

# Case: Public and Private Partnership supporting the development of ginger value chain

- **Country: Viet Nam**
- **Project/Organization: Pro-Poor Partnership for Agro-forestry Development Project (3PAD)**



# BACK GROUND

High poverty rates, especially in highland communes, districts

The population is mainly ethnic minority and low education

## Bac Kan

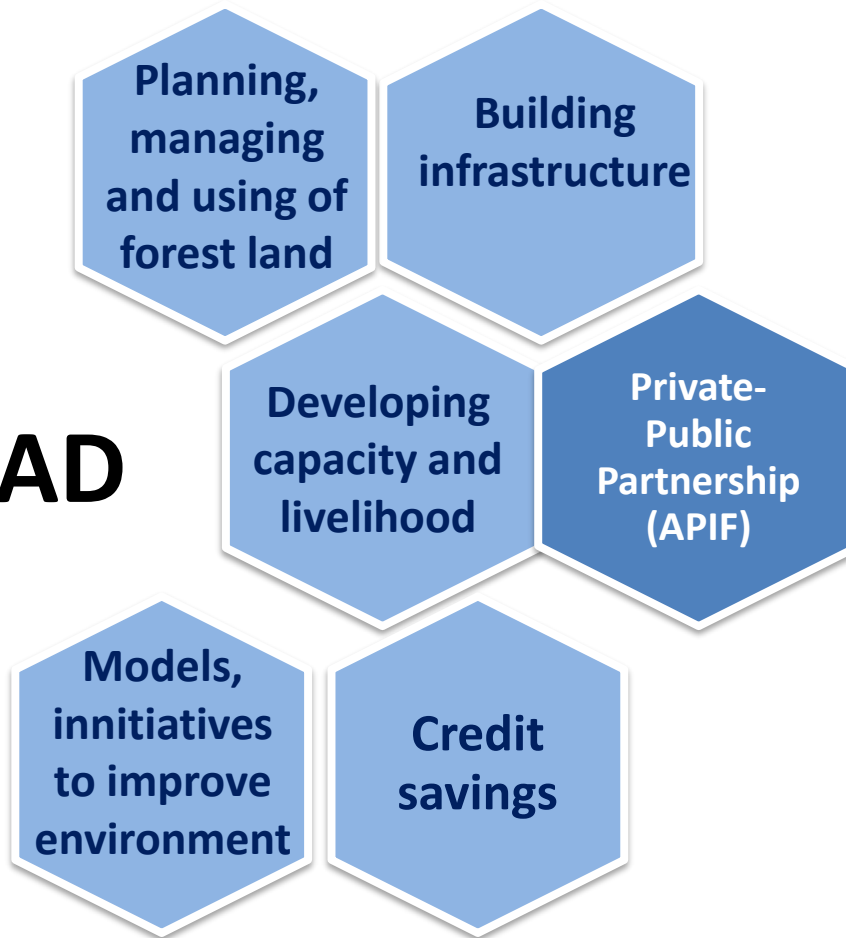
Agricultural small fragmented, outdated farming level , self-sufficient

Poverty reduction programs/projects mainly support production inputs (Seeds, supplies, fertilizers...)



# BACK GROUND

## 3PAD



- 11 enterprises were funded
- The most successful project: linking in development ginger value chain

# Sub-Project “Growing and consuming ginger”



## Focal enterprises

Minh Be private enterprise exporting and processing agricultural products. More than 20 years of experience in growing, trading ginger and working with farmers.

## Goals

Expanding the material areas, developing business and production. Increasing income for poor people => reducing poverty

## Areas

6 Highland communes in Pac Nam district (the rate 56%)  
Especially difficult transportation.



# Budget and Activities

**Investing budget: 640,000 USD**  
**+ Company contributing: 387,000 USD ~60%**  
**+ APIF co-financing: 253,000 USD ~40%**



