



The Asia Foundation

APEC Connect

Empowering Local Agricultural Producers with a Global Trading Identity

Ho Chi Minh City, Sept 7th 2018



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Impetus

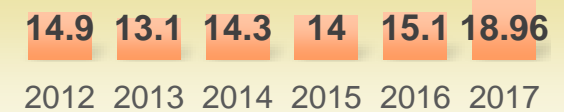
- Provenance – Every product has a story
- Technology – a future when every physical product has a digital passport allowing you to trace, verify its origin, attributes and ownership
- Transparency – consumers increasingly demand more visibility into the supply chains, market for products with proven origins is growing
- Traceability for VN agro produce: from meeting export market requirements to building of trust networks for food safety with small farmers



Vietnam Agro Exports

- A USD 15 billions export industry (2016) and reached USD 36 billions in 2017 with a growth rate 7-8% per annum
- Export to 40 countries and territories
- Fresh Dragon Fruits accounts for 50.3% of total country fresh fruit export
- VN is the first country approved to export fresh dragon fruits to Australia (first batch Sept 20, 2017)

Vietnam Agricultural Products Export 2012 - 2017 (million USD)



Vietnam Fruits and Vegetables Export 2012 - 2017 (million USD)



Context

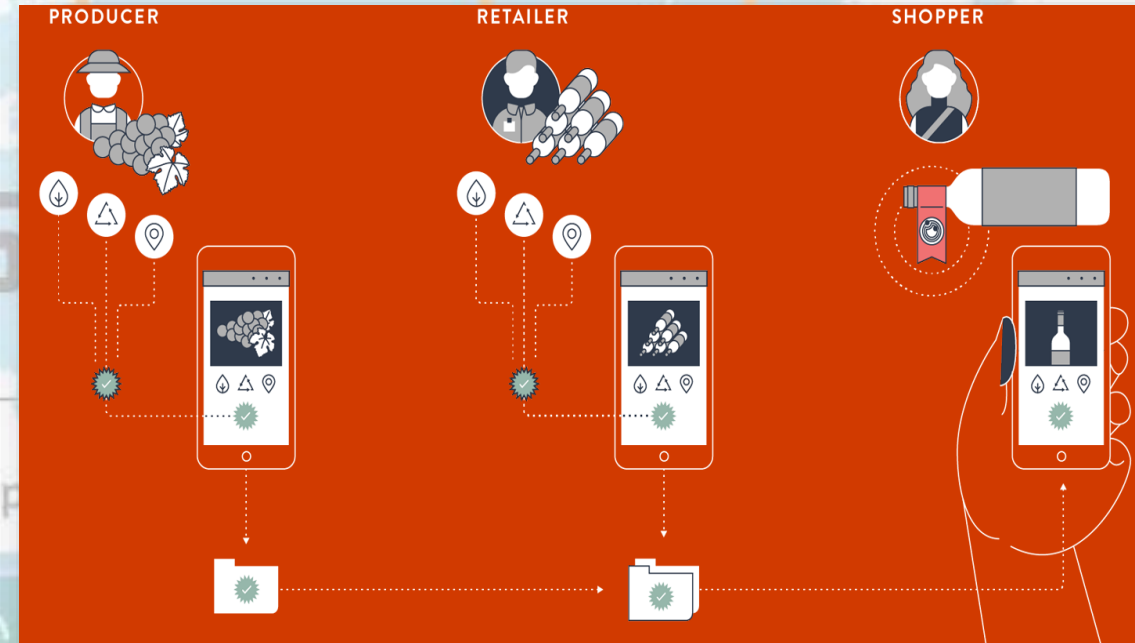
Trade and SME Innovation :

1. Built on DFAT determination of support Trade and SME Innovation (APEC App Challenge May 2017)
2. TAF long term engagement and support to SMEs to improve business performance and connect with international markets
3. TAF partnership with MoIC and MARD and its think-tank IPSARD (researches on trade issues incl. NTBs to fruit and vegetable sector)
4. GoV determination of enhancing value chain linkages for major agro products to meet the growing demand of markets of proven origins and protect consumers and building VN brand in relation to these products



APEC Connect – a pilot project (10/2017- 10/2018)

- Establish a blockchain based identity and proof-of-provenance platform that will enhance VN's brand in relation to DF, empower MSMEs and provide consumers with valuable information from first miles to last miles
- A working prototype of blockchain app will be developed and **first** applied for DF, but will be amenable for other agro exports
- Process will be documented and shared with stakeholders for potential uptake from other agro exports and supply chains
- Joint project team: TAF, developers from Ethical Trade International, sector experts from IPSARD



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APEC Connect – Key Activities

- Desk research includes regulatory review and import market analysis
- Business process mapping of select producers exporters in Long An and Binh Thuan (*interviewing supply chain actors from Farming – Picking up – Cleaning - Washing – VHT – Packaging – Shipment*)



APEC Connect – Key Activities

- Two enterprises/supply chains selected for in-depth process mapping and coaching, Hoang Phat Fruit Ltd. and Yasaka Fruit Processing Co., Ltd.
- ETI developed a working prototype of a blockchain-based verified digital platform for Vietnamese producers and exporters
- Coaching conducted for HP and Yasaka and their supply chain actors on how to use the working prototype.
- 50 transactions uploaded to the working prototype, tracking dragon fruits from specific farmers to Australia.



2 mins video running



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