

POLICY BRIEF

SON LA COFFEE SECTOR

Current status and preparations to meet the requirements of the EU Deforestation Regulation

Ảnh: Aratay coffee

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Son La is currently Vietnam's largest Arabica coffee-growing area. Each year, the province produces around 40,000 tonnes of Arabica coffee, accounting for more than 50% of Vietnam's total Arabica output. Most Son La coffee is exported, with the EU as the province's most important export market, accounting for up to 40% of its coffee exports.

The European Union (EU) is imposing increasingly stringent requirements on the origin, legality and sustainability of products imported into its market. Most recently, the EU introduced the EU Deforestation Regulation (EUDR), which requires coffee (and six other commodities) imported into the EU to ensure that:

- production has not caused deforestation after 31 December 2020;
- activities throughout the supply chain comply with all applicable laws of the country of production (for example, requirements on land, labor, environment, taxes and fees).

When people think of coffee production in Vietnam, they often think of the Central Highlands, which accounts for more than 95% of national coffee output, mainly Robusta. In recent years, Vietnam's coffee sector - including the Government and the business community - has been working to adapt to the EUDR. However, EUDR adaptation is not only a matter for the Central Highlands, Vietnam's coffee-production hub; it is also closely linked to Son La, which has become an important coffee-producing province with its own ecological conditions, development history and supply-chain characteristics. The opportunities and risks created by the EUDR are shared across coffee-growing localities, including both the Central Highlands and Son La.

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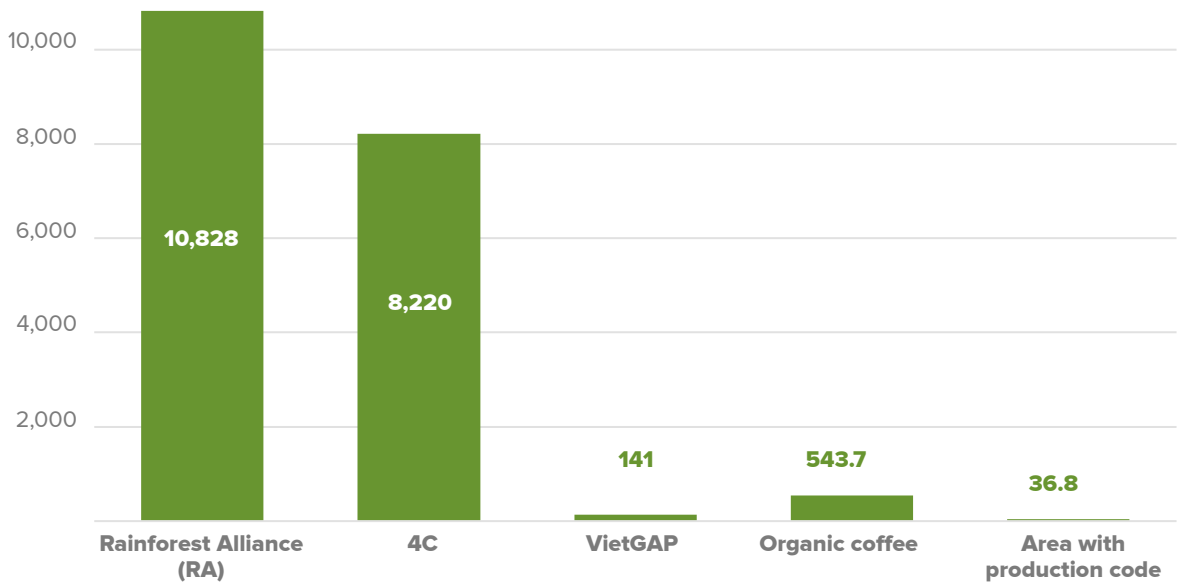
Son La's coffee development pathway differs from that of the Central Highlands, mainly because of the coffee varieties grown (Arabica versus Robusta) and the ecological characteristics of the production areas. Coffee has been grown in Son La since the late 1990s, with a value chain comprising hundreds of thousands of smallholder farmers, numerous cooperatives and processing enterprises linked to global markets. The sector is now growing rapidly, driven mainly by export-market opportunities. What is the current status of Son La's coffee sector? How is it preparing to meet EUDR requirements? What opportunities and risks does EUDR compliance present? What should supply-chain stakeholders do to prepare Son La's coffee sector in particular, and Vietnam's coffee sector more broadly, to comply effectively with the EUDR? This brief addresses these questions. The information is drawn mainly from the webinar *"Son La coffee sector prepares to adapt to the EUDR"*, held on 15 January 2026 and presented by Ms. Cầm Thị Phong, former Deputy Director of the Son La Department of Agriculture and Environment.