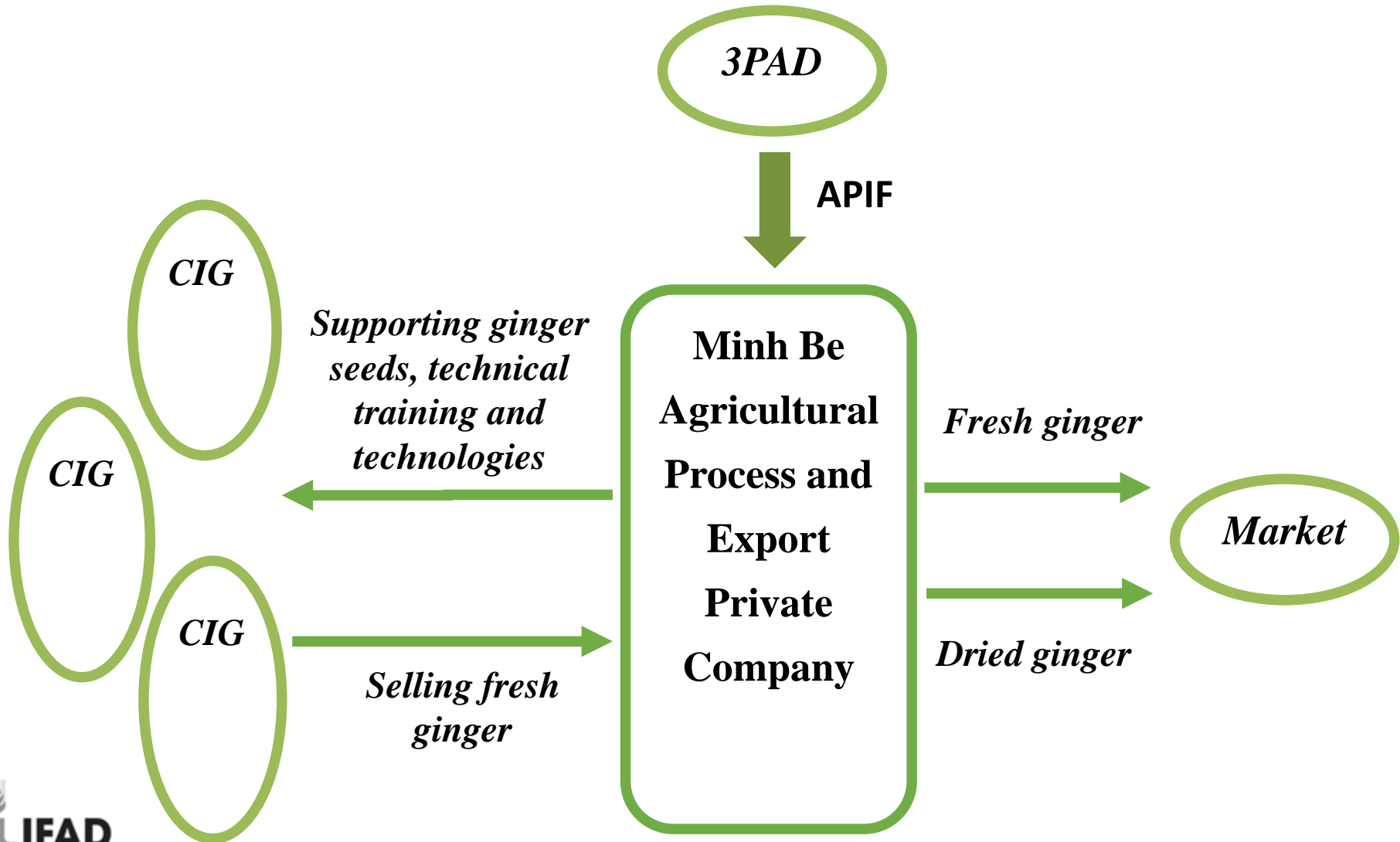
**Investing to support farmers: Propagation, seedling support, technical training on planting and harvesting**



**Investing for enterprises: building storages, purchasing equipment and machinery (trucks, forklifts, cold storages, washing machines, slicers, ginger dryers..)**



# STRUCTURE OF COOPERATION



# MAIN ACHIEVEMENTS

**Investing and equipping storage and processing systems to create favorable conditions for enterprises to expand production**

