

**Vietnam Rural Industries  
Research & Development Institute  
VIRI**

**ARTICLES ABOUT VIRI**

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## 1) Promoting fair trade in Vietnam

by PV/VTV21 October 2016 Last updated at 09:46 AM



(Photo illustrated)

**VTV.vn - In recent years, a number of certification programmes for sustainable agricultural products have been applied in many localities in Vietnam, and the Certificate of Fair Trade is one of them.**

This certification is in line with international standards of environmental and social welfare. Therefore, once certified, new opportunities will be opened to Vietnamese enterprises to expand their markets into the European Union.

These opinions were shared by many delegates at a conference entitled, "New Horizons: Promoting Free Trade in Vietnam", held yesterday (on Wednesday) in Hanoi.

At the conference, the Fair-Trade-certified enterprises also opened their own booths to introduce their products to counsellors from member states of the European Union, thus promoting Vietnamese fair-trade commercial products to various EU countries.

<http://www.fairtrade-advocacy.org/subscribe-newsletter/157-newsletters-articles/901-policy-dialogue-vietnam-newsletter>

## Latest Newsletters

### 2) Policy Dialogue in Vietnam to promote Fair Trade

The dialogue session focused on the following main contents: roles of Fair Trade development and Fair Trade market, proposals for policy change in developing Fair Trade in Vietnam, brand building and value improvement for agricultural products with Fair Trade orientation.

At the event, Mrs Miriam Garcia Ferrer and Ms Colette O'driscoll, working at the European Union (EU) delegation in Vietnam, represented the European Union. From Vietnam government officers, were present Mr. Tran Ngoc Quan, deputy general director of EU Market Department (Ministry of Trade), Mr Do Kim Lang, deputy general director of Vietnam Trade Promotion Agency (Ministry of Trade), Mr An Van Khanh, deputy general director of Processing of agro products (Ministry of Agriculture).

From the Fair Trade movement, there were Mrs Christine Gent, director of World Fair Trade Organisation Asia, and Mr Tran ban Hung, representative of Fairtrade International in Vietnam. Additionally, there were chairpersons of handicraft associations, tea association, coffee and cacao association and companies in five sectors.



For more info, you may read this [article in English by Vietnam News](#).

<http://vietnamnews.vn/economy/344941/vn-needs-fair-trade-certification-system.html>

### 3) VN needs fair trade certification system

Update: October, 24/2016 - 10:45



Việt Nam needs to develop a fair trade certification system as the fastest route to the sustainable development of Vietnamese agricultural products. — Photo baodauthau.vn

HÀ NỘI — Việt Nam needs to develop a fair trade certification system as the fastest route to the sustainable development of Vietnamese agricultural products, an official from the Ministry of Industry and Trade said.

Speaking at a workshop titled New Horizons – Promotion Fair Trade in Việt Nam, jointly held by the European Union (EU) delegation to Việt Nam and the Việt Nam Rural Industries

Research and Development Institute (VIRI) in Hà Nội last week, director of the ministry's Việt Nam Trade Promotion Agency Bùi Huy Sơn said certification would not only boost the penetration of Vietnamese products into the European market, but also ensure the rights and interests of producers and labourers.

Fair trade is understood as a foundation to promote equality in international trade. With the aim to build and develop a global trade system based on fair principles of production and trade, fair trade contributes to sustainable development by proposing better and healthier trade conditions, while guaranteeing rights for workers.

"The process of implementing criteria and standards of fair trade will also help the businesses, especially small- and medium-sized enterprises, to raise their domestic competitiveness and to improve the practice of sustainable agricultural production, which will influence other businesses," Sơn said.

His agency had put the fair trade methods into the national export strategy for a number of key export products in the 2015-2020 period. It has been approved by the Government, Sơn said.

Fair trade has been encouraged and boosted through regulations in the EU- Việt Nam Free Trade Agreement (EVFTA), which will come into force by 2018, and by the EU's latest trade and investment strategy.

