



# Trade and sustainability linkages in Vietnam: stakeholders' views from three key value chains

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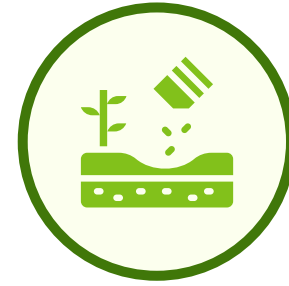
**IATRC's annual meeting, December 14 -16, 2025, Washington DC**

# Overview

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**Trade4SD project scope and partners**

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**The EVFTA at a glance**

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**Methodology of research**

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**Challenges of rice, tea and dragon fruit value chains**

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**Policy recommendations for each value chain's sustainability**

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**Trade and sustainability recommendation in the EVFTA implementation**



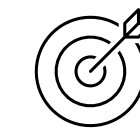
# The TRADE4SD project (1/2)



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## PROJECT'S MAIN SCOPE



Build new opportunities for fostering the positive sustainability impacts of trade supported by improved design and framing of trade policy

**10**

Countries

**13**

Partners

# The TRADE4SD project

## 9 WORK PAKAGES

- WP1
- WP2
- WP3
- Work Package 4**
- WP5
- WP6
- WP7
- WP8
- WP9

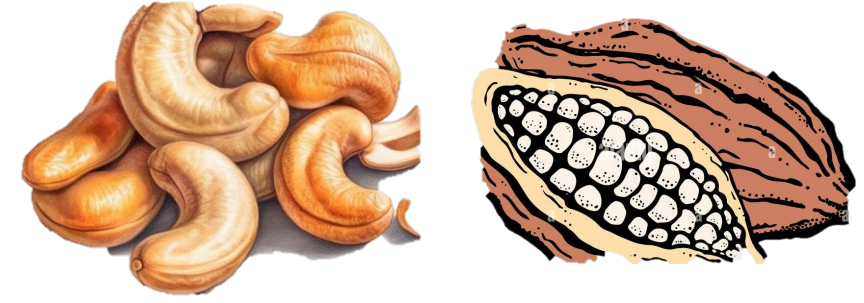
**Objective & research question:**  
to explore the existing relationships between trade and sustainability through detailed, country- and crop-specific case studies



