A. An overview of Vietnamese Commercial Coconut Trade:

Being a new & young branch of economy, the Trade has been developing in a market economy for less than 10 years. With an area of approximately 150 thousand hectares, coconut tree, one of the long-term industrial trees, is planted in an area ranked the fourth largest in Vietnam, just behind rubber tree, coffee, and cashew. However, due to the old habit of thousands of generations, coconut trees in Vietnam have never been grown in an organized plantation or a farm ranch as other industrial trees. Coconut trees, despite of their abundant usages, mostly are planted around the houses, or along side of bayous or creeks, for shade, or holding the soil together, or saving the land for growing other trees. Therefore, coconut trees have been a part of the Vietnamese daily life, from their diet to the image of the homeland or through the images of hard & thrifty laborers in harvesting coconut, handcrafting, and retailers in small markets from countryside to the urban areas.

After the year of 1992, especially, with the opening to the world market & the development of an market economy, many Vietnamese businesses, with activeness and confidence, have gradually been approaching the world market by introducing their simple products, such as handicraft products from coconut trees, purified coconut oil, coconut flesh, coconut charcoal, coconut threads,...Today, coconut products have become richly various. Carpets made from coconut trees, pure coconut oil, dried coconut flesh, coconut juice, and so on have been present at markets almost all over the world.

With the development and advancement in medicine & technology, the values of a coconut tree have been raised by the diversity of coconut products. As a result, the coconut industry in Vietnam has also been focused on & developing; and it is one of the economy branches chosen by the Department of Agriculture in Vietnam to be developed into a spearhead of the economy.

In a never-ending effort, units of Vietnamese coconut trade are making more and more coconut products serving various purposes. For example, besides the traditional coconut candy, Ben Tre Province also has many business units that are producing high end products: coconut milk, fresh canned coconut juice, coconut milk powder, purified coconut oil (VCO), or products bearing traits of breaking in invention, such as coconut gel mask, a product being in the center of consumers’ attention.

Even so, Vietnam hardly overlooks at all the benefits of coconut trees under a current extreme change of the climate and weather. Coconut tree, therefore, is chosen to be the alternate tree to grow. We have researched in the absorption of carbon in the surrounding air of coconut trees in Vietnam; and the result is quite interesting. In Ben Tre Province, 1 hectare of coconut trees will absorb from 70 – 75 tons of CO2 every year. Besides, coconut trees in Vietnam also are of a tremendous value in our culture, just like in other coconut- growing countries. In addition, the historical value from coconut trees in Vietnam is unique, and none of the other countries is of. It’s about the historical battles in the war in Vietnam, such as in the cases of: just one grenade and on flag to bring down a helicopter, just one coconut raft used to destroy a bridge on a critical transportation route of the enemy, or just with some torches made from coconut leaves used to force the enemy into surrendering, and so on and so on. Many of those stories are true but seem like legends. Vietnamese tourism is still flummimg in its exploitation of those and making them become attractive products to tourists. As a result, knowing how to exploit the historical stories, regional cuisine, and skilled trade villages, and turning them into profitable products for the Vietnamese tourism will render the Vietnamese coconut trade an additional strength for its firm and steady growth.

A.1. Custom:

It’s about the tradition of growing coconut trees around the houses for the Vietnamese daily uses. It would have been insufficient if I tried to list all the values of coconut trees in Vietnamese cultural & spiritual life within this article. However, with serious enough research and an appropriate
exploitation means, this treasure will contribute to a long-term development of the trade, for it bears a huge cultural value.

**A.2. Coconut Trade in Vietnam – A Young Branch of the Economy:**

- Modern equipment with leading technology
- Multitudinous products, especially the cosmetic products for skin care
- Stable product quality
- Suitable for the competition between countries in the region

**A.3. Vietnam Tourism linked to Coconut Trade**

Gradually forming an ecosystem tourism & a tourism adhering to travel gifts made of coconut trees.

**B. What Is a Sustainable Growth:**

Sustainability is understood as a long-term stability.

Growing sustainably is a continuous developing with a long-term stability.

