

MONTHLY BRIEFING: INTERNATIONAL COOPERATION IN AGRICULTURE AND RURAL DEVELOPMENT

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ISG Thematic Adhoc Groups (TAGs) Meetings

ISG fostered the operation of the Group by organisation of Meetings for its TAGs. The TAGs Meetings attracted the participation of departments of MARD, other Ministries, donors and representative from local levels. All the Meetings were co-chaired by MARD's Directors and Donor's representatives.

TAG1, **International Agro-economic Integration and Policy** Meeting was held on 21 November 2003 while the TAG2, **Support to Hydraulic Works Development, Disaster Control, and Rural Water Supply**, and TAG3, **Support the implementation of the CPRGS in agriculture and rural areas** were on 7 November and 24 November 2003, respectively.

The objectives of the Meetings were (i) To collect ideas and comments for the draft work plan of TAGs for 2004-2006, (ii) To collect ideas and comments for TAGs working procedures that can assist collaboration and cooperation with other partners to support MARD, and (iii) To share information on the works have been done.

(For further information about the meetings and relevant reports/presentations, please contact ISG Secretariat or visit ISG website at: <http://www.isgmard.org.vn>)

Source: ISG Secretariat

MARD and World Bank Joint Consultation Meeting on WB-funded Projects

Hanoi- On 13 November 2003, the first ever joint consultation was held with the participation of directors of World Bank-supported projects in the rural sector, representatives from relevant departments of MARD, government agencies and the World Bank Office in Hanoi. Senior representatives from MARD (Minister Le Huy Ngo and Dr. Le Van Minh-Director, ICD) and the World Bank (Mr. Mark Wilson - Director, Ms. Hoonae Kim - Sector Manager, EAPRD) co-chaired the meeting.

Addressing the Joint Consultation, Minister Ngo highly appreciated the World Bank's assistance in the sector of Vietnam. He stated that the good choice of project interventions had contributed not only to the sector's growth and poverty reduction but also to the improvement of its managerial capacity at both the central and local levels. The Minister stressed the existing performance still needed to be improved through:

(i) Combination between poverty reduction and developing rural infrastructure in disadvantaged areas and support to rural growth through agricultural research and extension,

(ii) Shortening the project preparation period,

(iii) Improving coordinating mechanism,

(iv) Harmonizing the financial and investment management mechanisms,

(v) Strengthening implementation capacity by further decentralization combined with clear definition of responsibility of each level of management, particularly the project manager, and long-term training, particularly in the project management.

In his introductory remarks, Mr. Mark Wilson stressed the important role of agriculture and rural economy in improving rural income and employment generation for Vietnam to reach its objectives of growth and poverty alleviation. He reaffirmed the bank's commitment to the country's rural sector. Appreciating efforts made by MARD in preparing and implementing World Bank-supported projects, he pointed out their performance need to and can be improved through:

(i) More proactive approach and timeliness of all parties involved,

(ii) Further decentralization combined with capacity building as early as possible in the project cycle,

(iii) Ensuring availability of counterpart funds,

(iv) Harmonizing the Government and the Bank's procedures.

Lively discussions at the Consultation focused on how to meet this challenge and the following broad recommendations were made for projects under implementation and projects under preparation.

(For further information about the meeting, please contact ISG Secretariat)

Source: ICD - MARD

Vietnam Development Report: POVERTY

Hanoi - Vietnam's tremendous progress in reducing poverty can be sustained by the reforms embodied chiefly in the Comprehensive Poverty Reduction and Growth Strategy (CPRGS), according to the new Vietnam Development Report 2004 entitled "Poverty" which was released on November 26, 2003.

In less than ten years, a third of Vietnam's population, or as many as 20 million people, have been lifted out of poverty. "But these dramatic gains remain fragile," cautioned Klaus Rohland, Country Director of the World Bank in Vietnam. "Rapid economic growth won't be enough to eradicate poverty within the next few years. While the pro-poor nature of economic growth in Vietnam over the last decade provides good reason to be optimistic, there are also clear signs that development is becoming less inclusive. The challenge now is sharing the benefits of growth among all regions, and among all groups of population."

The Vietnam Development Report 2004: Poverty, a joint donor report to the 2003 Consultative Group Meeting for Vietnam, aims at accessing the current

poverty situation in Vietnam. The report not only use nationally representative data from the recent household surveys in 2002, but it also relies on a series of seven regional Participatory Poverty Assessments (PPAs) carried out in 47 communes across all regions in cooperation with donors including the ADB, AusAID, DFID, GTZ, JICA, Save the Children UK, UNDP and the World Bank.

“By shedding light on the nature and determinants of poverty in Vietnam, and how they have changed since the last poverty assessment, this report should help “translate” CPRGS into specific policies and programs,” said Martin Rama of the World Bank in Vietnam and Principal Coordinator of the study.

Source: World Bank Hanoi

Signing of Japan-Vietnam Investment Agreement

1. The Agreement between Japan and The Socialist Republic of Vietnam for the Liberalization, Promotion and Protection of Investment (hereinafter referred to as “the Agreement”) was signed on Friday, November 14, between Ms. Kawaguchi, Minister of Foreign Affairs of Japan, and Mr. Vo Hong Phuc, Minister of Planning and Investment of Vietnam.