Vietnam

Task 4.2

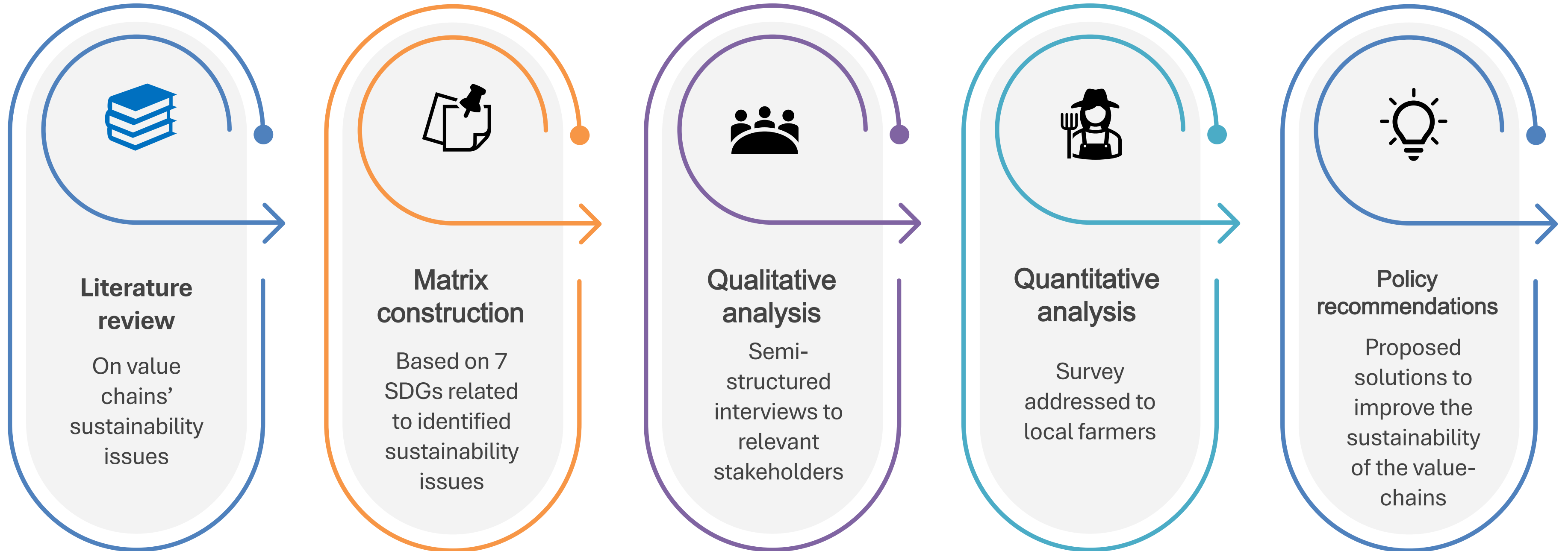
Ghana



# The EVFTA at a glance

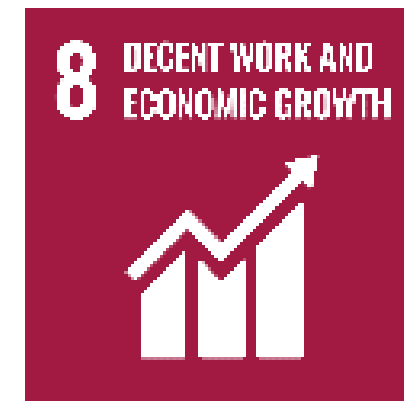
<b>Topic</b>	<b>EVFTA</b>
<b>Type of agreement</b>	Comprehensive Free Trade Agreement (FTA)
<b>Enforcement date</b>	August 2020
<b>Tariff provisions</b>	Elimination of 99% of all tariffs; Immediate removal of ~65% of duties on EU exports to Vietnam; phased removal over 10 years
<b>Development focus</b>	Emphasizes intellectual property rights, investment protection, sustainable development, and geographical indications
<b>Sustainable provisions</b>	Strong focus on labour rights, environmental protection, and high standards
<b>Geographical indications</b>	Vietnam agrees to protect 169 EU geographical indications; recognition and protection of many Vietnamese GIs.

# Methodology overview



# Matrix construction

The sustainability issues have been framed within the context of the United Nations' Agenda 2030, selecting 7 specific Sustainable Development Goals



Indicator	Custodian agency	Tea	Dragon fruit	Rice	Country/Regional level	Note
1.4.2 Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and by type of tenure	UN-Habitat & WB	Survey (742 face-to-face interviews) of tea producers in four major tea producing areas in Vietnam, namely Red River Delta, Northern Midlands and Mountains, North Central and Central Coast, and Highlands. The growing tea area in these six provinces has accounted for nearly 60% of the total area in Vietnam and they consider tea farming as a primary job for most of the local labor force. More than half of surveyed farmers have their land ownership and gain access to extension service and credit schemes (respondents are mostly men). Source: Hung, Le Van & Quyen, Vu Ngoc & Hoa, Nguyen Dinh, 2019. Improving the Vietnamese Tea	Viet Nam has been a leading dragon fruit producer globally in terms of land area and production. It is also the second largest dragon fruit producer and exporter, holding a significant market share in Asia, especially to China, Europe, and United States. Source: UNDP (2023). Viet Nam Dragon Fruit Journey Towards Sustainable Growth ( <a href="https://www.undp.org/vietnam/press-releases/viet-nam-dragon-fruit-journey-towards-sustainable-growth">https://www.undp.org/vietnam/press-releases/viet-nam-dragon-fruit-journey-towards-sustainable-growth</a> )	Recommendations for rice VC: - Removing legal, regulatory, and administrative barriers is crucial for enabling more flexible land use, especially for designated paddy land. - Promoting an active land market can enhance land use, particularly for higher-value agriculture and other purposes. - Conditions that encourage investments in land and the allocation of land for higher-value agriculture can increase	1. Land-Use Right Certificates (LURCs): - The state administers land, and citizens and organizations rely on land-use rights but do not own land. - LURCs are essential for secured tenure, formal land transactions, access to formal credit, and legal protection of land-use rights. - LURCs contain information on the land user and the land parcel. - Cropland allocation among farm households was relatively equitable compared to many other developing and transitional countries. - Farm sizes in Vietnam varied but were typically around 0.2 hectares per capita.	No official data/information is available on SDG indicator 1.4.2. Quantitative data on Land-Use Right Certificates (LURC) is available only at the country level. Please check with Viet to see if there is any data available at the value chain levels.
2.3.1 Volume of production per labour unit by classes of farming/pastoral/forestry enterprise size.	FAO	Tea production per capita 10,7 kg (2020) source: General Statistics Office of Vietnam. Statistical summary book of Viet Nam 2020 ( <a href="https://www.gso.gov.vn/en/data-and-statistics/2021/07/statistical-summary-book-of-viet-nam-2020/">https://www.gso.gov.vn/en/data-and-statistics/2021/07/statistical-summary-book-of-viet-nam-2020/</a> ) Tea (2021):	Dragon Fruit (2021) Area harvested: 64,000 ha Production: 1.400.000 t  Source: Minister of Agriculture and Rural Development ( <a href="https://www.mard.gov.vn/en/Pa">https://www.mard.gov.vn/en/Pa</a> )	Rice (2021) Area harvested: 7,219,797 ha Yield: 60,740 100g/ha Production: 43,852,728.69 t Source: FAOSTAT ( <a href="https://www.fao.org/faostat/en/#data">https://www.fao.org/faostat/en/#data</a> )	GDP per hour worked (GDP constant 2017 international \$ at PPP) in 2021: Viet Nam: \$ 10.22 Labour productivity represents the total volume of output (measured in terms of Gross Domestic Product, GDP) produced per unit of labour (measured in terms of the number of employed	No official data/information is available on SDG indicator 2.3.1 (labor productivity). Data on land productivity has been collected from FAOSTAT: yield has been calculated as production over harvested area (land productivity

