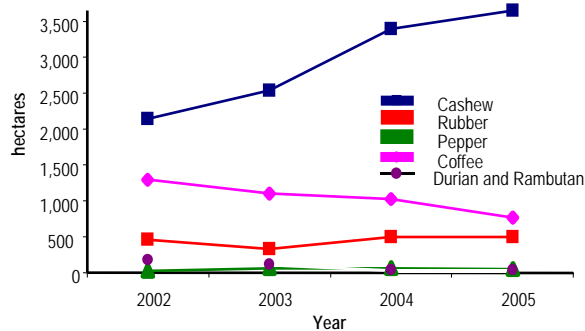
Objective

This study was conducted to identify the most profitable and marketable crops in pursuit of achieving the greatest opportunity for market-driven development from existing farming systems, marketing constraints, strategies and interventions to improve the SSFWM's market access in Nghia Trung.

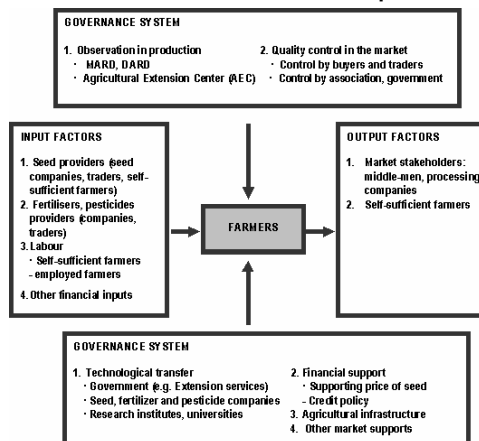
Methods

- The study applied participatory approach in focus group discussions, in-depth interviews and weighted scoring method.
- In-depth interviews was carried out with 16 farmers and 9 traders to assess their marketing performance.
- Focus group discussions was conducted with 16 key informants and 27 farmers to identify market issues and interventions.
- Data on households' production and marketing practices were collected through the baseline survey of 306 farmers.

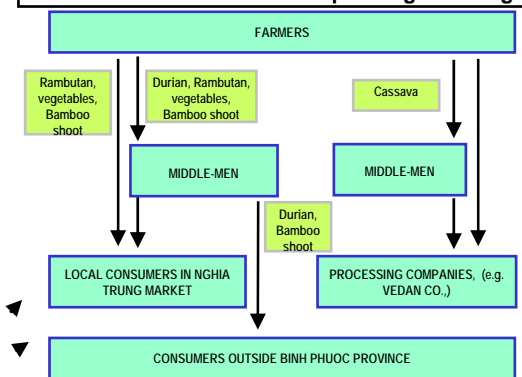
Planted area of main perennial industrial crops in Nghia Trung



Cultivation sub-sector map



Market chains of focused crops in Nghia Trung



Direct sale of local vegetables

Vegetables supply from other area

Matrix ranking of main crops

Name of crops	Ranking	Total scores
Cashew	1	859
Rubber	2	797
Durian	3	681
Pepper	4	672
Coffee	5	657
Cacao	6	599
Rambutan	7	504
Cassava	8	676
Vegetables	9	591

Results

- Perennial crops are highly appreciated compared to annual ones. The first three appreciated perennial crops are cashew, rubber and durian. Pepper and coffee are observed in the second rank. As a newly-cultivated plant, cacao appraisal has become vague.
- Concerning market accessibility, growth potential, and income generation, cashew, rubber, cassava and durian are highly appraised whereas rambutan, coffee and vegetables are marketably revealed difficult.
- Among existing five diversified crops, durian and bamboo shoot appeared to be the most profitable crops with the increasing market demand. However, their major constraints are low technology and water shortage, and also high investment for durian.
- Though having stable demand in the local market, cassava has revealed low financial incentive and gradually decreasing comparative advantages in term of land availability.
- With safe and quality production, vegetables promisingly gain the local demand with stable and sufficient supply.

Conclusion

- Low use of technology, weak extensional activities, inadequate supply of production inputs, poor marketing infrastructure and weak market linkage and post-harvest performance are all detriments to the development of agricultural market in Nghia Trung.
- For market efficiency enhancement, there is a need for an effective link between farmers, processing enterprises, and government's supportive agencies.
- Support on techniques and market price information are the most households' necessities. More efficient supply of input factors, extensional activities, irrigation and marketing infrastructure are all demanded.

Acknowledgements

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