

# AGRICULTURE



## OPERATION AND ACTIVITIES IN VIETNAM

## Sector Background & Challenges

The agriculture sector in Vietnam plays an important role in socio-economic development and national food security. The agriculture sector has increased its production and export, and diversified products thanks to policy reforms, particularly since Doi Moi in 1986. In 2016, agriculture absorbed 51% of the total labor while making a contribution of 22% of GDP and 23% of export turnover. Vietnam now ranks in the top five global exporters of coffee, tea, rice, pepper, cashew, cassava, rubber, and aquatic products.

Vietnam still faces a number of challenges such as low value added products, low productivity, fragmented land, food safety risks and poverty in rural areas.

## Policies of the Government of Vietnam

The Government of Vietnam has been implementing agriculture restructuring and rural development. The 5-year socio-economic development plan (2016-2020) targets an annual growth rate for the agriculture sector at 2.5 to 3%.

To promote agricultural restructuring, the Government has been designing and executing policies for developing high-tech and large-scale agriculture; applying advanced science and technology; improving quality, productivity and competitiveness; boosting sustainable national food security; improving food safety and quality of products; and infrastructure development. To solve the fragmented land issue, the government formulates policy to encourage the accumulation of land and more efficient land use while conserving agricultural land. The government also places emphasis on food value chains by promoting high value-added products for export and participating in global value chains; and strengthening various linkages of stakeholders along the value chain through institutional reform, re-organization of production, capacity development of stakeholders, private sector participation, etc.

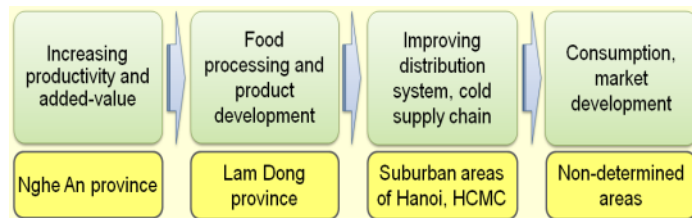
The Government has been executing the New Rural Development Program for the improvement of people's lives in rural areas.

## JICA's Assistance Strategy

***Establish Agriculture Food Value Chain to promote Economic Growth and Strengthen International Competitiveness***

Over the years, JICA has provided a wide range of support for agricultural development in Vietnam, through construction of irrigation systems, strengthening research and development (R&D), transfer of advanced production technologies, policy advice through Japanese experts, human resources development (HRD), encouragement of investment of Japanese agri-business, etc. (see the project map in "PROJECTS IN VIETNAM")

While agriculture is one of the important livelihood activities in rural areas for poverty reduction, JICA also considers that Vietnamese agriculture has great potential to become one of the engines of economic growth and to meet the need for high-quality and safe food. Under the framework of "Japan-Vietnam Agriculture Policy Dialogue" agreed between the two governments in 2014, JICA places great emphasis on supporting the establishment of the "food value chain (FVC)" by strengthening and establishing linkages among production, processing, distribution/supply, and consumption markets. For effective support and future dissemination, JICA has been focusing on selected provinces and areas, i.e., Lam Dong, Nghe An and provinces near Hanoi and Ho Chi Minh City according to issues of FVC. (see the chart on FVC below)



<Chart of FVC>

In addition, to help address cross-cutting issues, JICA assists Vietnam in adaptation to climate change in the Mekong Delta and Central Highlands, strengthening R&D functions of universities and institutes, and utilizing information and communication technology (ICT) in production management.

JICA utilizes Japan's knowledge and closely cooperates with the Japanese private sector and stakeholders. Particularly, the Japanese Enterprise Proposing Program (JEPP) and JICA Partnership Program (JPP) are effectively used to promote Japanese agri-businesses to invest in Vietnam, accelerate the transfer of production techniques from Japanese agricultural cooperatives and agri-businesses to Vietnam, and strengthen cooperation between Japanese and Vietnamese universities.

## Good Practice (1)

### Project for Improvement of Reliability of Safe Crop Production in the Northern Region (2016 – 2021)



Signing MOUs between target groups and buyers

#### Project Outline

The Project assists in safe vegetable production following Basic GAP, establishment of various types of supply chain models, and awareness building on food safety for producers, traders and consumers.

