

Enhance The Economic Benefits Of Farmers Producing Coffee In Dak Lak Province, Vietnam In The Integration Trend

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ABSTRACT: In order to take advantage of opportunities and advantages and overcome difficulties and challenges in the integration trend in order to improve the economic benefits of farmers producing coffee in Dak Lak, Vietnam. This is a difficult problem that has not been solved for many years. In that context, the author has surveyed and analyzed the current status of economic benefits of coffee farmers in Dak Lak province, pointed out the limitations, causes, on that basis, the research proposes solutions for the Government of Vietnam and for coffee farmers themselves to improve economic benefits for farmers in the current integration trend to make the coffee industry in Dak Lak, Vietnam develop faster and more sustainably in the near future.

Keywords: Economic, farmers, Coffee, Dak Lak Province, integration trend, Vietnam

Introduction

In the context of international economic integration and the rapid development of the Industrial Revolution 4.0, which has been having a direct and complete impact on countries, territories, economic and social sectors, including, the coffee industry has also been greatly affected by the integration process. On the one hand, the coffee production and business industry can take advantage of the opportunities and advantages that the integration process brings, on the other hand, the coffee industry also faces challenges and difficulties at all stages from production to processing and export. Before the strong impacts of the integration process on the subjects participating in the coffee production and business industry, coffee farmers are one of the subjects that are being affected. People's product development trend is showing difficulties and limitations, especially in terms of economic benefits of coffee producers. Dak Lak is the largest coffee producer in Vietnam, but in recent years, coffee farmers in Dak Lak have faced many difficulties such as decreasing income, not enough expenses to earn living, the life and economic interests between people and other subjects in the coffee industry are not yet harmonious. Coffee farmers in Dak Lak are currently the most vulnerable and disadvantaged to the impacts of the

integration process and the market economy. Therefore, the State of Vietnam as well as local authorities at all levels need to have guidelines and policies to promptly support farmers, and even farmers themselves must implement synchronous, proactive, necessary solutions to improve their economic benefits and income in order to contribute to the development of the coffee industry in Dak Lak province, Vietnam.

Literature Review

The issue of economic benefits in general and the economic benefits of coffee farmers have been studied by domestic and foreign authors at different levels, such as:

The authors Mark Lubell, Vicken Hillis and Matthew Hoffman with the research *Innovation, Cooperation, and the Perceived Benefits and Costs of Sustainable Agriculture Practices* analyzed the role of cooperation and association in agriculture to bring together benefits. economic, environmental and social, especially for the economic interests of farmers. The study has conducted a survey of the current situation for a number of popular agricultural production industries such as a survey of grape farmers for wine production, the author has quantified costs and benefits of viticulture operations produced under certification and sustainability programs. Research results clearly show that in order to

contribute to improving economic benefits for farmers, it is necessary to constantly innovate, strengthen cooperation and update knowledge to improve farmers' incomes.

In the author's book, V.P. Camankin, titled *Economic interests under socialism*, discussed the aspects surrounding the issue related to the issue of economic interests and the author gave that: The economic interests of a certain subject are the interplay between the economic needs of that subject. Thus, economic benefits are derived from economic needs in the activities of actors. On that basis, the author emphasizes the issue of human needs from an economic perspective, not a general need when it comes to economic interests and benefits, and needs to pay attention to improve the economic interests of economic actors to promote social development.

Author Nguyen Huu Loi has clarified the issue of economic roles and benefits according to the concept of Marxism - Leninism. The author emphasizes the point of view of Marx and Engels that the economic relations of a certain society are first expressed in the form of interests and economic interests are the reflections of these views economic system, born of economic relations. The study presents C. Marx's view on the basic manifestation of economic benefits through the distribution of production results, that is, the division of the value of the total social product produced in the production base commodity production between different classes and classes in society.

In the study *The benefits of farmers when participating in the value chain of agricultural products* by Pham Quoc Quan pointed out the inadequacies in the distribution to ensure the benefits of farmers when participating in the value chain of goods agricultural products such as: low value-added although output in the agricultural sector increased; the situation of farmers having a low season, being pressured by traders, farmers are the ones who directly produce goods but are the beneficiaries of the least... life quality.