As for the strategy, EVFTA has authored a chapter on fair trade. Therefore, the boosting of fair trade in Việt Nam is very important as it will build a foundation and generate new market linkages between producers and businesses in mountain and rural areas and EU fair trade buyers.

According to experts, consumers, especially those in the EU, are willing to pay a higher price for a product of clear origin which will not negatively impact society and the environment. The signing of EVFTA in 2015 is expected to create opportunity for Vietnamese businesses to apply fair trade, helping Vietnamese products access European customers easily.

In Việt Nam, the certification of fair trade has been given to Vietnamese businesses and producers in the sectors of tea, coffee, cocoa, spices and handicrafts. But only six Vietnamese businesses are certified.

Trần Đình Trọng, director of EATU Fair Agricultural Service Co-operative, said fair trade certification had made his co-operative's business more convenient.

"With fair trade certification, the possibility of signing successful contracts with foreign partners is high," Trọng said.

“The importers from EU and the United States are very strict about standards. They believe in businesses which have fair trade certification. They annually visit our coffee farms and co-operative to examine the quality of our wares,” Trọng added.

EATU Co-operative is one of the first two co-operatives in the country which received Fairtrade International (FLO) certification.

After nearly one year of FLO certification, Trọng’s co-operative has increased its sales to 80 tonnes of coffee. Local growers, mostly ethnic minority people, earn a stable income of VNĐ3 million to VNĐ4 million per month.

It cannot be denied that Vietnamese businesses and co-operatives in the sectors of tea, coffee and handicrafts are small and lack capital. They will have to deal with difficulties if they want to gain fair trade certification.

At the conference, participants also heard a review of the fair trade promotion project conducted in Việt Nam from June 2014 to May 2017 with financial support from the EU and assessments of the development potential of five sectors, including tea, coffee, cocoa, species and handicrafts.

The website [www.fairtrade.org.vn](http://www.fairtrade.org.vn) was launched by the project to provide people with related information.

Nguyễn Bảo Thoa, the director of VIRI and the project director, said the project was funding businesses and co-operatives to help them increase the quality of products and to ensure adherence to the strict standards of the European market.

In Việt Nam, some 300 small- and medium-sized enterprises in the five targetted sectors have been trained about the principles, criteria, certification and labels of fair trade. — VNS

<http://www.nationmultimedia.com/news/business/EconomyAndTourism/30298304>

#### 4) VIETNAM OFFICIAL CALLS FOR FAIR TRADE CERTIFICATION SYSTEM

Vietnam needs to develop a fair-trade certification system as the fastest route to the sustainable development of Vietnamese agricultural products, an official from the Ministry of Industry and Trade said.

At a workshop titled “New Horizons – Promotion Fair Trade in Vietnam”, held by the European Union delegation to Vietnam and the Vietnam Rural Industries Research and Development Institute here last week, director of the ministry’s Vietnam Trade Promotion Agency Bui Huy Son said certification would not only boost the penetration of Vietnamese products into the European market, but also ensure the rights and interests of both producers and their workers.

“The process of implementing criteria and standards of fair trade will also help the businesses, especially small- and medium-sized enterprises, to raise their domestic competitiveness and to improve the practice of sustainable agricultural production, which will influence other businesses,” Son said. – Viet Nam News.

#### **5) Consultations with the private sector**

<http://www.un.org.vn/en/what-we-do-mainmenu-203/mdgs/post-2015-development-agenda/consultations-with-the-private-sector.html>

As part of consultations on the development agenda for post-2015, the UN recently consulted with representatives from the private sector. Private sector companies are important actors in improving living standards and creating employment opportunities within Viet Nam.

The UN wanted to know what kind of world the private sector would like to see after 2015, what some of the obstacles and challenges they face are, future aspirations as well as needed actions to create more and better jobs for a growing Vietnamese workforce. As Dinh Manh Hung, Associate Director of Viet Nam’s Chamber of Commerce and Industry said: “We see Viet Nam’s ‘golden age’, the booming generation of young Vietnamese people, creating their own businesses. They bring good energy to our development.”

