Entrepreneurship Development Programme for Women in Food Processing, Vietnam

Issue

Approximately 36% of the production sector in Vietnam is involved in food processing. Of the registered companies almost of half are in rice mills owned by the state or cooperatives. The private food-processing enterprises are largely undeveloped and operate as micro household level businesses, mainly managed by women.

Surveys conducted by UNIDO and the Women’s Union in the provinces of Danag, Hue, Quang Nam, Ha Tinh, Quang Binh and Quang Tri showed that there were 5,944 women entrepreneurs operating food-related enterprises, employing a total of 12,070 workers, or 2 workers per enterprises. In most cases, the average capital investment for these was less than US$ 625. Thus it is evident that they possess the potential to create substantial rural employment.

Although most of the women have been in business for an average of 10 years, their enterprises have remained small. This is partly due to their lack of capacity to identify the training and technical advisory needs required to improve their productivity, profitability and competitiveness. Furthermore, there are hardly any business management or technical training programmes addressing the food-processing sector.

Strategy

UNIDO in collaboration with Finnish Government, the Japan International Cooperation Agency (JICA) and the United Nations Development Programme (UNDP), in line with the Government’s Rural Industrial Development Programme and Women in Development Initiative in cooperation with Women Union, established the “Entrepreneurship Development Programme for Women in Food Processing in Central Vietnam”. The food-processing sector was selected because of its relatively high value added to agro-products in addition to women’s traditional engagement in home-based food processing.

The aim of the initiative is to contribute to poverty reduction through entrepreneurship development while focusing on rural development and gender equity.

Encouraging business initiatives

The essential elements of the programme are to encourage the initiatives of rural women entrepreneurs to increase productivity and competitiveness and to enhance the human and local institutions capacities required to foster entrepreneurial dynamism.

The methodology involved:

- A baseline survey to identify the characteristics of women’s businesses and the products they produce,
- Training Needs Assessment (TNA) workshops,
- Training of Women Union staff in organizing self-help groups (SHGs),
- Promotional workshops and facilitating self-help groups,
- Training of Trainers,
- Entrepreneurial development and technology training packages using the theme “Make more money in your food processing business”,
- Provision of technical assistance and on-the-job training (GHP, improved technologies),
- Marketing assistance – common label and packaging,
- Creation of Rural Resource Centres,
- Lease purchase programme for small equipment.

Outcomes

- Women Union’s capacity built,
  - Directly trained 4,723 women entrepreneurs
  - 127 self-help entrepreneurial groups formed.
- Established a cadre of 148 trainers from Women Union and other institutions.