

Assessing labor and economic performances of diversified coffee- and pepper-based cropping systems: findings from the V-SCOPE Project

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Introduction.

Robusta coffee (*Coffea canephora*) and **black pepper** (*Piper nigrum*) are **important cash crops** grown in the **Central Highlands (CH)** of Vietnam, **covering 710** and **270 thousand ha**, to respectively, and crucial to the livelihoods of CH's farmers (GSO, 2022). Recently, farmers have begun **diversifying** their **cropping systems**. As a result, various systems can now be observed in the CH, ranging from monocultures to diversified cropping systems with coffee, pepper, and fruit trees. However, diversification impacts farmers' production costs and labor requirements (Phan et al. 2019). To better understand these impacts, the present study introduces early findings of a survey on labor and economic performances in CH's coffee-pepper-fruit trees cropping systems.

Materials/Methods.

Socioeconomic survey on **239 households** in Dak Lak, Dak Nong, and Gia Lai provinces conducted as part of ACIAR-funded V-Scope project.

Stratified sampling to study **labor** (duration by practice and type of labor) and **economic performances** (gross products, costs, gross margins and return to labor) of coffee-pepper-fruit trees cropping systems at plot level.

Plots (*n* **= 246) categorized** based on **density equivalent ratio** (DER) (Malézieux et al., 2009) and **crop dominance** indices calculated as follow:

 $\begin{array}{l} \textit{DER}_{\textit{crop}_{i}} = \textit{Density}_{\textit{crop}_{i}} / \textit{Density}_{\textit{crop}_{i} \textit{in monoculture}} \\ \textit{DER}_{\textit{plot}} = \varSigma \textit{DER}_{\textit{all crops}} & \textit{and DER}_{\textit{fruits}} = \varSigma \textit{DER}_{\textit{all fruit crops}} \\ \textit{Dominance}_{\textit{crop}_{i}} = \textit{DER}_{\textit{crop}_{i}} / \textit{DER}_{\textit{plot}} \end{array}$

Cropping systems groups:

- Coffee monoculture systems (coffee dominance = 1)
- Diversified coffee systems (0.5 < coffee dominance < 1)
- Most diversified systems (all indices of dominance ≤ 0.5)
- Diversified pepper systems(0.5 < pepper dominance < 1)
- Pepper monoculture systems (pepper dominance = 1)
- Diversified fruit trees systems (0.5 < fruit dominance < 1)



Figure 1: Labor in man-days per hectare, (A) per dominance category for each type of practice, and (B) per dominance category for each type of labor. Significant differences in total labor are denoted by different letters obtained after post-hoc multiple comparisons based on the fitted generalized linear mixed model with FDR-adjusted *p*-values and α = 0.05. Error bars represent standard errors of the means.

	Economic indicators (million VND per ha)					
Dominance category	Coffee mono.	Divers. coffee	Most divers.	Divers. pepper	Pepper mono.	Divers. Fruits
Gross product	157.5 +/- 7.7 a	159.6 +/- 6.8 a	162.0 +/- 13.3 a	a 172.0 +/- 12.5 a	a 152.1 +/- 20.4 a	a 141.2 +/- 16.9 a
Costs of inputs	36.9 +/- 2.5 ab	35.1 +/- 2.2 a	34.6 +/- 2.9 a	49.9 +/- 3.1 b	45.8 +/- 3.4 ab	29.5 +/- 5.6 a
Costs of hired labor	13.8 +/- 1.6 ab	11.7 +/- 1.1 a	20.2 +/- 2.3 bc	28.1 +/- 2.5 c	28.4 +/- 2.9 c	15.6 +/- 4.1 abc
Total costs	50.7 +/- 3.5 a	46.8 +/- 2.5 a	54.8 +/- 4.6 a	78.0 +/- 4.6 b	74.2 +/- 4.9 b	45.1 +/- 8.4 a
Gross margin	106.8 +/- 7.1 a	112.7 +/- 6.6 a	107.1 +/- 13.6 a	a 94.0 +/- 11.7 a	77.8 +/- 19.1 a	96.1 +/- 14.8 a
Return to labor*	0.92 +/- 0.07 a	0.92 +/- 0.06 a	0.74 +/- 0.09 at	0.57 +/- 0.06 b	0.48 +/- 0.09 at	0.84 +/- 0.26 ab
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Return to labor is expressed in million VND per man-day (= gross margin without labor costs/total labor)

Table 1. Economic indicators per dominance category. All means are expressed million VND per ha, except for return to labor expressed in million VND per man-day. Significant differences are denoted by different letters obtained after post-hoc multiple comparisons based on generalized linear mixed models with FDR-adjusted *p-values* and $\alpha = 0.05$. Standard errors of the means are indicated after +/-.







Results/Discussion.

Total labor demands:

- Coffee systems : 147 148 man-days
- Diversified fruits systems: 183 man-days
- Most diversified systems: 195 man-days
- Pepper systems: 232 239 man-days

Labor demand by practice:

Pepper harvest > Coffee harvest > Pruning > Weed control > Irrigation > Soil management > Fertilization > Pest Control > Fruits harvest

Total labor share by type of labor:

- Family labor: 36 57%
- Temporary hired: 39 61%
- Permanent: 0 3 %
- Free or exchanged: 0 13%

Gross margins range: 77.8 – 112.7 million VND/ha

Return to labor range: 0.48 – 0.92 million VND/day

Conclusion/Perspectives. As **labor requirements** emerge as a **key factor** in explaining farmers' decision-making, this research presents **labor dynamics** and **overall profitability** of coffee- and pepper-led cropping systems in the CH. Given the inherent **volatility of commodity prices** and the **potential for shifts in labor wages**, the **profitability** of these **labor-intensive systems** could be **significantly affected**. The results seek to provide valuable insights for optimizing agricultural practices and enhancing the efficiency and sustainability of **smallholder coffee- and pepper-based farming systems**.

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