The consultations held in January in Hanoi and Ho Chi Minh City involved managers, supervisors and environmental and labour officers, representatives from business associations and NGOs. They focused on four topics: Viet Nam’s position in the global economy, opportunities through sustainability and productivity improvement, the Vietnamese workforce and representation and policy advocacy.

### **Deeper integration into global value chains**

According to the private sector representatives, Viet Nam has to shift to more skills- and knowledge-intensive sectors. This requires enterprises to improve their ability to catch up with new and more challenging international standards and bilateral and multilateral agreements. Those consulted also said they would like to see more simplified administrative procedures, following international best practices.

“We need professional training and support from experts to meet international standards,” said Nguyen Bao Thoa, Director of the Viet Nam Rural Industries Research and Development Institute.

### **New models of growth**

In order to promote a greener economy, better supporting policies and further information dissemination by the Government is needed. International standards and requirements in this area change frequently and need to be introduced into Vietnamese practices. Companies also expressed the need for technological and financial support for environmental protection.

According to Chu Duc Khai, Vice President of the Viet Nam Foundry and Metallurgy Science & Technology Association, “We need to green our energy year after year to attain low carbon economic development.”

### **Motivated employees**

Better training and skills enhancement were identified as a key human resource strategy for Viet Nam after 2015. Cooperation between industries, training institutions and universities should be encouraged and strengthened to narrow the gap between labour demand and supply.

### **Participation in policy making processes**

The private sector also called for increased participation in the policy making process. This could include a strengthened role for business associations as enterprise representatives in policy dialogues with the Government and other stakeholders.

Finally, the private sector called for joint initiatives with government agencies and international organizations, including the UN, to introduce environmentally-friendly technologies, regulations and quality standards; facilitate information exchange; and develop collective actions.

<http://wji.at/Vietnam-News/fair-trade-a-priority-among-eu-consumers/>

6) Fair trade a priority among EU consumers

**Fair trade is now one of the most important concerns for European Union (EU) consumers, along with concerns for sustainable development, a Ministry of Trade and Industry official said.**

Tran Ngoc Quan, Deputy Director General of the European Market Department, Ministry of Trade and Industry, made the observation at the policy dialogue 'Promoting fair trade in Vietnam' in Hanoi on May 12.

The dialogue was held by the Vietnam Rural Industries Research and Development Institute, in collaboration with Vietnam Tea Association, Vietnam Cocoa – Coffee Association and Vietnam Handicraft Exporters' Association.

"The FTA between Vietnam and the EU has brought about big advantages for the market and Vietnamese enterprises when exporting to the EU market," he said.

"The EU is committed to economic development while making opportunities for future generations. As such, in the EU member states, especially in more developed countries, consumers have higher requirements for products and services," Quan highlighted, adding that "the market requirement is strict, including requirements for producers for in regards to the environment and society."

If Vietnamese enterprises actively sought voluntary labels such as ecolabel, social responsibility and fair trade, it will give EU consumers more confidence when selecting Vietnamese products, he added.

According to EU statistics, EU revenue of fair trade products has increased steadily, especially for coffee, tea and handicrafts.

Fair trade represents 1.5 million producers and labour in 1,200 manufacturers in 74 countries, according to Nguyen Bao Thoa, director of the 'Promoting fair trade in Vietnam' project.

Speaking at the dialogue, Thoa said that for producers and labour, fair trade helped them by creating a fair and stable price for their products, as well as provided welfare funds to re-invest into their community, empowerment to voice their opinions in decision making processes, and improvement in working and living conditions based on the establishment of production, in addition, it provided a responsible consumption model.

For businesses, fair trade is a global certification providing easier recognition and which meets market demands, prices of goods according to fair trade criteria, improves organisational structures, and is part of a global market, in addition to exchanging opportunities to learn and voice opinions on fair trade itself.

Consumers of fair trade buy products according to values and rules of fair trade, selecting products, with clear origins, showing producers' responsibility to the economy, society and environment.

Fair Trade was a tool for delivering sustainable development, Christine Gent, director of World Fair Trade Organisation in Asian region, said.