# Survey design and structure

Starting from each selected SDG we developed two questionnaires composed of both close-ended and opened questions. The questionnaires are divided in four main sections: economic, social and environmental sections, plus one specific section on certifications.

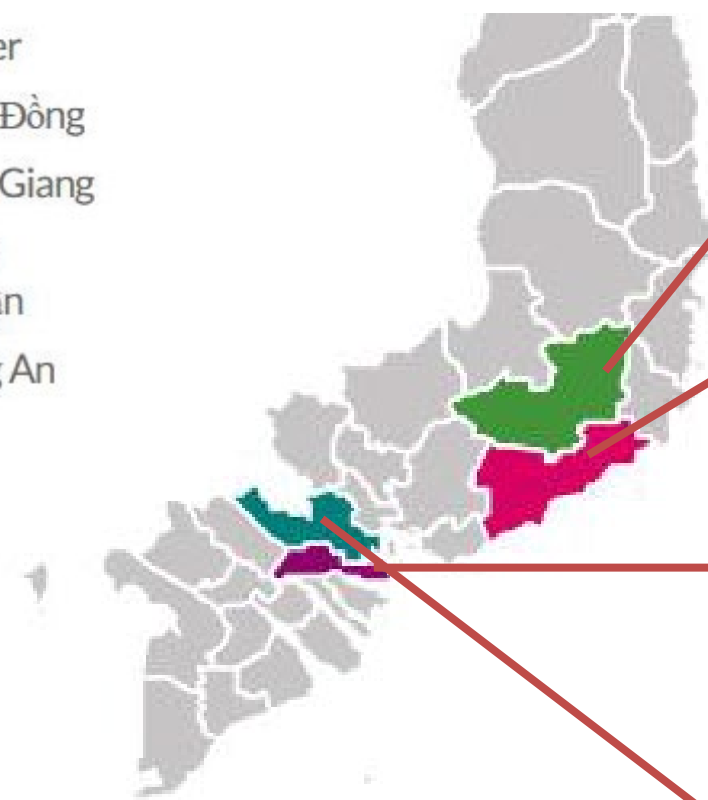
Example:

Sustainability dimension	Indicator	Question (Quantitative survey)	Question (Qualitative survey)
Economic	SDG Indicator 2.3.2: Average income of small-scale food producers, by sex and indigenous status	<p><b>A.2) What gross total revenue did you get from your main crop in the 2022-2023 season?</b></p> <p>Please specify ....</p> <p><b>A.3) Was the earned amount sufficient to cover basic needs for you and your family?</b></p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p>	<p><i>Introduction to context: According to FAO, the estimated farmer income in the cocoa sector is \$ 0.84 a day. Consequently, the incomes of 73% to 90% of cocoa farming households do not reach the level of a “living income”.</i></p> <p><b>What are, according to your knowledge/experience, the main drivers behind such trends?</b></p>

- Other
- Lâm Đồng
- Tiền Giang
- Bình Thuận
- Long An



- Other
- Lâm Đồng
- Tiền Giang
- Bình Thuận
- Long An



**Selected villages/areas:**



- Dai Lao
- Loc Thanh
- Loc Tan

**Selected villages/areas:**



- Dong Son

**Selected villages/areas:**



- Dong Son
- Hiep Thanh
- Thanh Phu Long




**Selected villages/areas:**






- Hung Tho Phu
- Que My Thanh



**Interviewed stakeholders:**

		
12	5	9

**Interviewed farmers:**

		
110	105	117

# Sustainability challenges of rice, tea and dragon fruit value chains

## Economic sustainability

- Low income for farmers due to low profitability



- Low bargaining power due to small-scale production for



and a lack of foreign market diversification and a cooperative system for 

- Low certification uptake due to costs and technical support



## Social sustainability

- Gender inequality (farm size, hazardous tasks, training, salaries, credit)



- Limited use of PPE when applying pesticides



- High reliance on informal labour



## Environmental sustainability

- GHG emissions and soil degradation



- Lack of water-efficient farming practices



- Overuse of synthetic pesticides and fertilisers



# Recommended sustainability actions

## Economic sustainability

### Land access and use

Policy measures to make access to land and rights more transparent.

### Farm efficiency

Sector measures to improve the efficiency of the farms, such as better use of production factors and input management, financial support, and technical skills.

### Supply chain functioning

Broader adoption of quality standards, trade incentives, fostering collaboration with international partners.

## Social sustainability

### Workers' rights, education and training

Enhance the cooperatives' membership to foster more transparent work conditions and improve technical skills, knowledge management and trade opportunities.

### Women empowerment

Targeted policies to facilitate women's land inheritance rights.

Reinforce the gender-responsive policies to address gender gap (education, farm roles, salaries) and increase the awareness of the existence of regulations.

## Environmental sustainability

### Reduction of agrochemical pollution

Strengthen the undergoing shift in the agricultural sector toward agroecological practices through targeted tools and policies, financial aid and technical capacity building addressed to all producers.

### Water management

Encourage integrated farming systems (i.e. rice-fish system) to boost productivity while conserving natural habitats through targeted policies and incentives.

Provide technical assistance to adapt and address water scarcity through infrastructure investments.



# The role of trade in the process



## From the EU side:

- Commitment to transparency and support for local Vietnamese stakeholders in meeting EVFTA-related standards and requirements through targeted capacity-building at institutional and sectoral level.
- **Strengthen EU–Vietnam cooperation on sustainable trade** through dedicated product Taskforces involving stakeholders from the entire value chain, to voice needs, coordinate actions, and ensure fair and effective trade under the EVFTA.
- **Enhance institutional and scientific cooperation between Vietnam and the EU** to improve alignment with EVFTA-required policy measures and standards.
- **Boost cooperation and dialogue mechanisms** instituted by EVFTA TSD chapter (n.13) to support the implementation of EU’s sustainability regulation.



★ From the Vietnam side:

- Effective dissemination of EVFTA-relevant information across all levels of the value chain to ensure full and inclusive participation.
- **Boost adoption of international voluntary sustainability standards** to strengthen competitiveness under the EVFTA, increase bargaining power in EU destination markets, and create appeal for European consumers who prioritize quality and product origin.
- Ensure that **price premiums and certification benefits reach final farmers**, not only upstream actors. **Cooperatives play a key role** in promoting fair value distribution.
- **Encourage the adoption of Geographical Indication (GI) products**, already protected under the EVFTA, to enhance visibility and quality recognition in the EU market, ensuring fair distribution of added value along the supply chain

# Thank You!

*For more information*

*Visit*  
<https://www.trade4sd.eu/>

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