2. The Agreement, in principle, guarantees national treatment and most-favored-nation treatment to the investors and their investments of both countries at the stage of pre-investment, and prohibits the respective authorities from imposing so-called “performance requirement” to provide the rules in terms of liberalization, promotion and protection of investment in a comprehensive manner. The Agreement is expected to contribute to creating a more transparent and favorable environment for the investors in each country and thereby even further reinforcing their bilateral economic relationship.

Source: Japanese Embassy in Hanoi

New ADB Country Director in Viet Nam Appointed

MANILA, PHILIPPINES (28 November 2003) - The Asian Development Bank (ADB) has appointed Bradford R. Philips as the new Country Director in Viet Nam. Mr. Philips will assume office in mid-January 2004.

As Country Director of the Viet Nam Resident Mission (VRM), Mr. Philips will be responsible for setting the priorities for ADB's assistance program to Viet Nam, totaling nearly \$1 billion over the next three years, as provided in the Country Strategy and Program Update for 2004-2006 and subject to the approval of ADB's Board of Directors. He will also oversee the implementation of ADB's current loan portfolio in Viet Nam, consisting of 31 projects totaling about \$1.9 billion, 8 of which are delegated to VRM for implementation.

Mr. Philips joined ADB in 1986, and has served in various capacities. He was Director of the Agriculture, Natural Resources, and Social Sector Division in the Regional and Sustainable Development Department; Manager of the Agriculture and Rural Development Division for East and Southeast Asia; and Senior Project Engineer, involved in loan processing and project administration. He was also previously assigned to ADB's Indonesia Resident Office as Project Engineer and was later promoted to Senior Project Engineer.

ADB and the Government of Viet Nam have recently celebrated the 10th year anniversary of ADB's resumption of operations in the country. The VRM was established in Hanoi in 1996 to help in country strategy and programming, policy

dialogue with the Government, portfolio management, project administration, aid coordination, economic and sector work, and external relations.

As of October 2003, ADB's cumulative lending to Viet Nam totaled \$2.6 billion for 51 projects, in addition to grants totaling \$99.4 million for 153 technical assistance projects.

Source: ADB Mission

Loan Project to Help Alleviate Water Shortages in Southern Viet Nam

MANILA, PHILIPPINES - The Asian Development Bank (ADB) will help develop the water infrastructure in southern Viet Nam, to address the increasingly critical water resources situation in and around the country's largest urban and industrial areas, through a US\$90 million loan approved today.

The Phuoc Hoa Water Resources Project will provide additional water in the Saigon and Vam Co Dong river basins for salinity control and domestic, municipal, and industrial use in Ho Chi Minh City, and for the development of irrigated agriculture in the surrounding provinces.

The project will divert surplus water from the Be River to the Dau Tieng reservoir located to the west in the neighboring Saigon river basin. It will achieve this through the construction of the Phuoc Hoa barrage on the Be River and a 38-km transfer canal.

From there, the water will be diverted through the existing Dau Tieng irrigation system to an area of 48,130 ha for which a new irrigation system will be constructed.

The project will also undertake overall management and coordination of activities and provide support to develop capacity within government institutions, irrigation management companies, and water users groups.

Almost 40% of the project's beneficiaries live below Viet Nam's national poverty line of \$0.33 per person per day. It is estimated that improved agricultural production will increase average incomes of beneficiaries by about 40%, halving the number living below the poverty line.

The total cost of the project is estimated at \$164.6 million, of which the Government will finance \$35.6 million equivalent and Agence Francaise de Developpement will cofinance about \$34 million through two loans. The beneficiaries will contribute a further \$5 million.

The Ministry of Agriculture and Rural Development is the executing agency for the project, which is due for completion in September 2010.

Source: ADB Mission

Public policy project launched under Australia-Vietnam governance facility

HANOI- Under the Australian-Vietnam Capacity Building for Effective Governance (CEG) Facility, supported by the Australian Government, the Public Policy Research and Training Project was launched on 26 November 2003 in Hanoi.

The project's goal is to enhance the teaching and research capacity in public policy at the Ho Chi Minh National Political Academy.

The US\$400,000 project will involve ongoing cooperation between research and teaching staff at the National Centre for Development Studies at the Australian National University, Canberra and the Ho Chi Minh National Political Academy's Institute of Political Science. The public policy program funded by the CEG Facility will include the development of curriculum and teaching materials, training for Academy lecturers in Australia and Vietnam, the establishment of a library database on public policy and research workshops.

Source: AusAID

UN, Australia and New Zealand Help Flood Victims in Central Viet Nam

Ha Noi, 12 November 2003. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) will provide an emergency grant of US\$80,000 through the United Nations Development Programme (UNDP) and the UN Disaster Management Team in Viet Nam (UNDMT) to assist the flood victims in central provinces. Australia and New Zealand also pledged about US\$200,000 to the relief effort.