Fair Trade supports sustainable rural livelihoods and helps to stem the tide of urban migration, she added.

However in Vietnam, fair trade is relatively new and is yet to become common practice, Thoa said.

A coffee grower in Dak Lak province said at the meeting that as soon as his co-operative applied fair trade practices, it saw improvements.

"The quality of coffee was enhanced, while the awareness of social responsibility of both planters and buyers was increased," he said.

However, as the province is still weak in financial capacity, he proposed to organisations that they support the co-operative with a fee to build a trade promotion brand, and hoped the Government would lend support through investment funds for materials.

A representative of the handicraft sector also spoke highly of the advantages of fair trade in exporting to foreign markets, especially the European Union (EU) market. She also recommended to the State that they form policies to attract more companies and enterprises taking part in fair trade activities to further promote fair trade in the country.

The project 'Promoting fair trade in Vietnam' is funded by EU with the total budget of more than EUR504,000 (US\$574,000) over a period of 35 months from June 2014 to May 2017. The project aims to develop and increase fair trade businesses in Vietnam to meet all requirements of the EU market.

13.<http://vietnamnews.vn/economy/272030/vn-firms-urged-to-tap-fair-trade-potential.html>



## 7) VN firms urged to tap fair trade potential

Update: June, 22/2015 - 09:11



A potter fashions a vase at the Bo Bat company in Yen Thanh commune, Yen Mo District, Ninh Binh Province. — VNA/VNS Photo Vu Sinh

HA NOI (VNS) — Fair trade certification would give Vietnamese exporters of tea, coffee, cacao, spices and handicrafts a huge advantage in expanding their market, but enterprises that qualify are far too few, experts say.

The lack of a national policy on fair trade development meant that such practices were still sporadic and disjointed with very weak links between sellers and buyers, and even between fair trade firms, Nguyen Thi Hong Minh, a lecturer at the National Economics University, said at a workshop held in Ha Noi last week.

Other experts noted that there were just five enterprises and production facilities in handicrafts that had received the Fair Trade certification, while the coffee industry had 11 units and the tea industry, two units. There were no firms or facilities in the cocoa and spices industries that qualify for the special certification.

Awareness of fair trade practices was different in each industry, Minh said.

A recent study found that 80 per cent of enterprises in the coffee industry were aware of free trade certification, 75 per cent in the handicraft industry, 56 per cent in the cacao industry, 54 per cent in spices, and 27 per cent in the tea industry.

Demand for fair trade products in the domestic market was also very low, with just 24 per cent of consumers aware of the certificate, Minh said.

The market for fair trade products was mainly outside the country, and while its scale is narrower than non-fair-trade products, it was growing rapidly, she added.

She said fair trade was good for sustainable development of tea, coffee, cocoa, spice and handicraft industries, as also assuring benefits for vulnerable producers, she said. Boosting this practice would take a concerted effort by all stakeholders including producers, enterprises, buyers, and policy makers, she recommended.

Fair Trade is an international movement that seeks to establish and develop a global trading system based on the principles of equality in production and business and respect for a sustainable living environment.

It has been accepted worldwide for nearly 70 years, and with consumers more and more concerned about the origins of goods and the conditions in which they are produced, the trend to choose fair trade products is only likely to rise.

The workshop was held to announce the report on the assessment of Fair Trade development potentials in Viet Nam's tea, coffee, cocoa, spice and handicraft industries.

The report is a part of the project to promote fair trade in Viet Nam. It was funded by the European Union and jointly compiled by the Viet Nam Rural Industries Research and Development Institute (VIRI), the Viet Nam Tea Association, Viet Nam Coffee and Cocoa Association, and the Viet Nam Handicraft Exporters Association (Vietcraft). — VNS

<http://hoinhap.org.vn/en/new-news/10304-expanding-fair-trade-certification.html>

## **8) Expanding fair trade certification**

Created on Tuesday, 26 July 2016 17:28



*Fair trade certification will help Vietnamese goods easily enter the EU market, especially in a context where the EU-Vietnam Free Trade Agreement was signed. Therefore, the movement based on fair trade criteria is being promoted in many provinces.*

### **Large demand**

Fair trade is an international certification managed by the Fair Trade Labeling Organizations International (FLO). This form is internationally recognized certification for tea, coffee, cocoa, spice and handicraft products.