#### Future Prospect

The Project aims to scale up activities to create the main production area of safe vegetables in Northern Vietnam.

#### Project Outcome

Through the pilot projects of safe vegetable production and business matching for target farmers' groups, the Project has established 7 supply chains with supermarkets, convenience stores and a processing company, to be produced by target groups in an area of more than 50ha.

#### Featured by Media

##### *Link supply and demand for safe vegetables*

“Safe vegetable producers need to identify the needs of customers through direct exchange then produce according to demand.” (vietq.vn , 19/08/2017)

## Good Practice (2)

### Verification Survey for Disseminating Japanese Advanced Sorting/Grading Machine and Marketing Know-how in Lam Dong Province (2015 – 2017)



Right: Installed sorting/grading machine in operation

#### Project Outline

The survey aims at strengthening post-harvest work in Lam Dong Province by introducing advanced sorting/grading machines as well as its operational know-how.

#### Project Outcome

The Japanese advanced Tomato sorting/grading system was successfully established, creating significant impacts: (1) increased tomato sales volume (thus increased revenue), (2) decreased labor cost spent on tomato post-harvesting, (3) spread knowledge about the new technology among procedures to adopt various post-harvesting machinery. Marketing know-how obtained in the survey was disseminated to other producers via sharing seminars.

#### Comment by Local Government

##### *Japanese technology is key for productivity*

“After installing the technology, we could decrease the labor cost by 77% from before. Total revenue increased 25% after the installation. It greatly contributes to productivity of agriculture in Lam Dong Province. We have been planning the model dissemination in Da Lat city and neighboring districts”

(Dr. Pham S, Vice Chairman of Lam Dong PPC)

## Good Practice (3)

### Project on Development Planning of Agriculture Sector in Nghe An (2016 – 2019)

#### Project Outline

JICA has been implementing a Master Plan (M/P) study to create a food value chain based on “Contract Agriculture” which is defined as conducting farming to produce agricultural products based on specifications agreed by all stakeholders. In order to evaluate the feasibility of the M/P, the JICA Project has been conducting more than 40 pilot projects regarding vegetables, fruits, industrial crops and animal husbandry to connect production sites and domestic and international markets through the contract.

#### Project Outcome

The Project has established an Agricultural Marketing Platform (AMPF) which develops a database of information on the 554 producers including agriculture enterprises, 82 transporters, 99 processors and traders and 69 sellers including restaurants and hotels in Nghe An province. The platform also facilitates communication among stakeholders through organizing exchange meetings and trade exhibitions. Several pilot projects created through the AMPF activities have already started contract agriculture, which guaranteed an increase of farmers’ profits through stable interactions between the farmer and the buyer.



Left: Discussion on the contents of contract between farmer and buyer.



Right: Buyer checks the quality and quantity of oranges before shipment.

#### Future Prospect

The Project will finalize the M/P and Action Plan (A/P) based on the lessons obtained through the pilot projects and AMPF activities by March, 2019. This M/P will be incorporated with the Socio-Economic Development Plan of Nghe An province (2021-2025).

