

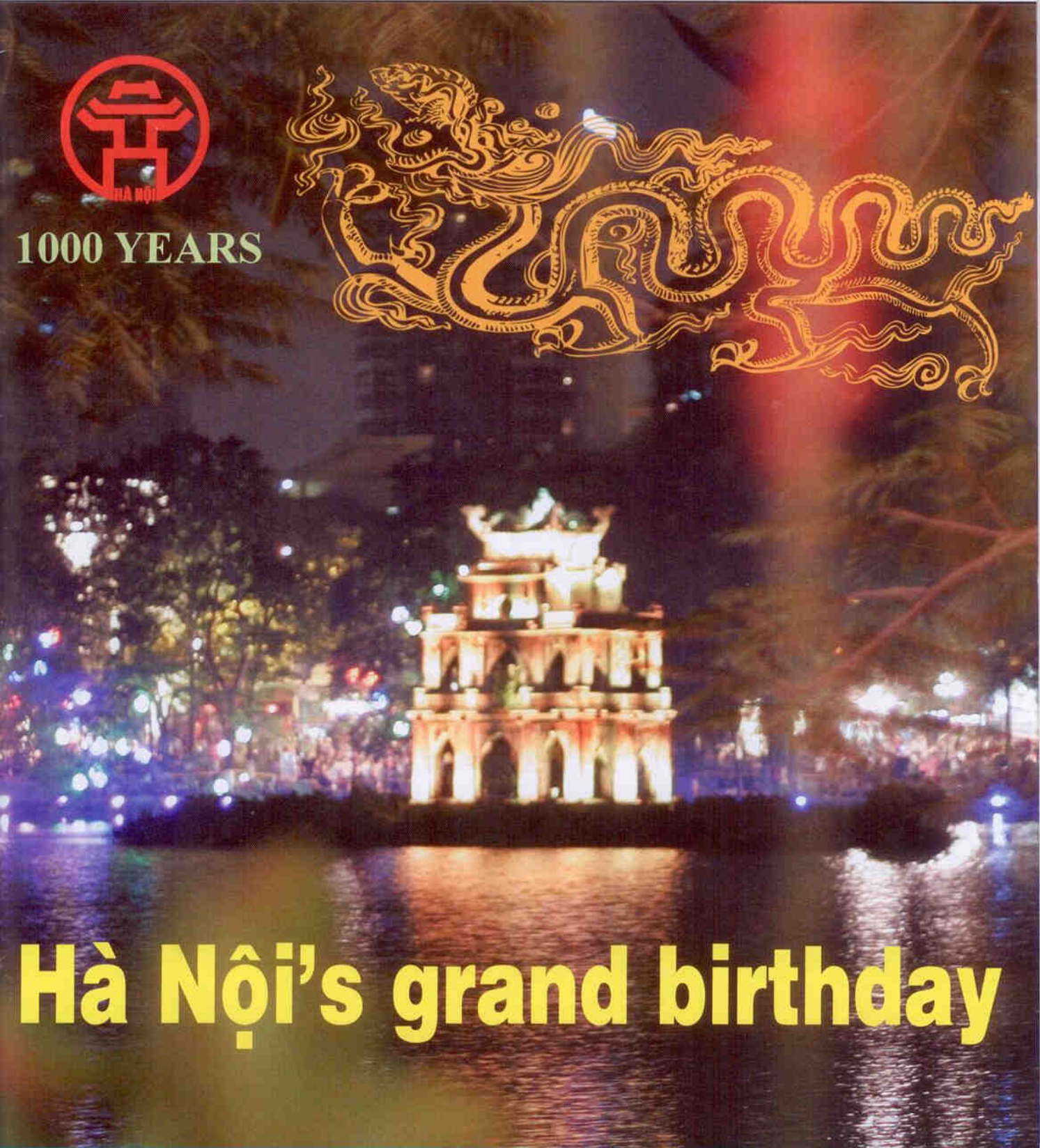
# Outlook

WITH COMPLIMENTS  
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1000 YEARS



## Hà Nội's grand birthday

# Farmers' friend

By Xuân Hiệp

If someone asked you to list a few brandnames of Vietnamese fruits or vegetables, how would you respond?

When I met Dutchman Siebe van Wijk recently in HCM City, he posed that question. Embarrassed, I conceded that I could not name one single brand, although I knew my mother could cite a few.

"No worries," replied van Wijk, founder and general director of Fresh Studio Innovations Asia, a consultancy company that has worked to develop value chains for Vietnamese agricultural products since 2006.

"You're not the only one here who has become stuck when they tried to answer," he explained. "In fact, local companies have done little to help consumers discover the wide range of agricultural products, including the great-tasting varieties of Vietnamese rice."

He cited the case of the *la ba* banana, which is grown in Đà Lạt.

"It's much more delicious than the Cavendish banana variety grown in the Philippines, but because there is no value chain for the product, the *la ba* banana cannot compete with the Filipino one," he said.

"With professional fruit care, transport, packaging and marketing, I'm sure customers will buy it without caring too much about its price," which is slightly higher than other bananas grown in Việt Nam.

Whether the topic was about bananas, buffaloes, rice fields or farmers, van Wijk spoke in an animated manner, reflecting his joy and intimacy with the Vietnamese countryside and agriculture.

He believes that farmers, the agricultural sector and consumers have not received the professional attention they deserve.

"Farmers here work hard. They are entrepreneurial, straightforward, honest and have a good sense of humour," he said.

**A scientist and his wife are helping to put Việt Nam's agriculture on the world map by raising standards through innovative methods.**



Irmen and Siebe promote Vietnamese avocados in HCM City.