In the study "Ensuring the interests of farmers in the agricultural product value chain - A case study of the coffee value chain in Vietnam" by author Nguyen Thi Ngoc Lan presented the economic

benefits of farmers in the coffee value chain include benefits from owning or having the right to use the means of production, benefits from participating in the production and cultivation process and benefits from the distribution and use of products, research and development clearly shows that the benefits of farmers are quite low. Therefore, the study suggests that in order to ensure the benefits of farmers, it is necessary to strengthen linkages between farmers, select pioneering production enterprises to lead farmers and build close linkages between farmers. step in the value chain and the State must ensure the interests of farmers through perfecting institutions to improve access to resources, thereby creating conditions to increase farmers' incomes.

Conclusion, the issue of economic benefits in general has been explained in many different aspects by the authors, with the main studies mentioned above showing that the authors have clarified the concept, the role of benefit of economic. Several studies have analyzed the economic interests of farmers in the value chain of agricultural products. However, at present, there is no research on improving the economic benefits of coffee farmers in the integration trend in Dak Lak province, Vietnam. both theoretical and practical significance. The typical research works of the above authors have important meanings and are the basis for research that can inherit and continue to clarify the issue of improving the economic benefits of coffee farmers. in the trend of integration in Dak Lak province, Vietnam today.

Research Methods

Purpose: Studying the current status of economic benefits of coffee farmers in Dak Lak, Vietnam, from which to propose some solutions to improve the economic benefits of farmers in Dak Lak in the context of the association import.

Methodology: The article uses a combination of some other methods such as sociological survey method for 300 coffee farming households, method of collecting secondary data from statistical reports and publications, methods of analysis - synthesis, descriptive statistics,...to contribute to clarifying the research problem.

Main Findings: Research and analyze the achievements and difficulties and limitations of

the economic benefits of coffee farmers, thereby proposing solutions to improve the economic benefits of farmers growing coffee in Dak Lak, Vietnam in the current integration context.

Applications: Research results on improving the economic benefits of coffee farmers contribute to assessing the overall picture of coffee production of farmers, thereby offering possible solutions to improve the income of coffee farmers in Dak Lak, Vietnam.

Novelty/Originality: The article clearly shows the reality of the economic benefits of coffee farmers, on that basis points out the limitations and proposes solutions to improve the economic benefits for the people to contribute part to promote the growing coffee industry in Dak Lak, Vietnam.

Results and Discussion

The reality of economic benefits of farmers producing coffee in Dak Lak Province, Vietnam

Coffee farmers in Dak Lak province play an important and decisive role in the supply of products in the province. Because at present, nearly 90% of the province's coffee area is grown, cared for and managed by farmers (People's Committee of Dak Lak Province, 2019, p.2). However, because the majority of farmers are coffee growers, the form of coffee production is mainly on a small scale in Dak Lak. Individual and fragmented production households make up the majority. Through the actual situation of coffee growing area in Dak Lak, the above problem has been demonstrated through the table below:

Unit: Hectare

Year Locality	2015	2016	2017	2018	2019
1. Buon Ma Thuot City	12.528	12.247	11.215	11.619	11.218
2. Ea H'Leo Rural	30.932	30.798	31.067	30.854	30.954
3. Ea Sup Rural	50	44	40	41	41
4. Krong Nang Rural	25.067	24.327	24.353	24.419	22.622
5. Krong Buk Rural	21.132	20.339	20.373	20.428	20.529
6. Buon Don Rural	3.678	4.481	4.767	4.784	4.784
7. Cu M'Gar Rural	35.831	35.846	36.142	36.027	37.726
8. Ea Kar Rural	8.042	8.128	8.695	8.073	8.586
9. M'Drak Rural	2.250	2.143	2.135	1.983	2.125
10. Krong Pac Rural	17.661	18.123	18.124	17.834	20.347
11. Krong Bong Rural	4.316	4.804	5.523	5.609	8.684
12. Krong Ana Rural	11.275	11.220	10.052	9.731	10.333
13. Lak Rural	2.971	3.516	4.082	4.573	4.690
14. Cu Kuin Rural	12.036	12.828	12.771	12.744	11.358
15. Buon Hoa Towns	15.588	14.893	14.469	14.344	14.122
Total	203.357	203.737	203.808	203.063	208.109

Table 1: Coffee growing area by district/town/city in Dak Lak province

(Source: Statistical Yearbook of Dak Lak Province in 2019)

From the table above, it can be seen that the coffee growing area in Dak Lak province is unevenly distributed and scattered throughout all 15 localities in the province including districts, towns and even in Buon Ma Thuot City. In particular, the locality with the largest coffee production area in 2019 of Dak Lak province is Cu M'Gar district with an area of 37,726 hectares, accounting for 18.13% of the province's coffee

growing area, while the district Ea Sup is the province with the lowest coffee growing area in the province with 41 hectares and accounts for only 0.02% of the coffee growing area in Dak Lak province. It is the small-scale and fragmented production process that is one of the causes leading to low income of coffee growers and low efficiency.