In order to have a sustainable growth in a trade or a branch of an economy, it is mandatory to be of a long-term & consistent strategy based on practical terms, guidelines, and appropriate policies. Besides those, we must not overlook the researches & preservation efforts.

Researching is not only simply the studies from Agriculture Engineers about the coconut species that yield high production & high adaptive, but also the creating more and more diverse products for the consumers and analyzing the strength & weakness of the trade for future growth.

There is a very important factor in developing a product in a market. It’s the search for the design & the look of the product package. Besides the product quality, the package design also expresses the grade of a product & its market. By the look of the package, one could tell about the view & strategy of a business. For the demonstration purpose, let’s have a look at some of the designs from each of the following business:
**Bánh Mận Mè Dừa**

Me chua nhieu chat dinh duong da voi co the nhu: acid oleic, acid linoleic, carot, vitamin C, vitamin PP, co the dung nhieu trang, lam gram cholesterol trang mau, phong tri xe cung dang moc, them gia va phat trien cua nho bo, tong duong rang minh dich co the.

Dau giau acid lauric, grup xang cuong he trong marn, tinh, co gia tri dinh duong cap, cung sap nong luong cho co the, grup khin thinh hoa moi, lam gram cholesterol, ngan nung banh tim miah, dua cung sap polyphenol, mat che long axy toe, grup da mein vo min hui.
Besides the above-mentioned factors, in my personal point of view, I would seriously focus on the researches and the preservation of the culture and would use them as basis for stories about the trade. That is also the reason why in the year of 2014, The Vietnamese Association of Coconut Trade held an international seminar with the theme: “The Coconut Trees in Vietnam – Its Values & Potential”, in which the cultural & historical values of the coconut tree were specially mentioned to promote its unseen values in Vietnam.

Scientific technologies are displayed for sale at many specialty festivals Cocotech held by the APCC (Asian Pacific Coconut Community) once every two years.

The product quality is more and more standardized to the organic standards in order to protect consumers’ health. This leads to a tougher competition in the trading environment. However, the cultural factors are unique from country to county. Knowing how to blend the cultural factor into the trading, our products will certainly gain much more love & trust from the consumers. At the same time, the product value will also be raised to another level, for the consumers always desire to express their class by choosing the suitable level of product value & quality. Even though our coconut products cannot be compared to the luxury cars, like Audi, Lexus, BMW…or other brand name electronics, such as ones of Apple, Samsung, HTC, we can embed in our products many stories about the culture, the nutritional benefits, health benefits, … Those would make the consumers feel being elevated to his or her level of understanding about a culture, and his or her health benefits and safety.

C. The Factors Contributing to the Firmness:

1. The role of an Association

Coconut trees are traditional industrial trees with a diverse product line, but they have had little attention to be considered large enough for the formation of an Association. The Vietnamese Coconut Trade Association is formed for the missions: bridging the farmers to the traders & the scientists in order to raise the standard living of the coconut farmers & workers, to promote the values of coconut trees, and to encourage and stimulate the growth of the business in coconut trade. Vietnamese Coconut Trade Association need to seek the cooperation between the locals or regions and business in order to discuss, analyze, and find out the solutions for any obstacle, and to promote the advantages. Once the practical benefits and developing potential of coconut trees are pointed out, we can present to the Governmental Branches a strategic development plan for Coconut Trees. Thus, we could gain some support from the governmental policies in term of making coconut trade become a growing branch of economy because of its capabilities and diversity in its products.

2. National Policies:

This is an extremely important factor. In any country, the market seems spontaneously developed at first. However, up to certain point of the development, all economy branches will eventually need to have the supports from governmental policies, such as: promoting the trade, developing a market, researching & studying a specific line of product, tax & credit assistance policies, … For example, products made from recycled coconut tree parts, such as the husk and the shell, Revenue Tax Entities should have had an itemized form for the people to filled out. In reality, those are solids recycled for research purposes and developing new product lines in the future. The government already had policies to assist the researches on developing technology. Yet, tax exemption & financial assistance are still needed.

For example, in producing charcoal from coconut shells, certain governmental bodies should have had some scientific studies to reduce the environmental contamination and to exploit the energy from heat released from the burning process for use in another industry.