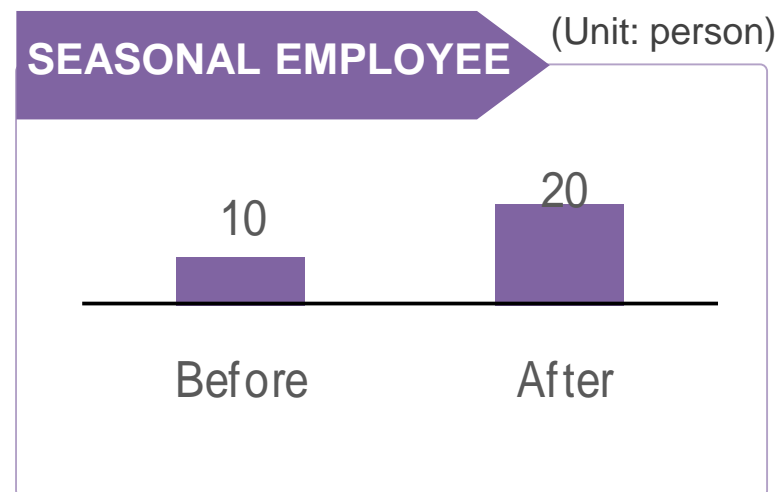
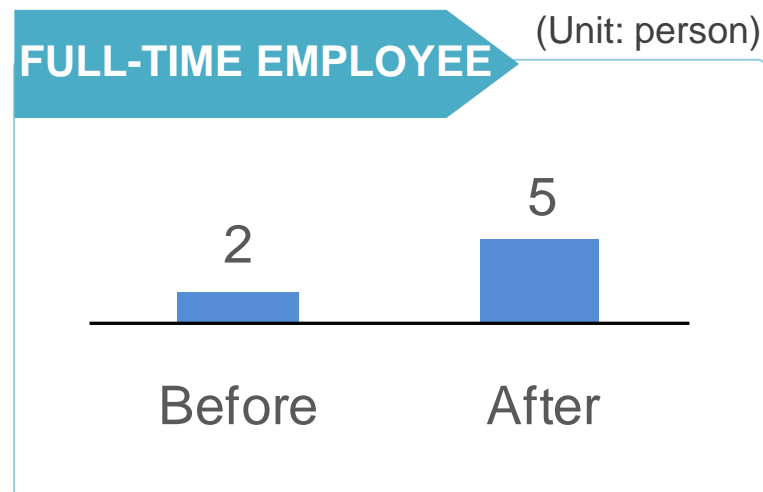
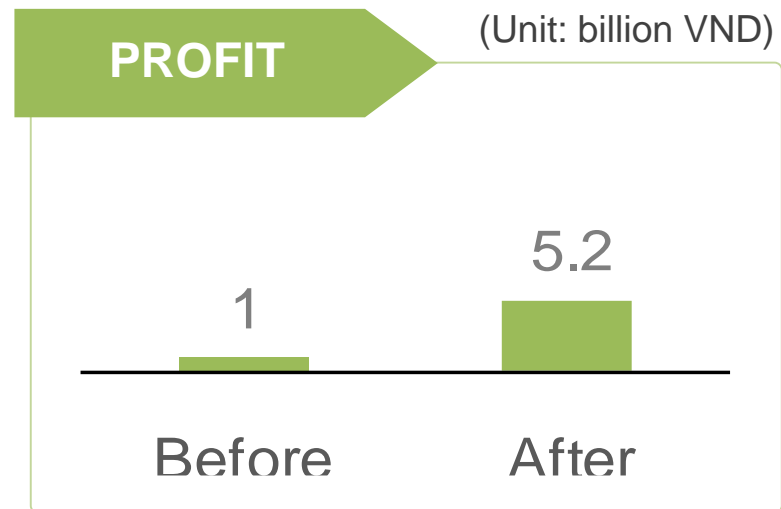
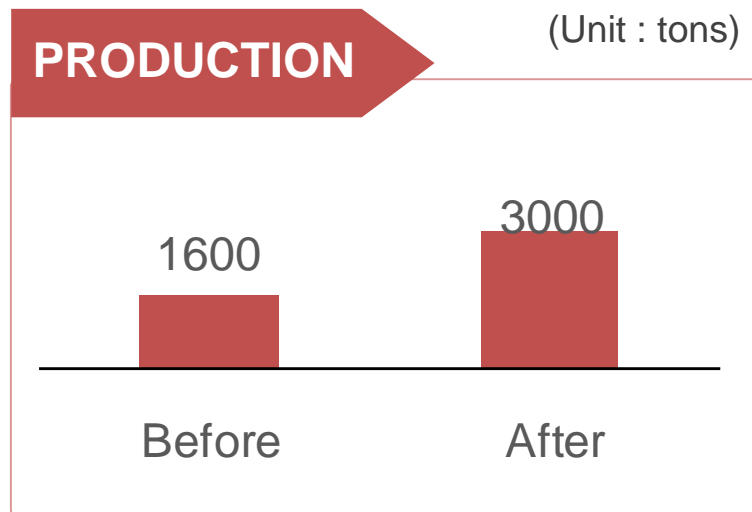
**615 households were supported with seedling and training. The average income increased by 17.5 million VND/household/year**

