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**Statement by Dr Le Quoc Doanh,
Vice Minister of Agriculture and Rural
Development of Vietnam, to the
122nd Session of the International Coffee
Council on 20 September, 2018**

Mr José Sette, Executive Director of ICO

Ladies and Gentlemen,

Today, I am delighted to represent the Ministry of Agriculture and Rural Development of Viet Nam to attend and speak at the 122nd ICO Council Meeting.

Over the last 30 years, Viet Nam's coffee sector has made remarkable progress in terms of growing area, production and yield; intensive coffee production areas have been formed in the Central Highlands and Arabica areas in the Northwest; the country has gradually developed the modern coffee processing industry. Viet Nam is now the second largest producer and exporter of coffee in the world, the first producer and exporter of Robusta coffee.

Viet Nam exports over 95% of annual coffee production to 80 countries around the world. With an annual export turnover of more than 3 billion USD, the coffee sector has generated employment and stable source of income for nearly 600,000 farmer households, contributing to socio-economic development and poverty reduction in the Central Highlands, South East provinces and other coffee growing regions.

Ladies and Gentlemen

The world's coffee industry is facing many challenges such as slowdown in growth, severe competition in resources and markets and, negative impacts of climate change. Recently in Viet Nam, low coffee selling price and unpredictable weather have unfavorably

influenced the productivity, efficiency and sustainable development of coffee production. In addition, income of coffee farmers was affected as well, leading to the low investment level by farmers to production and trade of coffee.

In order to remove negative impact and develop the coffee sector effectively and sustainably, Viet Nam continues to enhance restructure of coffee sector, focusing on the following directions:

- Continue to promote regular coffee replantation, combined with sustainable production techniques.
- Invest in the development of geographical indications (GIs) for coffee production areas. Transform coffee production structure towards enhancing productivity, quality, disease resistance and prolonging the harvest over a long season.
- Promote temporary storage and preservation. Currently Viet Nam has developed a storage system for coffee products with the total designed capacity of 2.36 million tons per year so as to meet the demand of coffee processing, preservation and export. Meantime, we continue to promote investment, upgrade the coffee drying system.
- Attract enterprises to invest in coffee processing industry with modern equipment's, meeting requirements of management standards such as ISO: 9000, ISO: 14000 and HACCP, etc. The processed coffee has increased rapidly from 10% in 2016 to 20% in 2017 and it's likely to reach 25% out of total coffee production value in 2018.
- Formulate brand names, link partners to develop raw material zones in order to add value in coffee powder processing.
- Improving the information system on business and distribution environment, market prices, etc.; actively applying e-commerce in domestic and international coffee purchase, sale and consignment transactions; promoting domestic consumption and export of processed coffee to other countries in the region.
- Enhance cooperation with other countries and international organizations in science and technology application, especially in the following fields: breeding selection, pest and disease control, irrigation water saving, harvesting, preservation and coffee processing. Cooperate with other countries to organize trade fairs and events to introduce Vietnamese coffee products to international friends, attach the development of coffee landscape and specialty coffee with tourism development.

Ladies and Gentlemen,

On behalf of the Ministry of Agriculture and Rural Development of Viet Nam, I would like to thank ICO for the continued cooperation, particularly the allocation of the Special Fund to Asian Pacific Countries, including Vietnam.

Added, we fully support the Project funded by the ISEAL Alliance (International Social and Environmental Accreditation and Labeling Alliance) under the Coffee Global Adaptation Plan (C-GAP) for member countries. Taking this opportunity, we would like to express that Viet Nam actively continue to participate in ICO activities. We also propose to establish subcommittee to further promote climate change adaptation of coffee sector in Viet Nam in particular and the ASEAN region in general.

Ladies and Gentlemen,

With the success of international events held in Viet Nam recently such as the APEC 2017, the World Economic Forum on ASEAN 2018 (WEF-ASEAN 2018), Viet Nam is capable of organizing ICO Council Meeting in 2020 on the sidelines of the Coffee Festival in the Central Highlands. It is requested that ICO consider and provide funding support for Viet Nam to host and organize the event as well as other relevant conferences of the Council in the upcoming period.

Once again, on behalf of the Ministry of Agriculture and Rural Development of Viet Nam, I would like to wish you a successful and fruitful 122nd ICO Council Meeting.

Thank you very much!