The Vietnamese Association for Coconut Trade should initiate the activities to collect polls from direct manufacturing units, retail shops, and the local regions in order to advise on & propose
guidelines, policies, & strategies to the government bodies in term of promoting a firm & steady growth in Coconut Trade.

3. Building Supply Regions:
There is none of the economy branches that can grow in a long-term without supply, and Coconut Trade is not an exemption of such a rule.

Science & Technology is more and more developing, and human living environment is also increasingly harmed. In addition, with more advancements in Biotechnology, more species have been produced through studies & researches in gene mutation, in order to improve productivity from trees & farm raised animals, despite of the harm to consumers’ health. Therefore, in developing countries, the demand for organic products has gained more and more attention.

Besides, it has been proved in medical studies of the coconut products, especially coconut milk and coconut oil, about the effects on the ability to improve human body immune system, detoxication, repairing damaged cells, stimulating the hair growth, rejuvenating the skin, reducing the risk of heart disease, lowering the bad cholesterol. It is, thus, why the demand in usage of coconut products has gained more and more attention from consumers all over the world.

Building strategic supply regions is very crucial. However, being in control of the supply for the whole coconut industry in Vietnam is not simple at all. It requires specific strategy for each individual stage of the process. The agricultural areas as well as the areas for the protective forest have been long planned in detail for growing certain types of trees or raising certain kinds of animals, while the Coconut Trade in Vietnam is still very young and not developed uniformly.

Building a stable supply source, in fact, warrants a steady income source for the coconut farmers and a peace of mind for the investors in developing the trade. Why did Sri Lanka investment into factories in Ben Tre a fail? This is a bloody valuable lesson for us in the recognizing how important a supply region would be. A supply region is the factor of surviving & growing of a business. Therefore, investors are required of a much greater view, which is the coordinating the local government and the farmers in the region together in a common investment in coconut trees toward their own development scale.

4. Orientating the direction of the product line:
Why should the orientating the direction of a product line be one of the most important aspects for a sustainable development? In my personal experience of studying the development of a product, it is the deciding which direction of one’s product line would head to, in order to form a suitable strategy from the beginning. For example, in my study about coconut shell, I planned my products toward Interior Design section, and dissected the market of my main product line to guide the development plan of that section. My start-out steps were extremely difficult, for I must search for the best manufacturing process, at the same time, to research and create suitable equipment & machines to the manufacturing process, in order to make products possessing quality luxury enough to be introduced into 5-star hotels. Once the orientation of the product line established, one would have to dissect its market to gain a development strategy for its growth. If you want to be with the growing tide, you are better off when limiting the low end or cheaper products, for the demand in our society is heading toward a perfection in quality, design, social status of a product.

5. Business View for the Future:
Besides the decisive factors contributing a steady growth, business view is also extremely important. It is the kind of view that decides the whole path & the product line of a business. Each business establishes its foothold by its unique & main product line. However, it is not certain that good product only would decide a good market for it. In order to have a healthy market, one needs to possess a plan or strategy for the development of the product. One of the most important elements of such development is Marketing. Why did Unilever succeed in Vietnam in products, such as: seasonings, drinks, detergents with milk ingredient? It is because they have their own business view,
knowing how to exploit their already brand name products, and to have a strategy for a successful advertising campaign of the products.

6. Media Roles:
Media plays a crucial role in a long-term development of a product because, through the media, consumers know about & learn more information of a product, and that would give them chance to compare & choose between similar products on the market. For example, in order to change consumers’ habit of drinking carbonated drinks, and replacing them by drinking coconut juice, the media will be responsible for spreading out and explaining the benefits of the fresh coconut juice to consumers’ health, and most of all, fresh coconut juice is the number one organic product in food hygiene & safety.

D. Conclusion:
In order to become a firmly growing branch of economy, it’s mandatory to possess a strategic view for the future trade, and to have a tight coordination between the businesses and the governmental branches, as well as to make a development plan for each specific stage in the future.
(Madam Nguyen Thi Kim Thanh - President - Vietnamese Association of Coconut Trade)