#### Featured by Media

***Strengthening effective cooperation in agriculture between Nghe An and Japan***

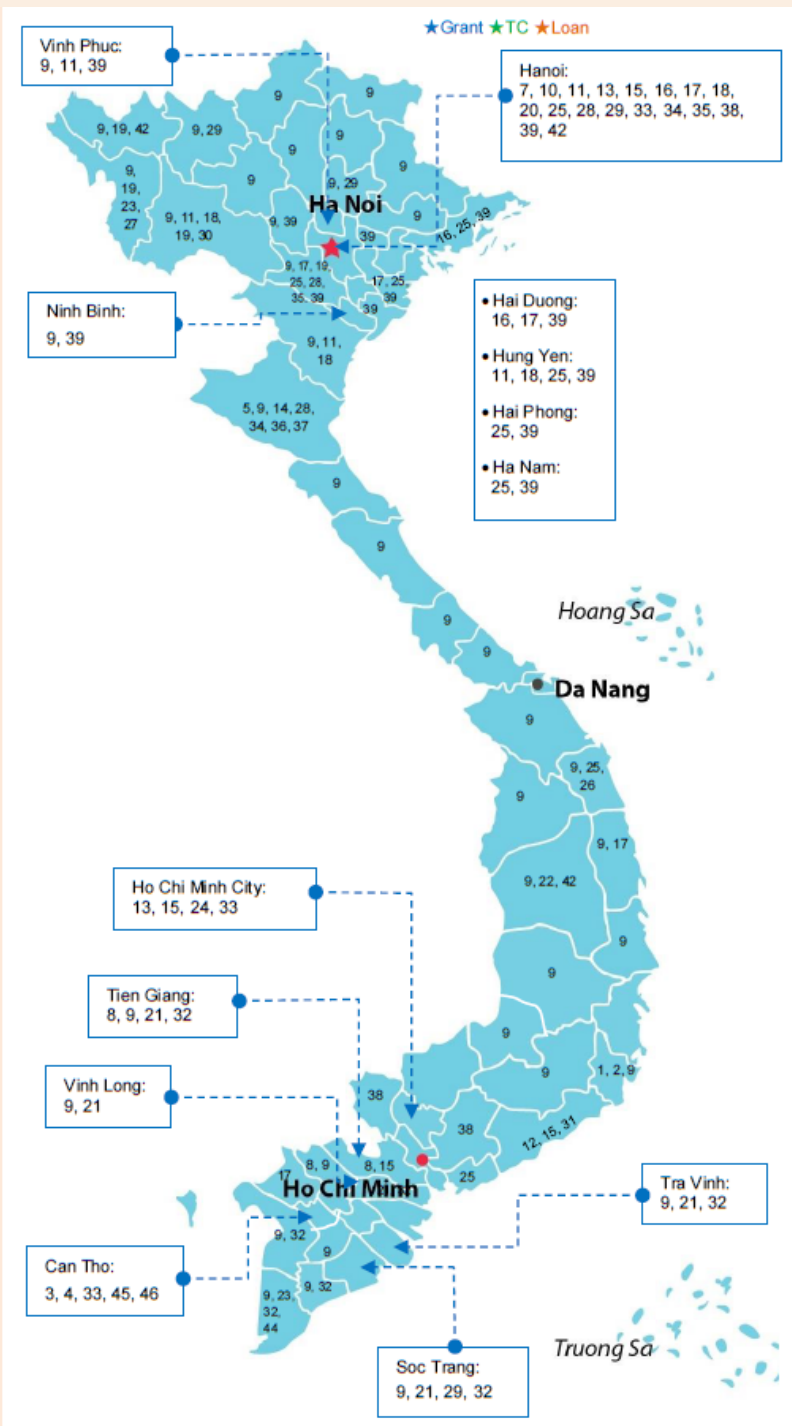
*“Contract-based agricultural production which will be the model for the food value chain in Nghe An” (Nghe An Portal, 19/06/2016)*



Harvesting at Maccha farm, which is managed by a pilot contracted-farmer in Nghe An