According to the Vietnam Rural Industries Research and Development Institute (VIRI), nearly 95 percent of fair trade certified goods are used for exports. EU consumers are paying greater attention to fair trade certified goods as the European Parliament issued a resolution in order to promote the application of fair trade certification in the EU market back in 1998.

Purchasing power of fair trade certified goods has rapidly increased from US\$815 million in 2004 to around US\$3.4 billion a year in recent years. Fair trade certified cocoa has been

present at more than 120 markets, while certified handicraft exports to the EU have increased by 13 percent a year on average.

An EU market survey revealed that three-quarters of those surveyed would buy fair trade certified goods and 30 percent of them would be prepared to pay 10 percent more for such products. To achieve certification, these products must follow environmentally-friendly and sustainable development standards and ensure no discrimination between manufacturers and workers, helping businesses improve transparency and meet export requirements.

Expert Do Xuan Hien from the Vietnam Coffee and Cocoa Association said that fair trade certification simplifies business activities since it has focused on controlling the production process rather than checking product quality. In addition, its registration fee is also less expensive than other certifications due to driving towards community benefits. This is a great opportunity for Vietnamese businesses to expand selling channels, especially export promotion.

### **Implementing fair trade into production**

To overcome difficulties facing businesses, the project on promoting fair trade in Vietnam funded by the EU with the total budget of €504,288 running from June 2014 to May 2017 has been deployed focusing on tea, coffee, cocoa, spice and handicraft products, with the goal of strengthening business capability of fair trade certified goods in Vietnam.

Under the project's support, as many as 13 cooperatives and two coffee export businesses have been granted fair trade certification. In addition, four tea businesses have received certification and two or three more cooperatives are making greater efforts to be certified, while five handicraft businesses have certification and seven other businesses are in the process.

Cong Bang Thuan An Cooperative Director Nguyen Huu Ha said that the cooperative currently has 900 hectares of fair trade certified coffee and engaged the interests of 132 households. Ensuring food safety and hygiene, no using harmful chemicals, no residue of plant protection drugs and the rate of mature beans of more than 85 percent are key requirements for fair trade certified coffee. To help farmers sell products, the FLO has undertaken to introduce certified coffee to units.

Nguyen Huy Hung Coffee Company Deputy Director Dao Duy Tung said that if foreign partners know about fair trade certified products, the possibility of signing contracts will be higher. In 2015, the company exported 20 tonnes of fair trade certified coffee for US\$2,700 per tonne to the US and EU markets.

VIRI Director Nguyen Bao Thoa said, "We will directly work together with cooperatives and businesses to find out more about coffee and cocoa production and consumption in order to help them finalize documents for receiving fair trade certification in the coming time.

The project will finance cooperatives and businesses to meet strict requirements in exports to the EU.”

*Source: VEN*

<http://asiafoundation.org/2012/04/11/vietnams-economic-growth-challenges-rural-businesses-to-adapt/>

## 9) Vietnam's Economic Growth Challenges Rural Businesses to Adapt

April 11, 2012

By Le Thu Hien, Nguyen Thu Hang

Giang has lived his whole life in the village of Phu Lang, a traditional ceramic handicraft village about 30km north of Hanoi. Giang's entire family has been producing the same jars and pots that they and many other family businesses in the village have for decades. However, when we last met with Giang, he told us that business is increasingly bad: plastic and steel household products from China and Thailand have reduced the demand for ceramic goods.



While families of the rapidly expanding urban middle class are flourishing, many in rural areas are being left behind: in 2011, monthly income per capita in urban areas was nearly double that in rural areas.

Many families in the village are abandoning this ancient craft, with young people gravitating toward jobs in the cities. But Giang is determined to stay put. The challenge, he says, is for Phu Lang to adapt to the modern economy, and it is critical that new, market-oriented products and services are developed in the process.