**Developing and maintaining over 70 ha (36 CIGs) of ginger in 6 communes of Pac Nam district**

**Enterprise maintains support and consume products for people, create the belief and that is the foundation for long-term sustainable development cooperation.**



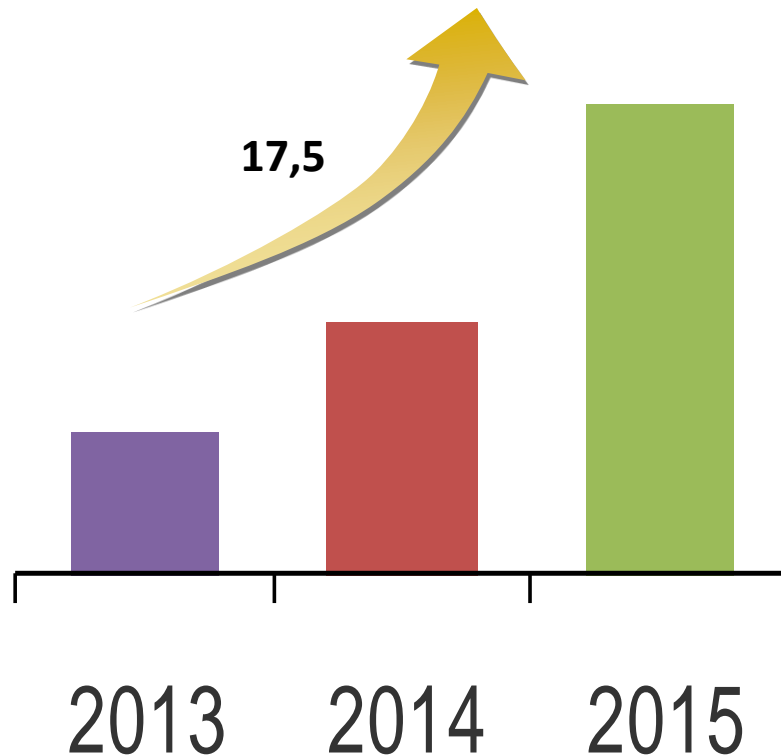
# IMPACT ON INCOME AND ASSET (ENTERPRISE)





# IMPACT ON INCOME AND ASSET (HOUSEHOLDS)

- AVERAGE INCOME**  
(Unit: million dong)



- PROPERTY**
  - With the income increasing from ginger growing, households have bought more new assets: motorbikes, washing machines, televisions, refrigerators, and other household appliances. Others buy more land, build new houses or invest in expanding production..

# IMPACT ON AWARENESS

## FARMERS

- Raising community 's awareness and level of cultivation: from the focus on production to meet the basic needs of the family (maize, rice) to produce goods according to market demand;
- Finding and linking consumption market become a top priority .