Born in Kenya when his parents were working in Africa, he later graduated from Wageningen University in the Netherlands with a master's degree in rural development economics, specialising in farming-systems research. He completed his master's thesis in two six-month periods in India and Cameroon.

Van Wijk has nearly 15 years of experience in Africa and Asia. He once worked for the international trade and development team of the Agricultural Economics Research Institute, a leading institute in the Netherlands that conducts research in agriculture, horticulture, fisheries, forestry and rural areas.

## Fresh start

His interest in Việt Nam began in 2001 when he first visited the country. "I was impressed with its fast-growing, dynamic economy," van Wijk said.

Travelling back and forth between his home in Europe and Việt Nam, he moved here with his Dutch wife, Irmen Mantingh, with whom he founded Fresh Studio.

He and Mantingh, who is also an agricultural scientist with a specialty in aqua-

culture and fisheries, have a two-year-old son and are expecting another child by the end of the year.

During that first visit, van Wijk saw Việt Nam's potential for agricultural products.

"Few people are aware that with a population of more than 86 million, the domestic market alone is a huge one," he said.

Residents of major cities like Hà Nội, HCM City and Đà Nẵng, which account for 28 per cent of the country's population, consume at least US\$1 billion of fruit and vegetables each year, according to a survey conducted by Fresh Studio.

In addition, the international and regional markets for Vietnamese fruit and vegetables remain largely untapped.

The biggest barrier for developing quality and branding for local products is the huge communication gap between farmers and consumers. Farmers reap low profits because they lack knowledge about consumer demands and standards.

Two years after receiving requests for professional consultancy services in the booming horticulture sector here, van Wijk set up an office for the company in Hà Nội in 2006. He has since opened

branches in Đà Lạt and HCM City, where he and his family currently live.

In the Việt Nam agricultural market, van Wijk believes the emphasis on adding value at each step of the supply chain has been neglected.

Instead, manufacturers of similar products compete by reducing prices and paying little attention to quality.

"Many Vietnamese actually prefer high quality and safe, clean fruit rather than low-priced fruit with poor quality," van Wijk said. "That's also the demand of nearly 580 million people in Southeast Asia."

To better compete in local and international markets, Việt Nam should shift to a value-chain approach to bridge the gap between farmers and modern markets as well as consumers, he added.

Currently, many farmers, distributors, wholesalers and retailers neglect the entire "field-to-fork" process, and focus solely on their particular job.

### Chain of value

As a result, each participant in the entire supply chain knows little about customers' tastes and demands.

But under a value-chain approach, everyone, including marketing and sales representatives, co-operates so that the highest level of competitiveness, value, product safety and quality is ensured at every step of the chain.

Van Wijk's goal is to create value chains that respect the environment, help farmers connect with modern markets, and create high-quality suppliers of farm produce.

"We focus our consulting services on significantly improving our clients' performance by involving them in applying the entire value-chain approach, including pre- and post-harvest expertise, value-chain development, business strategy, marketing and branding," van Wijk said.

One of Fresh Studio's earlier projects involved avocado farmers. After conducting an extensive value-chain analysis from seedling production to the consumer, the company helped a trader in Buôn Ma Thuột City set up a successful avocado value-chain in Đắk Lắk Province that involved distributors, wholesalers, retail chains and more than 100 farmers.

Currently, one of Fresh Studio's biggest projects is with Metro Cash&Carry (METRO), which has 10 large stores in Việt Nam.

Within the last four years, METRO has rapidly become the largest modern wholesaler in Việt Nam, especially for fresh produce such as fruits, vegetables, fish, meat, chicken and other items.

With no professional supply companies in the country that could control the quality of products from field to fork, METRO decided to move up the chain, according to van Wijk.

The wholesaler asked Fresh Studio to help develop a new sourcing system for vegetables that would ensure quality and food safety. The key strategy was to get as close as possible to the farmers who grew the produce.

As part of their training, farmers are asked to write in their diaries about their work, including the kind of fertilisers they use and information about their expenses, like electricity usage.

These data are collected on a weekly basis and processed by the Fresh Studio team in simple three-page farm reports that summarise productivity, financial performance, and differences in farmer-management strategies.

Each month, farmers who represent different vegetable production groups (for example, the tomato group or the cabbage group) meet and, under the guidance of the Fresh Studio agrono-



Fresh Studio's R&D manager Rene van Rensen during a training class for farmers.

To bridge the gap between farmers and modern markets, a production, collection and distribution centre was set up in Đà Lạt for fresh vegetables to serve the retail, wholesale and export sectors. The centre received produce from more than 150 farmers.

Đà Lạt was selected because of the city's high altitude of 1,000-1,600m, its water resources and suitable climate for cultivating a wide range of fruits and vegetables.

As a result of the new centre, large volumes of more than 150 different Đà Lạt fruits and vegetables are sourced and distributed by METRO all over Việt Nam every day.

Under the project, farmers, who are trained by Fresh Studio, have to follow standards set by METRO, including obtaining certification in Good Agricultural Practices (GAP).

mists, discuss why some of them have better performance than others, and what can be learned from these results.

This method is similar to the way farmers have successfully worked in the Netherlands. It is one of the factors that makes the Netherlands, which is nearly 10 times smaller than Việt Nam, the world's second largest exporter of agricultural products, according to van Wijk.

"This innovative approach will also be developed and implemented in other key vegetable areas in Việt Nam, such as the Hồng (Red) River Delta and the Mộc Châu highlands in the North, as the wholesaler METRO focuses on developing and upgrading its local fresh fruit and vegetable supply chains," he said.

"I'm happy that I can apply the model used in my country in Đà Lạt, where it is now being used very effectively." ■