Phu Lang's story is a familiar one in rural Vietnam. Extraordinary growth in the past 30 years has driven Vietnam from being one of the five poorest countries in the world to an

average per capita income of over \$1,000. The benefits, however, have not been evenly shared. While families of the rapidly expanding urban middle class are flourishing, many in rural areas are being left behind: in 2011, monthly income per capita in urban areas was nearly double that in rural areas.

As with other export-dependent developing economies in the region, the global financial crisis led to lower growth, falling production, and unemployment, bankrupting small businesses and dragging households back under the poverty line. Countries with mature economies and responsive political and social institutions can draw on a range of expertise and support from government agencies as well as civil society organizations (CSOs). In less developed countries like Vietnam, a nascent civil society sector with limited capacity and inadequate public services and social safety nets means there are fewer options for offsetting the negative impact of the crisis on the poor and those teetering between basic sufficiency and poverty.

Despite being negatively affected by the economic crisis, the handicraft sector remains one of Vietnam's 10 biggest export sectors, providing jobs for 1.5 million people, many of them in rural and mountainous areas. But, as demand for traditional handicrafts decreases, businesses are closing rapidly. Many residents have moved to the cities in search of work, resulting in increased social fragmentation and weakened traditional community ties.

The Asia Foundation, with support from the Rockefeller Foundation, is working to strengthen the ability of Vietnamese CSOs to help businesses like Giang's survive the global economic crisis and serve their communities in the long term.

In the Red River Delta, we've worked with the Vietnam Rural Industries Research and Development Institute (a local NGO established by the Ministry of Science and Technology) to develop new economic and employment opportunities for traditional craft villages in Bac Ninh province.

After consulting local authorities, partners, and community members, three villages were chosen for the pilot project. We designed activities to identify and utilize local resources, and to develop management structures, products, marketing, and facilities. The three villages, Dinh To (soy bean sauce), Phu Lang (ceramics), and Hoa Long (Quan Ho folk songs) now run regular tours for tourists from nearby Hanoi. Between June and December 2011, the three villages received 555 tourists from 14 large-scale foreign and domestic tours, as well as many other small group visits. Watch a video of a community-based tour in Bac Ninh.

In addition, we've also been working to strengthen cooperatives, still a potentially important source of employment in many rural areas. In a socialist state like Vietnam, which was not developed with the market in mind, the shift to a market-based, competitive growth strategy has been challenging for many. However, over the last decade a number of dynamic agro-industrial cooperatives in the Mekong Delta have forged a potentially innovative shift in rural dynamics.

We support the Southern Center for Support and Development of Cooperatives, Small and Medium Enterprises to enhance the capacity of five cooperatives in the Mekong Delta which impact more than 400 households, to offset the negative impact of the economic crisis and secure the long-term viability of new cooperative models. The project improved management and internal governance, developed the skills of key personnel and the functioning of management boards, and improved skills related to agricultural production. Training courses were followed by coaching for key individuals on business strategy, marketing, and value chain and brand development. All five cooperatives now have medium-term business strategies, have specialized in the products in which they have the greatest comparative advantage, and have developed a brand identity. A new information network and database facilitates market access and adaptation of cooperative operations to agricultural technological innovations.

Since the program began in 2010, Suoi Lon Mango cooperative (Dong Nai province) has seen a 19 percent increase in membership and an 88 percent increase in total sales. The Tam Vu Dragonfruit cooperative (Long An province) has more than tripled its membership since 2010 and saw its sales reach an annual VND 12 billion (\$600,000). Bolstered by the training program, the Thanh Tan custard apple cooperative in Tay Ninh province invested in a business to provide directly to its members key agricultural inputs such as high-quality seeds and fertilizers without the added costs of a middleman. The business currently has an annual turnover of VND 5 billion (\$250,000). The Cooperative Association of Tay Ninh is now rolling out the training program to other cooperatives in the province.