Regarding coffee production in Dak Lak province,

in the face of difficult socio-economic situation due to the impact of the Covid-19 pandemic as well as challenges of the integration process, however, coffee production in the province Dak

Lak province has increased over the years, which is clearly shown in the table of data on coffee production by districts, towns and cities in Dak Lak province as follows:

Unit: Ton

Year Locality	2015	2016	2017	2018	2019
1. Buon Ma Thuot City	28.515	29.578	27.631	27.456	27.361
2. Ea H'Leo Rural	68.025	66.083	67.362	75.096	74.835
3. Ea Sup Rural	117	104	44	102	102
4. Krong Nang Rural	73.992	68.837	73.744	66.786	66.554
5. Krong Buk Rural	47.006	44.623	46.653	48.696	48.527
6. Buon Don Rural	8.696	8.661	9.427	10.648	10.611
7. Cu M'Gar Rural	71.530	75.415	77.283	82.406	82.120
8. Ea Kar Rural	14.299	13.593	12.007	10.654	10.617
9. M'Drak Rural	2.277	2.188	2.775	2.681	2.672
10. Krong Pac Rural	36.782	38.686	37.705	39.612	39.474
11. Krong Bong Rural	6.923	7.035	7.254	13.287	13.241
12. Krong Ana Rural	26.211	25.561	27.923	28.628	28.529
13. Lak Rural	4.541	6.773	6.015	8.651	8.621
14. Cu Kuin Rural	27.241	30.011	27.163	29.696	29.593
15. Buon Hoa Towns	38.655	30.200	36.799	33.684	33.567
Total	454.810	447.348	459.785	478.083	476.424

Table 2: Coffee production by district/town/city in Dak Lak province

(Source: Statistical Yearbook of Dak Lak Province in 2019)

In the period of 2015-2019, the province's coffee output has many variables, but according to the general trend of increasing, in particular, in 2019 the province's coffee output reached 476,424 tons. This is a positive result with increased coffee output, which will ensure a stable supply of input coffee materials for the processing process of businesses, contributing to increased income for business owners local coffee.

Regarding coffee productivity in Dak Lak province, the period 2015 - 2019 shows that the average coffee yield of Dak Lak province increased quite impressively with the yield in 2019 reaching 2.50 tons/ha. Although the coffee harvested area over the years does not reach 100% of the coffee growing area due to impacts from climate change, especially the drought has affected the coffee production of Vietnam. farmers, leading to the area for coffee products in Dak Lak province is less than the cultivated area. Even so, as coffee producers in Dak Lak are

active in applying cultivation techniques, farmers actively implement the province's coffee replanting program and produce certified sustainable coffee. It has made the average coffee yield as well as the production efficiency of the people increase over the years.

With positive results in the coffee production process of farmers in Dak Lak in terms of both output and productivity, the reality shows that farmers' incomes are still low. The economic benefits of farmers from growing coffee, which are directly earned from selling coffee after harvest, are not commensurate with the labor that farmers have expended in the production process to reduce and even destroy the labor motivation of farmers. The results of the survey on the economic efficiency of farmers in Dak Lak through the process of sociological investigation of 300 farming households in the province proved the above fact as follows:

Targets	Unit	Average/ 1 farmer household
Total area	Hectare	1,49
Output/1 hectare	Quintal	24,03
Cost/1 hectare	Thous. dongs	35.590
Selling price/1 kg	Thous. dongs	33,05
Total revenue / 1 hectare	Thous. dongs	79.420
Income/ 1 hectare	Thous. dongs	43.830

Table 3: Average economic efficiency of coffee farming households in Dak Lak province
(Source: Survey data in 2020 and author's calculation)

The survey results show that the average area of 300 surveyed farmers is 1.49 ha/household with an average yield of 24.03 quintals/ha of green coffee. With a total cost of 35.59 million VND/ha, revenue is 79.42 million VND and average income per household is 43.83 million VND/ha, including the value of people's labor. Thus, assuming the average income of each household is 43.8 million/ha/year, each month's income will be 3.65 million, inclusive of people's wages and labor costs and that amount will be spent on family, raising children to attend school, etc., so the income of coffee farmers in Dak Lak is very precarious, coffee farmers mainly earn profits and farmers are also subject to many losses the most disadvantaged and at risk under the impacts of epidemics and natural disasters if they occur.

