

# Le Corps professoral de

Gembloux Agro-Bio Tech - Université de Liège vous prie de lui faire l'honneur d'assister à la défense publique de la dissertation originale que

# Madame LE Thi Kim Oanh,

Titulaire d'un diplôme de bachelor of economics ;

Titulaire d'un diplôme de master of business administration ;

présentera en vue de l'obtention du grade et du diplôme de

### DOCTEUR EN SCIENCES AGRONOMIQUES ET INGENIERIE BIOLOGIQUE,

le 14 mai 2018, à 14 heures précises (personne ne sera admis après cette heure), en l'auditorium ER1 ( Economie rurale, bât. 18),

Avenue de la Faculté, 13, à 5030 GEMBLOUX.

Cette dissertation originale a pour titre :

« The contract farming as a determinant promoting tea production and marketing at farm household in Vietnam: a case study in Phu Tho province ».

### Le jury est composé comme suit :

Présidente : Prof. M.-L. FAUCONNIER, Présidente du Département AGROBIOCHEM, Membres : Prof. P. LEBAILLY (Promoteur), Prof. H. C. TRAN (Copromoteur - VNUA, Vietnam),

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Prof. P. BURNY, Prof. B. MICHEL, Prof. T. DOGOT, Prof. D. T. VU (VNUA, Vietnam).



#### **Summary**

Tea contributes substantially to Vietnam's annual exports, helps creating job opportunities and raises farmer's income. However, tea farmers face many difficulties and are highly vulnerable due to their scattered tea areas, poor farm management, weak disease control, and unstable market. Numerous studies proved that contract farming brings many opportunities for farmers such as access to credit and inputs, together with access to a reliable market. Nevertheless, until now, there has not been any thorough research on the benefits of contract farmers on tea production in Phu Tho province. This thesis, therefore, aims to analyze efficiency of tea contract farming in Phu Tho and identify if contract farming improves farmers' income.

The study conducted in three different groups of full, semi and non-contract farmers. The results show that: 1) The more full contract farmers produce, the higher income they get, even their selling price might be lower than the other groups; 2) Tea price of full contract farmers was the lowest, while that of non-contract farmers was the highest; 3) Average land area of full contract model was the highest in three studied groups and owned by the processing plant whereas semi and non-contract farmers are self-ownership. Land was provided to full contract farmers with special conditions that semi and non-contract model found it is likely unable for them to engage; 4) Full contract farmers' tea yield was the highest in three farmer groups thanks to the high quality of input materials; 5) Contract farmers were generally satisfied with tea production inputs and tea marketing activities; 6) Contract farming helped promoting black tea value chain in Phu Tho province. Nevertheless, contract farmers still face various disadvantages such as low prices, requirements for high-quality, and obliged relationship with the companies. In addition, it appears various factors affecting tea contract farming in Phu Tho province.

Based on the above findings, there are some important recommendations as follows: Firstly, the terms in the contract should be improved; Secondly, the role of local governments should be enhanced; Thirdly, the government should implement different measures to promote tea contract farming; Fourthly, the success of full contract farming model should also be promoted more widely; and Fifthly, semi contract farming model should be improved and promoted under new model.