# PROJECTS IN VIETNAM:

1. Phan Rang Irrigation Project
2. The study on agriculture development plan in Phan Rang area
3. Can Tho University Agriculture Department Technical Cooperation project
4. The Project for The Improvement of the Facilities and Equipment of the Faculty of Agriculture, Can Tho University in The Socialist Republic of Vietnam (Phase1) (Phase 2-1) (Phase 2-2)
5. Model rural development in Nam Dan District Nghe An Province
6. Rural infrastructure development and living standard improve (I) , (II) & (III)
7. The Education and Research Capability Building Project of Hanoi Agricultural University
8. The Study on Integrated Agricultural Development Plan in Dong Thap Muoi
9. Small-scale Pro Poor Infrastructure Development Project (I), (II) & (III)
10. Strengthening of National Institute of Veterinary Research
11. The Project for Improvement of Cattle Artificial Insemination Technology in Viet Nam
12. Phan Ri- Phan Thiet Irrigation Project
13. Strengthening of food Industries Research Institute
14. The project for improvement of rural living conditions in Nam Dan District in Nghe An Province (Phase 1) & (Phase 2)
15. Improvement of technique for "Thermal treatment for the disinfection on fruit flies
16. Capacity Development of Participatory Irrigation Management System through Vietnam Institute for Water Resources Research (VMWRR) for Improvement of Agricultural Productivity in Vietnam
17. Project for Enhancing Functions of Agricultural Cooperatives (Phase 1) and (Phase 2)
18. Project for Improvement of Productive Technology in Small and Medium Scale Dairy Fams in Viet Nam
19. Master Plan Study on Improvement of Rural Living Conditions in North-western Mountainous Region in Vietnam
20. Phytosanitary Regional Training Program
21. Improvement of Extension System for Applying Better Farming System and Cultivation Techniques for Poor Farmers in the Mekong Delta
22. The Project on Capacity Development of Participatory Agricultural and Rural Development for Poverty Reduction in the Central Highlands
23. The Food Security Project for Underprivileged Farmers
24. Sustainable Integration of Local Agriculture and Biomass Industries
25. Strengthening the Capacities for the Field of Management of Vietnam's Crop Production Sector for Improving the Productivity and Quality of Crop's Products
26. The Project for Rehabilitation of Small-Scale Reservoirs in Quang Ngai Province
27. Northwest Region Rural Development Project
28. Project for Promotion of Participatory Irrigation Management for Sustainable Small-Scale Pro Poor Infrastructure Development
29. Project for the Development of Crop Genotypes for the Midlands and Mountain Areas of North Vietnam(DCG)
30. Project for Strengthening of Tay Bac University for Sustainable Rural Development of the Northwest Region
31. Project for Agriculture Development in Phan Ri - Phan Thiet (Phase I) & (Phase II)
32. Project for Climate Change Adaptation for Sustainable Agriculture and Rural Development in the Coastal Mekong Delta
33. Project for Strengthening Capacity of Inspection System for Ensuring Safety of Agro-Fishery Foods
34. North Nghe An Irrigation System Upgrading Project
35. Project for Establishment of Cryo-bank System for Vietnamese Native Pig Resources and Sustainable Production System to Conserve Bio-diversity
36. Technical Cooperation Project on Development Planning of Agriculture Sector in Nghe An
37. Project Advisor/Coordinator for Technical Cooperation Project on Development Planning for Agriculture Development in Nghe An
38. The Project for Development and Dissemination of Sustainable Production System Based on Invasive Pest Management of Cassava in Vietnam, Cambodia, Thailand
39. Project for improvement of reliability of safe crop production in the northern region



40. Advisor for Policy Formulation on Integrated Agriculture and Rural Development
41. Advisor for Agri-Business Japan Desk
42. Rural Development Advisor (Integrated Farming Technology)
43. Advisor for Sanitary and Phytosanitary Policy and Planning
44. Advisor for Rural Development in Ca Mau Province
45. Can Tho University Improvement Project
46. The Project for Building Capacity for Can Tho University to be an excellent institution of education, scientific research and technology transfer

(\* All Provinces except Hanoi, Ho Chi Minh, Long An, Ba Ria Vung Tau, Dong Nai: Project number 6 (Phase I)  
 All provinces except Hanoi, Ho Chi Minh, Long An: project number 6 (Phase II)  
 All Provinces except Hanoi, Ho Chi Minh, Long An, Can Tho: project number 6 (Phase III)  
 Nationwide: Project number 40, 41, 43

# JICA's New Vision from 2017

## Mission

JICA, in accordance with the Development Cooperation Charter, will work on human security and quality growth.

## Vision

### Leading the world with trust

JICA, with its partners, will take the lead in forging bonds of trust across the world, aspiring for a free, peaceful and prosperous world where people can hope for a better future and explore their diverse potentials.

## Actions

### 1. Commitment:

Commit ourselves with pride and passion to achieving our mission and vision.

### 2. Gemba:

Dive into the field ("gemba") and work together with the people.

### 3. Strategy:

Think and act strategically with broad and long-term perspectives.

### 4. Co-creation:

Bring together diverse wisdom and resources.

### 5. Innovation:

Innovate to bring about unprecedented impacts

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