Furthermore, the economic benefits of coffee farmers are also affected by price fluctuations in the market and the situation of "price pressure" taking place in the coffee trading process taking place in the Dak Lak province. According to the results of the 2018-2019 coffee year summary report and the 2019-2020 coffee crop year plan, the purchasing price of green coffee in Dak Lak province has a big difference at different times, such as: the highest purchase price in October 2018 reached an average of 36,193 VND/kg, of which the highest purchase price was 37,800 VND/kg on the day (October 18, 2018); May 2019 had the lowest average purchase price at only 31,323 VND/kg, the lowest purchase price in the crop year was 29,800 VND/kg (May 9, 2019). In crop year 2018 - 2019, the average price of green coffee in the province was 33,522

VND/kg (down 8.4% compared to the average price of coffee year 2017-2018 of 36,595 VND/kg) with prices fluctuating continuously. continued in the crop years (Quan, 2013). This shows that the price of coffee purchased in Dak Lak province is not stable, fluctuates erratically when increasing and decreasing with a relatively large price fluctuation range, affecting the income of coffee growers. Besides, this fact has led to the situation that traders and agents easily "press prices" on people when the situation of fish prices fluctuates, but sometimes farmers have not timely grasped the information. Price news in the market reduces the income of coffee farmers.

Thus, through a survey on the status of economic benefits of coffee farmers in Dak Lak province, it shows that farmers are facing many difficulties, especially low income unstable, precarious has directly affected the supply of coffee in the market, on the other hand, the problem of low income has eliminated the motivation of people to produce, leading to a narrowing of the coffee growing area. It has a great and long-lasting influence on the sustainable development of the coffee industry of Dak Lak in particular and Vietnam in general. Therefore, in order to promote Dak Lak's coffee industry, Vietnam's sustainable development needs strong solutions to improve the economic benefits of coffee farmers, people's income will increase positive impact on coffee production efficiency of Dak Lak, Vietnam.

Some solutions to improve the economic benefits of farmers producing coffee in Dak Lak Province, Vietnam

Firstly, in order to improve the economic benefits of coffee producing people in Dak Lak, it is necessary to promote the important role of the State and local authorities at all levels through perfecting development institutions, policies and procedures. support and create favorable conditions for people to feel secure and focus on specializing in coffee production. Specifically, the State needs to have guidelines and policies to prioritize the development of infrastructure in Dak Lak province, especially transport infrastructure in remote and isolated areas with difficult conditions for the production process. Coffee production and processing in localities are connected faster, saving more costs. Focus on building electricity systems, roads, schools, stations and especially internet connection lines so that people in remote villages can have access to information on coffee market prices, current situation of coffee market. coffee production as well as the necessary forecasts to be proactive in the coffee production process to achieve better results.

The State should have preferential policies for people with difficult production conditions through preferential loan programs from banks for people when investing in hi-tech agricultural production, manufacturing organic coffee, carry out coffee re-cultivation. In addition, in order to ensure and improve economic benefits for coffee growers in Dak Lak, the State of Vietnam should have a policy to stabilize prices and purchase and reserve when necessary for coffee. To reduce risks and improve income for stakeholders, especially coffee farmers, through appropriate measures such as regulating supply and demand, monetary policy to contribute to stabilizing prices ensure a source of income for coffee farmers in Dak Lak.

Secondly, it is necessary to promote the role of coffee industry representative organizations or coffee associations in Dak Lak in particular and Vietnam in general to protect people's interests against risks in the economy market. Especially enhance the important role of Buon Ma Thuot Coffee Association, Dak Lak so that this is really a reliable address, an important bridge to share and protect the interests of farmers. At the same

time, associations need to regularly connect with coffee growers in Dak Lak to capture their thoughts and aspirations so that they can make suggestions, advice and timely solutions to solve the problems people's eyes and difficulties because coffee farmers are the most vulnerable subjects in both economic and social terms and suffer the most when they encounter bad fluctuations related to the coffee industry.

Moreover, the operation programs of the Association and related organizations need to be suitable for each object and localities in Dak Lak so that the Association can truly promote its role as a representative and protection organization. benefits for members, creating connections between members and individuals and organizations in the coffee industry where each member is both an owner, a customer, and a strategic partner of the company are responsible for building and cultivating the Association to grow stronger. Thereby improving the economic benefits of coffee producers in Dak Lak, Vietnam.