1. Son La coffee sector and EUDR readiness

Son La is Vietnam's Arabica coffee capital. By the end of 2025, the province had approximately 33,628 ha of coffee, with the 2025 crop producing more than 37,700 tonnes of green coffee beans. Son La now accounts for nearly 48% of Vietnam's Arabica coffee area and 73% of the northern region's Arabica area. In 2024, the province exported 31,700 tonnes of coffee worth USD 88.77 million, equivalent to 46.7% of its total agricultural export value. The EU and North America are the main export markets, both of which have stringent requirements for product quality, safety and traceability.

Certification coverage is relatively high. Nearly 70% of the province's coffee area is certified under Rainforest Alliance (RA), 4C or VietGAP. Son La also has 1,120 ha of specialty coffee, 543.7 ha of organic coffee and one production area of about 37 ha that has been assigned a production area code. The province has also established five coffee production-consumption linkage chains, while eight organizations have been authorized to use the "Son La Coffee" geographical indication.

Figure 1. Area under certification/production protocols (ha)



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Across the province, around 15 cooperatives focus on coffee production and processing. However, linkages among farmers, cooperatives and enterprises remain weak. Son La currently has five industrial-scale processing plants and 15 small-scale processing facilities. Together, these facilities provide around 50% of the province's coffee primary-processing capacity.

2. Expansion of coffee area and EUDR compliance risks

In recent years, Son La's coffee area has expanded rapidly: by the end of 2025, it had reached 33,628 ha, up 44.3% from 2024. This rapid expansion has been driven mainly by persistently high export coffee prices, strong demand, and substantial investment by processing enterprises and trade-promotion activities. The surge in planted area means that current coffee cultivation now far exceeds planned levels. Many new coffee plots have been established on land classified as forest land, partly because historical land allocation and land-use planning for agricultural and forest land have not been harmonized and land boundaries on the ground remain unclear. Statistics from the provincial Department of Agriculture and Environment show that by the end of 2024, 4,779.84 ha of agricultural crops (coffee, plum, mango, longan, rubber and macadamia) were being grown on forest land, including 490 ha of coffee in the former Mai Son district. Reviews also indicate that forest land in the province has decreased by 220,900 ha compared with the results of forest-land allocation and land-use-right certificate issuance in 2002-2004. These areas were converted to economic development and residential uses but the changes have not yet been updated in land-use-right certificates, creating overlaps and making it difficult to verify the legal status of household coffee land.

Expansion of production areas in a context where forest and agricultural lands overlap, field boundaries are unclear, and some newly expanded areas lie on forest land creates risks for EUDR compliance. Under the EUDR, coffee imported into the EU must be deforestation-free - meaning it cannot come from land converted from forest after 31 December 2020. Coffee producers must also demonstrate the legality of their land use. Complex land-use arrangements, including overlaps between forest land and agricultural land, can leave land tenure status unclear. This, in turn, complicates origin verification and in many cases may make it impossible. These factors create substantial risks for supply-chain actors when coffee is exported to the EU.



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3. Institutional, technical and coordination barriers

Because the EU is the most important outlet for Son La coffee, meeting EUDR requirements is critical for supply-chain actors in the province. Local authorities and businesses have made efforts to adapt. However, implementing EUDR-related measures in Son La faces major challenges, particularly in relation to production-area data, traceability and sector organization.