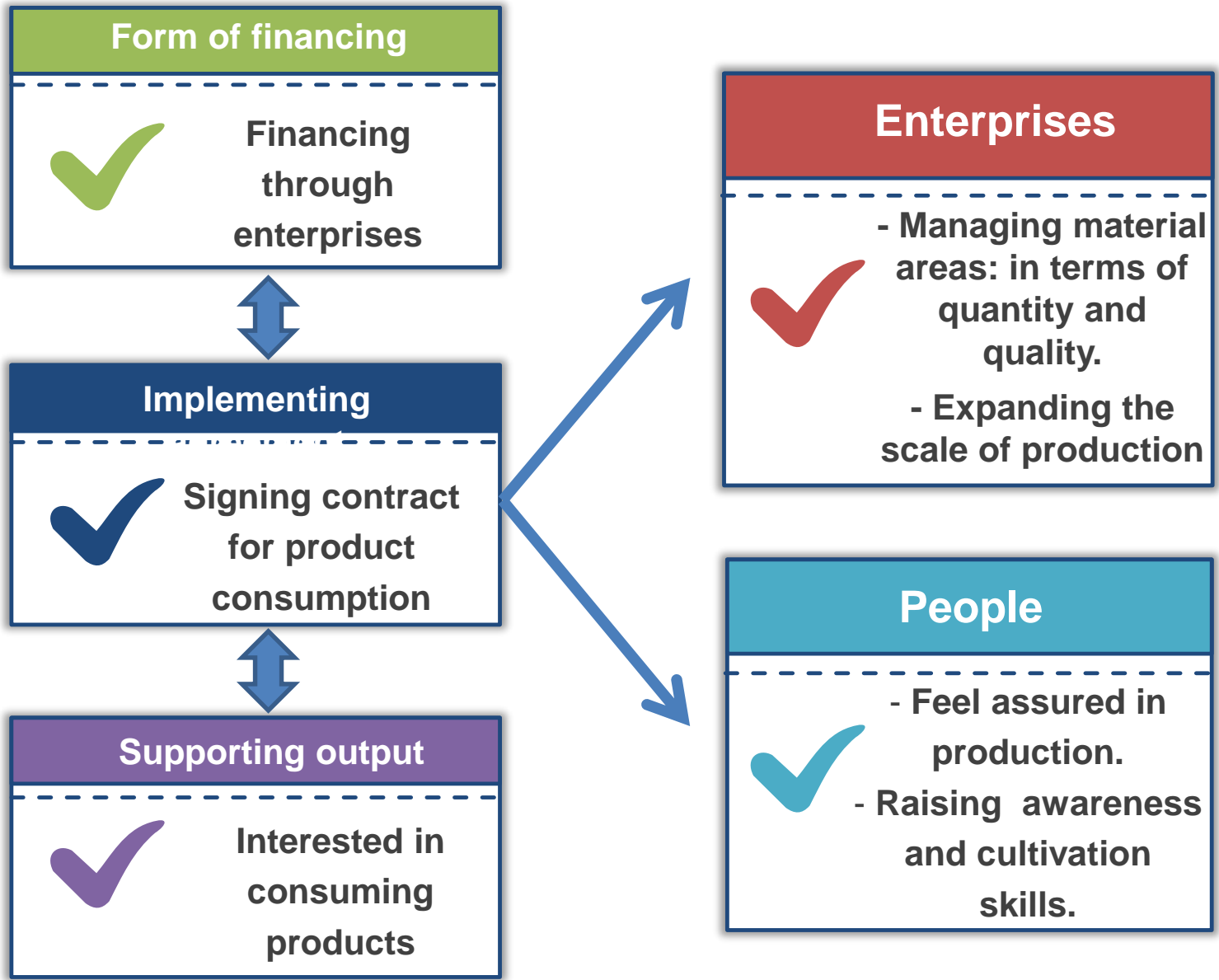
## ENTERPRISE

- Seeking investment opportunities from supporting projects to expand production and support the people, especially the poor;
- Building trust with the farmers is fundamental in the successful and sustainable cooperation.

## AUTHORITIES

- Changing awareness and approach of local authorities in implementing other projects / programs about supporting production in the area;
- Finding and linking consumption market become a top priority .

# GOOD PRACTICE



# FACILITATE FACTORS – CHALLENGES

- Besides financial assistance, the 3PAD project also supports enterprise in dissemination and linkage with household groups.
- Business owner is ethnic minority who has many years of experience in ginger trading, working with the poor and ethnic minorities.
- The suitability of the natural conditions for the development of ginger.

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- The awareness and capacity of producing goods in local are limited.
- Local people were worried and not trust in the company and the project.
- The lack of experience in implementing projects, particularly in the public-private partnership model of the enterprise.
- Remote project area and the underdeveloped transport system .

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# LESSON LEARNED

- Enterprises need to have certain knowledge about the farming habits and culture of local people, especially the beneficiaries of ethnic minorities.
- Having appropriate approach and specific strategy.
- Promoting propaganda and raising awareness for participants and stakeholders
- Enterprises should attach importance to the benefits of households; build and maintain the trust of participating households.
- Requiring the active support of the management agencies and local authorities as intermediaries in connecting and dealing with problems between local people and enterprises.





# Commercial Smallholder Support Project (CSSP) in Bac Kan Province

# THANK YOU SO MUCH!

