Business advisors Richard van der Maden, Nguyen Thi To Uyen and Agripool expert Jos van Campen shared their experiences with cooperative development in Vietnam.

Jos van Campen is a crop farmer in the Netherlands’ Noordoostpolder region and a seasoned veteran when it comes to facilitating cooperative partnerships. He was president of the Board of Governors of Coöperatie Royal Cosun as well as president of the Nationale Coöperatieve Raad (Dutch Council for Cooperatives, ‘NCR’) in the Netherlands.

‘In Vietnam we shared our experiences about Dutch cooperatives and the role and responsibility of the NCR therein’, he reflects. Vietnam has approximately 23,300 cooperatives, of which 65% are agricultural co-ops. The Vietnam Cooperative Alliance (VCA) is the apex organisation of all cooperatives in Vietnam.

In 2017, the VCA signed a partnership agreement with Agriterra concerning a National Master Plan for cooperative reinforcement. Vietnam’s cooperatives must make a transition from traditional, politically-led organisations to modern businesses where the farmers make decisions and pay for and profit from their cooperatives.

Earlier this year, the Vietnamese government commissioned the VCA to propose a new strategy for cooperative development, for which the VCA asked Agriterra for advice. Van Campen: ‘After consulting with the VCA and the Ministry of Agriculture and Rural Development and the Ministry of Planning and Investment, we established that there were a great many differences between cooperatives in the Netherlands and in Vietnam.’

Van der Maden: ‘In Vietnam there’s a lot of government support, with lots of privileges for cooperatives. In the Netherlands, cooperatives have a lot of freedom to modify internal rules and regulations. In Vietnam, the cooperative laws and government regulations govern the cooperatives’ internal organisation. Furthermore, membership without a transactional relationship is possible in Vietnam, but not in the Netherlands.’

Van der Maden, Nguyen Thi To and Van Campen also included recommendations in their report for improving the cooperative landscape in Vietnam in five distinct areas: legal framework, awareness, governance, training & education and benchmarking.

“We need cooperatives in order to bolster our capacity”

‘In the governance category, for example, we recommended having an independent supervisory board, which is in contrast to the current situation, where they are under employment by the cooperative’, explains Van der Maden. ‘Other examples: ensure that you are adding value within your cooperative instead of merely supplying resources to the next link in the chain. Also: stimulate partnership or even mergers between cooperatives in order to develop an as-big-as-possible group, with all of its accompanying benefits.’

VCA’s president was very happy with the report presented in September, agreeing to implement the recommendations. ‘We need cooperatives in order to bolster our capacity and ensure that no-one gets left behind.’