Thirdly, in order to improve its economic benefits, on the part of coffee farmers in Dak Lak, Vietnam needs to change the scale of production in the direction of focusing on large-scale production and boldly and quickly invest in technology application in production. Specifically, farmers must change production practices, eliminate the situation of coffee production in a fragmented and small way to proceed to grow coffee according to the planning of each sesame and each locality accordingly. Once switching to large-scale production, it will save costs, labor and more importantly create favorable conditions for the application of technology in production to create higher labor productivity. In order to switch to large-scale concentrated production, farmers need to accumulate land for coffee cultivation, link between households to concentrate production land, thereby forming large-scale coffee sample fields for efficient production.

To promote the application of technology in production to improve efficiency and income, farmers in Dak Lak need to access preferential loan programs from banks in Dak Lak province, from organizations, Associations such as Farmers' Union or from preferential programs and policies of local authorities at all levels to

innovate and apply technology to coffee production. At the same time, farmers can link with production enterprises to receive input support as well as be guided and equipped with cultivation techniques, care and harvesting technologies to improve productivity and increase production increase the economic benefits of the people better.

Fourthly, in order to limit the situation of "price pressure" affecting income, coffee producers in Dak Lak need to regularly capture and update information about the coffee market, especially on price issues even coffee. The reality shows that the current limitation for coffee farmers in the province is slow to grasp information on coffee market prices, leading to the situation of being forced by traders and agents when prices go up and down. to a decrease in people's income.

On the other hand, fluctuations in export coffee prices also directly affect people and their incomes when they do not catch price changes in time. Therefore, in order to protect their interests, farmers need to actively learn, monitor and capture information about coffee prices in the market through popular media such as radio, television, internet from a family member's smartphone. In Dak Lak province, for coffee producing places in remote and difficult areas, it is necessary to have support from local authorities through daily newsletters and additional information on information on coffee market prices so that people can timely grasp the price of coffee, the time to sell it so that it is most profitable and overcome the situation of being forced to sell.

Farmers need to update coffee price information on a regular basis, especially at the time of harvest to monitor market information daily to avoid being too dependent on prices of traders and agents introduced without timely grasping, then farmers will suffer from the ups and downs of coffee prices and reduce their income. At the same time, the participation of people in Dak Lak in production alliances or cooperatives will also help farmers to grasp information about the coffee market through representatives, moreover they will give Timely forecast with high accuracy so that coffee farmers in Dak Lak province can be proactive in selling coffee and not be passive

before changes in coffee market prices from then on prevent unnecessary damage to the economic benefits of coffee farmers in Dak Lak.

Fifthly, coffee farmers in Dak Lak need to focus on investing in certified sustainable coffee production in order to improve the quality of coffee products to meet international standards, increasing income for farmers. farmers. In the context of increasingly strong international economic integration as today, the production of certified sustainable coffee is an important step for farmers to increase their incomes, and at the same time create new opportunities high quality coffee beans thereby increasing people's income.

In Dak Lak province, there are currently 04 popular types of certified coffee including: 4C (common set of principles for the coffee community), UTZ Certified, RFA (Rainforest) and FLO (Fair Trade), although However, the reality shows that the number of participating households as well as the certified coffee growing area is limited, not popular, and people are still afraid of innovation. Therefore, farmers in remote areas, districts and communes in the province need to boldly register and actively participate in the production of certified coffee, expanding the area of certified coffee production. towards large-scale concentration. In addition, people can associate with processing enterprises to receive investment and support with inputs and techniques to conduct certified coffee production. Thus, it will help farmers in Dak Lak have favorable conditions to register and conduct certified coffee production that meets international standards, contributing to improving productivity as well as quality coffee products of the households and thus the income will also be increased.

Conclusion

For the coffee industry of Dak Lak in particular and Vietnam in general to develop sustainably, it is necessary to have policies, solutions and care for coffee farmers, because farmers play an important and important role. The subject determines the production and supply of coffee in the market. In particular, the issue of raising farmers' incomes is urgent and vital in the process of coffee production under the strong influence of the market economy, and farmers are also the

main beneficiaries most disadvantaged and vulnerable.

Therefore, the State and local authorities at all levels need to prioritize the implementation of policies and solutions in a synchronous and effective manner to promote development. On the other hand, coffee farmers in Dak Lak need to be proactive and active in production, especially focusing on technology application, grasping market information and participating in certified coffee production according to international standards to increase their income as well as their economic benefits to promote the coffee industry of Dak Lak, Vietnam to develop faster and more sustainably.

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