The announcement was made by OCHA Deputy Director, Mr. Gerhard Putman-Cramer, while he was on a visit to Viet Nam from 8-11 November, aiming to improve Viet Nam's capacity to respond to disasters.

Mr. Putman-Cramer has discussed the floods situation and immediate rehabilitation efforts with relevant Government agencies and members of the UNDMT and the Disaster Management Working Group, made up of UN agencies, Donors and non-governmental organizations (NGOs). He praised the Group for its recent initiative to establish a Disaster Needs Joint Assessment Team that has played a significant role to help OCHA and Donors to identify the most urgent needs of the flood victims. OCHA, in close collaboration with UNDP, conducted a training programme for this Joint Assessment Team earlier this year to improve the Team's skills in carrying out disaster needs assessments.

The Australian Agency for International Development (AusAID) will provide US\$143,000 through UNDP and Catholic Relief Services (CRS) for immediate rehabilitation of more than 200 collapsed houses in Quang Ngai province. Together with approximately 120 houses that will be rehabilitated with OCHA support, this emergency relief will help ensure that thousands of people's lives and homes will not be further threatened by more floods predicted to reoccur in December this year. The New Zealand Agency for International Development (NZAID), through CARE International (CARE), and the Food and Agriculture Organization (FAO) will also assist farmers in Binh Dinh Province with US\$60,000 worth of rice and vegetable seeds, to be implemented by CARE with support from the FAO to revive damaged crops.

In response to the floods, the Disaster Management Working Group fielded in October two Joint Assessment Teams to Binh Dinh and Quang Ngai provinces to assess the situation and identify relief needs to help the victims with recovery. Members of the Teams were the Ministry of Agriculture and Rural Development, UNDP, World Vision, Save the Children Alliance, CRS and Oxfam.

Emergency needs identified by the Teams include the provision of shelters to nearly 1000 families that lost their homes during the floods, the provision of

food aid to avoid hunger until the April crop, seeds for the next crop and clean water to prevent disease outbreaks in the aftermath of the floods.

UNDP, the first agency to coordinate the Teams on a rotating basis, highlighted the need for an adequate rehabilitation system that could restore the people's livelihoods, and rehabilitate social services and infrastructures.

Source: UNDP

Gender Strategy in agriculture and rural development to the year 2010

An ADB funded TA has been working with the The Ministry of Agriculture and Rural Development (MARD) and the Viet Nam Women's Union since June 2002 to assist MARD in developing a strategy to improve gender equity in the Agriculture and Rural Development sector. MARD has also developed a plan of action for itself for the first period of the strategy until 2005. The strategy and the plan of action have been approved by Vice-Minister Dr. Pham Hong Giang, on behalf of the Minister of Agriculture and Rural Development.

A final dissemination workshop was held by MARD at the Melia Hotel in Hanoi on 21 November 2003, at which the strategy and plan of action were introduced and discussed.

Copies of the strategy and the plan of action in both Vietnamese and English will be available from the MARD CFAW or from the Viet Nam Resident Mission of the ADB.

Source: TA 3831- ADB

Phnom Penh hosts 10th MRC Council Meeting of Cabinet ministers from Mekong region

The Prime Minister of Cambodia, H.E. Samdech Hun Sen, opened the 10th Council meeting of the Mekong River Commission in Phnom Penh on Saturday, 29 November at the Intercontinental Hotel.

The MRC Council meeting is a two-day annual event that brings together Cabinet ministers from the four Mekong River Commission member countries to consider and approve plans for ongoing cooperation within the river basin area shared by Cambodia, Lao PDR, Thailand and Viet Nam.

Chairmanship of the MRC Council rotates annually. The MRC Council is chaired this year by the Cambodian Minister of Water Resources and Meteorology, H.E. Mr Lim Kean Hor.

Over 70 delegates attended the MRC Council meeting. The Vietnamese delegation was headed by H.E. Prf. Pham Hong Giang, Vice-Minister of Agriculture and Rural Development. Observers from UN-ESCAP, UNDP, the ASEAN Secretariat, the Asian Development Bank and selected government departments also attended the two-day meeting.

(For further information, please visit Mekong River Commission website at: <http://www.mrcmekong.org>)

Source: Mekong River Commission Secretariat

Long An: 20 Billion VND investment for agriculture products trading centre

The Centre is in an areas of 2.2 ha in Hau Thanh Dong commune, Tan Thanh district. Apart from key functions as a trading floor, a storage of rice for exporting, the Centre is also a place where farmers in the Dong Thap Muoi can get information on market, fertilizers, agricultural inputs and technology tranfer. The Centre is planned to be in operation from February 2004.

Source: Labour Newspaper

APEC: Cooperation to improve value of agricultural products

The workshop "Strengthening the cooperation in the field of post harvest technology among APEC's economies" was held in Hanoi recently. At the workshop, the participants shared post havest experiences and methodologies and proposed post harvest technology transferring solution for vegetables and rice.

The workshop was an effort to improve the effective of cooperation among APEC members on post harvest technology transferring for vegetables and rice; infromation and knowledge sharing and, development of cooperation mechanism among APEC member countries on this field.

Source: MPI