In Hanoi last month, we brought together these cooperatives, local authorities from the handicraft villages, NGO partners, and researchers from the North and South to share experiences that they've had supporting these market-based economic development models and to discuss challenges. Participants expressed the need for more targeted training, networking, and coordination between government agencies and NGOs; greater access to market opportunities; and better legal framework to support more dynamic cooperatives and the migrant worker population.

Modern Vietnam is undergoing a series of seismic shifts. The extraordinary pace of these social and economic changes leaves businesses, organizations, and communities, particularly those located far away from the urban economic centers, struggling to survive. The issues these communities face are complex, requiring a comprehensive approach, engaging communities and strengthening market-based rural institutions to develop and pursue renewed economic models. By strengthening the capacity of rural cooperatives and communities they are now able to compete in the marketplace – critical to the long-term livelihoods of thousands of Vietnam's rural families.

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<https://www.vietnambreakingnews.com/2015/06/fair-trade-certification-enables-exporters-to-expand-markets/>

## **10) Fair trade certification enables exporters to expand markets**

June 21, 2015

Receiving fair trade certifications would give a big advantage to Vietnamese exporters of tea, coffee, cacao, spices and handicrafts in expanding their market, as heard at a recent workshop in Hanoi.

Fair trade certifications simplify business activities since they focus on controlling the production process rather than checking the quality of products separately. Its registration fee is also less expensive than that of other certifications, said Director of the Vietnam Rural Industries Research and Development Institute Nguyen Bao Thoa.

A report on the potential of fair trade in the aforementioned commodities indicates that more than 95 percent of the products were sold through exports. The markets are expected to expand due to advantageous natural conditions, labour and material resources.

Under the EU-funded fair trade promotion project in Vietnam, enterprises will receive support to build business plans for the EU market and register for fair trade certifications. Participants will also receive training and have opportunities to join domestic and international trade fairs.

Nguyen Thu Thao, a representative from the Vietnam Handicraft Exporters Association, said all handicraft firms with certified fair trade standards in Vietnam could join exports at different scales. The sector's export turnover reaches nearly 3 million USD per year and more than 65 percent of importers are fair trade customers, mainly the US, Europe, Japan, Australia and South America.

However, according to Nguyen Thi Hong Minh, an expert in fair trade promotion projects, only a few businesses have received fair trade certifications so far: five from the handicraft sector, 11 from coffee, three from tea and none of the spices and cacao firms have earned the label.

Additionally, the connection between fair trade recipients is weak, she noted, suggesting businesses set up a fair trade network at home and the State promote fair trade in promotion activities.-VNA

<http://truyenthongkhoahoc.vn/en/Making-green-healthy-incenses-candles-c1071/Making-green-healthy-incenses-candles-n6994>

## 11) Making green & healthy incenses & candles



Source: Internet

Innovation partnership program (IPP) has supported Vietnam Rural Industries Research and Development Institute (VIRI) to successfully implement sub-project “Making green and healthy incenses and candles for domestic markets and fair trading”.

After long time of research and experiment, VIRI has successfully manufactured 48 kinds of production including: 18 types of essential oils, 10 types of incenses, 20 types of candles. Candles are manufactured of entire nature material (beewax, soywax, linen fibers wick, essential oils...) so it burn last longer, clean and has smell of essential oil combine with beewax. Incenses are manufactured by using 100% material from natural grasses as litsea, cinnamon, anise, cardamom, cedars... so they have no poison, less smoke, less dust and special aroma.

All products are now available in both domestic and foreign markets and brought high economic efficiency. Expected by the end of year 2013, gain 530 millions dong of revenues. For the next 5 years, it will be 2.5 billion dong of revenues for 3 line of production: Candles, incenses and essential oil.

Technology has been transferred extensively. In Sapa district, Sub-project established groups which planting material trees, manufacture incenses and essential oil for people of ethnic: Dao, H'mong, and Day who live in 3 commune: Hau Thao, Ta Phin, San Sa Ho. Not only brought the green and healthy for people, the sub-project has created job in a sustainable way for people who live in mountainous of Sapa district, Lao Cai province.