- **Lack of a centralized production-area database:** There is currently no shared database on coffee production areas, no regularly updated parcel map, and no synchronized geographic information system. Cadastral records, land-use plans and actual land use often overlap, making it difficult to verify coordinates as required by the EUDR. Overlapping boundaries between agricultural and forestry land, and outdated plans that do not match current conditions, can lead to inaccurate production-area declarations and create legal risks for enterprises even when errors are unintentional.
- **Fragmented information management and broken traceability links:** Coffee production is highly fragmented. Most households cultivate small areas (around 1-2 ha) spread across multiple non-contiguous plots, while information is dispersed across many intermediaries. The value chain is not yet tightly organized from farmers to primary buyers. In the absence of a data-sharing mechanism among government, businesses and farmers, each party retains its own information. This can result in overlapping or duplicate EUDR declarations, and any resulting risk could damage the reputation of the sector. Fragmented control of information - especially sourcing-area data held by enterprises - also makes it difficult for local authorities to identify inconsistencies and provide timely support when data conflicts arise.
- **Sector organization and legal barriers:** The Son La Coffee Association has not yet fully performed its bridging role between enterprises and coffee-producing cooperatives. Unhealthy competition among enterprises in sourcing raw material and the lack of cooperation mechanisms have weakened linkages across production, processing and export. Policies and rules on data sharing and sourcing-area management have not yet been established. Local authorities also lack the technical tools and platforms needed to coordinate stakeholders, making it difficult to monitor and support enterprise traceability efforts.
- **Limited technological traceability capacity:** Farmers and many cooperatives are not yet familiar with sustainable production standards or data-recording systems. Training and technical support on geolocating production plots, digital mapping and production-area codes remain limited. Digital devices and platforms for EUDR compliance are not yet widely available, constraining the ability to meet source-transparency requirements.

These barriers show that EUDR compliance is not merely a technical traceability issue, but also a matter of local governance institutions. The lack of data infrastructure and coordination mechanisms creates a dual obstacle: it makes it difficult both to meet the objective requirements of the EUDR and to ensure transparency and fairness among actors in the value chain.

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4. Strategies and recommended actions

To turn the EUDR into an opportunity to strengthen Son La's coffee sector, a coordinated strategy is needed from central to local levels, centered on three pillars: transparent data, sustainable supply-chain organization and effective coordination mechanisms.

- **Develop a production-area management and traceability system:** Local authorities should lead a review and develop a database of sustainable coffee production areas that meets EUDR traceability requirements. A key priority is to identify coffee areas established after 31 December 2020 so that export risks can be managed. All coffee-related enterprises and projects should register basic information on area and cultivation coordinates through commune People's Committees and the provincial Department of Agriculture and Environment. This registration would allow local authorities to coordinate and connect actors and reduce sourcing-area overlap from the outset. Authorities should regularly update and analyze the map, identify areas already supported and gaps requiring priority assistance. Central authorities can support local implementation through a centralized management platform, standardized national production-area identifiers, and harmonized registration procedures.

- **Strengthen data sharing linked to practical incentives:** Stakeholders should agree on principles for sharing production-area data. Organizations that actively share data could be recognized as local EUDR partners and given priority access to support programs and international cooperation projects. Making these benefits explicit would encourage enterprises and cooperatives to share sourcing-area information proactively with authorities.

- **Strengthen the role of local government:** At provincial and commune levels, authorities should act as conveners and coordinators. They should lead the planning of EUDR-compliant production areas and organize training and technical guidance on traceability for cooperatives and farmers through commune agricultural extension staff. Each commune should have a “traceability support point” to help record coordinates, manage maps and facilitate communication among growers, cooperatives and enterprises. This would help standardize information, detect sourcing-area overlaps early and coordinate support to avoid duplicated investment. Authorities should also protect farmers' legitimate interests - for example, by providing technical support for sustainable farming and facilitating access to finance for coffee replanting - so that existing production areas can meet standards and improve productivity.

