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"Bridging the gap between increasing knowledge and decreasing resources"

## Factors for Success and Failure of Pig Production Marketing Groups in Vietnam

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## Abstract

Pig production is an essential source of livelihood for small-scale farmers in Vietnam. Small-scale farming with an average of one to two sows per farm dominates the pig production sector. Pork is mostly produced for the domestic market.

Still, small-scale farmers often have limited opportunities to sell their marketable surplus in an efficient and profitable manner. In recent years, several intervention projects have focused on linking farmers to markets in order to improve their livelihoods. Establishing farmer groups or cooperatives is one way to improve access of farmers to markets and empower them in marketing interventions. Yet, not all farmer groups or cooperatives are working successfully. This paper evaluates the sustainability of farmer groups devoted to pig production and marketing in Vietnam.

Pig production groups can be grouped into common interest groups (CIG), cooperative groups (CG) or cooperatives. CIGs are the simplest form of farmer organisations, while CGs require a cooperative contract, and cooperatives are established formally under the Vietnamese Law of Cooperatives.

A survey of 286 members from 15 CIGs, one CG and two cooperatives, and 479 non-members was conducted from September to December 2013 in three provinces in Northern and Central Vietnam, and in Hanoi. The chosen provinces (Cao Bang, Lao Cai and Ha Tinh) are among the poorest provinces of Vietnam.

The farmers were asked to give reasons for potential successes and failures of their farmer group and to subsequently rank their answers. Farmer group members were also asked about their satisfaction with the management of the group and their membership based on a 4-point Likert scale (very satisfied to very unsatisfied).

Preliminary results suggest that members ranked training as the most important success factor, followed by external support. As major causes for failure member commitment was ranked first, followed by leader board commitment. Most of the members were satisfied with the leaderboard and their commitment. However, a small number was very unsatisfied due to inequalities in treatment towards the members. Members' satisfaction with the organisational set-up can be closely correlated with the duration and the sustainability of active farmer groups.

Keywords: Farmer cooperative groups, smallholder pig production, sustainability, Vietnam