



**PROJECT «NETWORK FOR AGRICULTURE AND RURAL DEVELOPMENT
THINK-TAKS FOR COUNTRIES IN MEKONG SUB-REGION (NARDT)»**



Regional research

Agricultural innovations review in Sub-Mekong region countries

**Binh Minh cooperative model of young teenagers
in Dak Lak province – Viet Nam**

1. General information

In the process of socio-economic development in Vietnam, remote and ethnic minority areas always have certain difficulties compared to regions with more developed industry and education. In mountainous areas, ethnic minority areas often have outdated customs and habits that hinder the overall development of the country. There, people do not have the will to get rich or have low self-esteem in innovating, applying scientific and technological advances or new ways of doing things. The cause of this slow development comes from a mindset that is afraid to innovate, is conservative and refuses to learn, and even has no desire to change life. This partly explains the difference in socio-economic or cultural conditions between regions and ethnic groups. Contributing to resolving this difference, Vietnam has prioritized policies for ethnic minority children to attend boarding schools for ethnic minorities, has priority criteria for admission to universities, etc. to create an intellectual force that can return to build the countryside where they were born. In fact, the difficult living conditions have somewhat limited the purpose of the policies. The number of practitioners who return to work and work locally is not much. However, there are young intellectuals who have dared to stay in this difficult place to start a business and enrich their ethnic community. That is the model of Binh Minh Agricultural and Service Cooperative of a young woman, Dao ethnic minority, Trieu Thi Chau in Cu Sue commune, Cu Mgar district, Dak Lak province.

2. Model development

Despite the regret of becoming an official in a certain governmental agency after graduating with a bachelor's degree from Central Highlands University, a young woman, Trieu Thi Chau, decided to go back home to develop the economy because she thinks quite simply because with her family's coffee and pepper garden, he family can live healthy and get rich easier. With her education level, this young woman has regularly sought out scientific and technical guidance from books and the internet, actively participated in agricultural extension training courses introduced by the Commune Women's Union. From the knowledge gained, she discussed with her family member to do intercropping coffee trees with pepper, applying scientific knowledge to plant care. Initially, this intercropping method brought her a stable income, helping her to raise 2 small children to study. Every year, after deducting production costs, her family saves 80-100 million VND.

In the process of production and market access, Ms. Chau realized that negative weather affects the yield of crops. Not only that, market prices often fluctuate, the products produced by farmers are often pressured by traders, and income is very low compared to their demand. To overcome this, Ms. Chau wishes to link farmers together to produce, buy and sell together to reduce production costs and increase product selling prices. That's why in August 2016, she connected with households in the same village to establish Binh Minh Agriculture and Service Cooperative, which she was the director.

Initially, the cooperative attracted 27 members who are Dao ethnic people from the Northern provinces to join the business, of which 17 people have university and college degrees with different majors, the total capital contribution is over 900. million VND for sustainable coffee and pepper production. These are the forces of young intellectuals with the same will to get rich in their own homeland that have achieved certain successes in the following years. They are young people who are enthusiastic to learn and explore through agricultural extension training courses organized by districts and communes; conferences related to the development of coffee industry in the province and outside the province. Through conferences, the young director surveyed the needs, introduced the operation of the cooperative, sought capital support from large, reputable enterprises and purchased coffee at a high price.

Organic pepper garden and drying equipment at Binh Minh Cooperative



Source: IPSARD's survey in 2022.

In 2017, the cooperative was supported by the sustainable pepper project 4C of Hanoi Import-Export Production Service Joint Stock Company with a loan of 150 million VND to build a warehouse to store agricultural products; joint production of

products under RA (Rainforest Alliance) certification and purchase over 100 tons of pepper with a higher price of 3,000 - 5,000 VND compared to the market price. The VnSAT project supported a training course on sustainable coffee development with 37 participating farmers; 1 training course to guide 6 cooperative staff on management skills, sustainable coffee production techniques, teamwork skills, general skills; at the same time, support 14 million VND to build a sustainable coffee production model; support from 50-80% of capital to build 2 save watering models.

To overcome the changes of the weather, the cooperative built a system of drying using coffee husks and rice husks burned by flox technology to preliminarily process coffee when facing adverse conditions to make green coffee beans have a beautiful color and good quality, saving time for preliminary processing and preservation. In particular, the drying oven does not pollute the environment. In addition to coffee drying services for people in the cooperative area, a large amount of biochar is also obtained and sold to the market.

In recent years, with the trend of landscape coffee cultivation and crop diversification, especially the intercropping of fruit trees in coffee gardens, many different agricultural products have been created and the issue of consumption has become a major issue. However, with the dynamism of the young and enthusiastic cooperative staff, they have been quite effective in supporting the cooperative members. In addition to coffee and pepper, the cooperative also sells other agricultural products to the people such as avocado, banana, and durian with various addresses including: i) Central Market in Buon Ma Thuot city; ii) Send passenger cars to the provinces with the volume of about 5 tons/day; iii) Selling instant coffee to companies such as Phuoc Sang, Intimex, Tan An; and iv) Selling roasted and ground coffee at local coffee shops, etc.

Thanks to the association of coffee and pepper producing households in a sustainable way, the lives of cooperative members are constantly being improved. Up to now, the cooperative has attracted 145 members, the average income of each household is from 150-500 million VND/year. From this source of income, many households stabilize their lives and can meet their basic needs.

However, after a number of years of operation, the biggest success of the cooperative is to change people's thinking about collective economic development because the elders in the village are very "allergic". "with the former subsidy-era cooperative" that they had experienced.

3. Opportunities and challenges

Along with the development of industrial zones and large urban areas in Vietnam in recent years it has created a wave of youth migration out of rural areas. This has made the labor force in this area aging. Therefore, the model of building collective economic organizations such as Binh Minh Agricultural Service Cooperative in Dak Lak province is a great opportunity for not only agricultural economic integration but also rural development to reduce the gap with urban areas. These organizations will lead people in remote areas of ethnic minorities to renew their thinking and ways of developing the market economy as well as make effective use of the natural and social conditions of the regions.

However, the expansion of the model will face significant challenges from the human factor. It requires people who are really attached to their homeland with hardships and inadequate material and spiritual lives but developed urban areas. The second challenge may be the perception of people with low education levels and long-standing conservative ideas, so change will challenge the persistence of leaders.

4. Conclusion

The cooperative model of young people in Cu Sue commune is a typical example that needs to be encouraged to develop and replicate. It is the progressive force in economic construction and rural development. They will be the ones who inspire and lead the direction of market economic development for agriculture and rural areas in Vietnam. These are young intellectuals, children of local ethnic minorities, who have pioneered in sustainable agricultural production, gradually changing their farming practices and creating clean agricultural products. The production and preliminary processing of products does not cause environmental pollution. Therefore, the state needs to have certain supportive policies such as creating opportunities to access the market through advertising programs and fairs at home and abroad, building product brands, supporting investment in equipment and trading infrastructure, training of management personnel, etc.