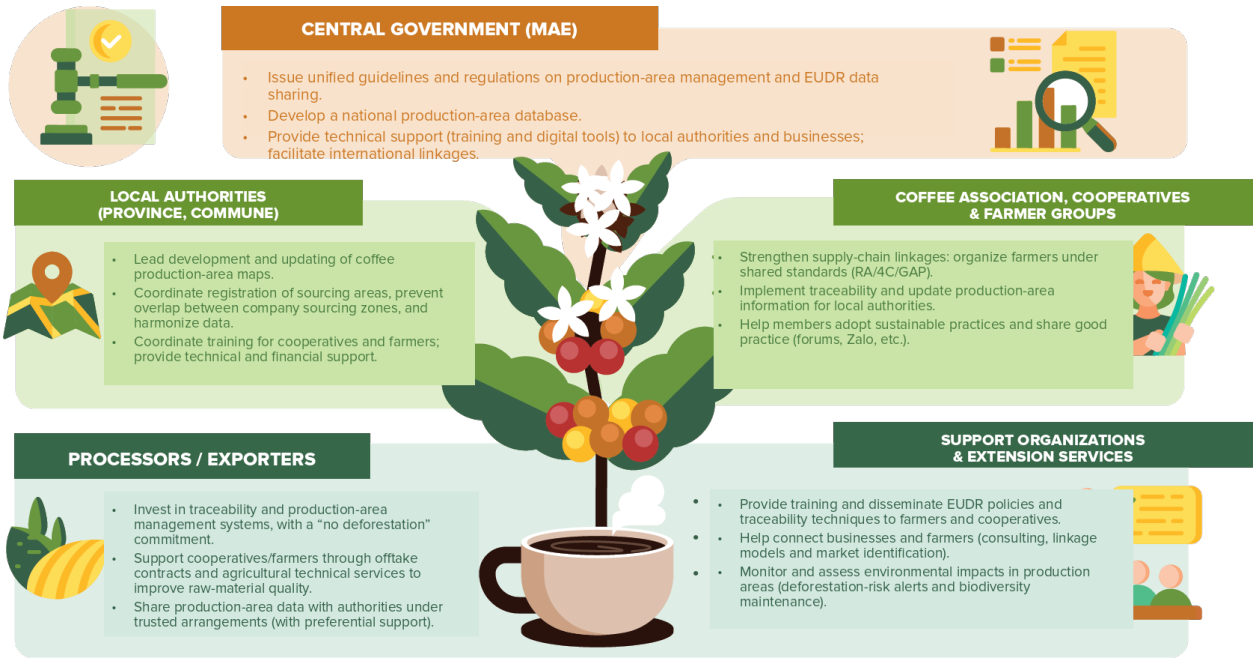
- **Build capacity for enterprises, cooperatives and farmers:** Processing and exporting enterprises should proactively invest in traceability systems (GIS, blockchain, etc.) and communicate EUDR requirements throughout the supply chain. They should also support farmers through offtake contracts and training on production and harvesting standards to uphold a “no deforestation” commitment. Cooperatives and producer groups should strengthen backward linkages by organizing farmers into larger production areas, applying sustainable standards (RA, 4C, VietGAP) and updating production-area data. Each cooperative should periodically report plot area and coordinates to local authorities. This would help farmers maintain access to the EU market while giving enterprises greater confidence in the legality of raw-material supplies. Agricultural extension staff, as technical “bridges,” should receive stronger training so they can guide land management and help farmers establish traceability from the farm level.

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- **Stabilize the production area:** Assess and maintain the existing coffee area and avoid uncontrolled expansion into areas with high deforestation risk. In coffee-growing areas at high risk of deforestation, cultivation should be decisively shifted to other suitable crops or the land restored to forest. This approach can protect farmer livelihoods while meeting the EUDR's deforestation-free requirement.

- **Provide technical support:** Focus on agricultural extension services, technology transfer and technical training for coffee growers. Local authorities should introduce improved varieties, advanced cultivation techniques and pest-management practices to raise productivity and quality. Such practical support will help farmers adapt more effectively to the sustainable-production standards required by the EUDR.

- **Strengthen central-level support:** The Ministry of Agriculture and Environment should lead the development of the legal framework and technical guidance and mobilize national resources for EUDR compliance. Inter-agency rules on production-area data sharing should be issued promptly, ensuring compatibility with EU requirements, while digital infrastructure should be upgraded (for example, through an integrated national land database). The Ministry should also work with the Vietnam Coffee-Cocoa Association and international organizations to implement technical-support projects and connect Vietnamese enterprises with global value chains. In addition, central authorities could establish incentive funds for enterprise investment in traceability and cooperative digital transformation, helping reduce compliance costs in rural areas.



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5. Conclusion

Coffee development in Son La offers substantial economic opportunities for supply-chain actors. Coffee is now an important - and in many cases the main - source of income for many farming households, particularly ethnic minority households. Son La's coffee sector continues to grow rapidly, driven mainly by market demand. However, this rapid expansion creates significant risks for EUDR compliance, particularly in relation to land use.

The EUDR compliance risks facing Son La's coffee sector are not solely a provincial issue; they are a shared risk for Vietnam's coffee sector as a whole. Responsibility for reducing or eliminating these risks therefore lies not only with actors in Son La's supply chain, but with all stakeholders across the national coffee supply chain. Meeting the EUDR is critical for both Vietnam's coffee sector overall and Son La coffee in particular. Achieving this will require comprehensive measures, including reviewing the current status of coffee-growing areas, especially areas expanded after 2020; identifying locations where forest land and coffee-growing land overlap; clarifying the causes; and developing appropriate responses. These comprehensive measures are not only the responsibility of government agencies, enterprises and communities in Son La - the actors directly involved in the local supply chain - but also require participation, coordination and shared responsibility across Vietnam's coffee sector.

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