

## MONTHLY BRIEFING: INTERNATIONAL COOPERATION IN AGRICULTURE AND RURAL DEVELOPMENT

*October 2003; Issue: No 4*

- **Poverty mapping in Vietnam**
- **The greatest International Conference on Rice held in Vietnam**
- **Food Export to the US should be registered via the internet**
- **Mekong Delta poverty analysis**

### List of ODA programmes and projects approved by Prime Minister in third quarter of 2003 for requesting donor finance

*Unit: million USD*

<i>Sector</i>	<i>Name of ODA program/project</i>	<i>Executing Agency</i>	<i>Requested Donor</i>	<i>Estimated required aid budget</i>
<b><i>Agricultural and Rural Development</i></b>	1. Study on the Establishment of the Flood Information Database and Construct Flood Mapping for the Quang Nam Province	Ministry of Agriculture and Rural Development (MARD)	Japan	--
	2. Master Plan on Improvement of Infrastructures and Living Conditions in Northern Mountainous Areas	MARD	Japan	--
	3. Strengthening Plant Quarantine Service of Vietnam	MARD	Japan	--
	4. Rural Infrastructure Improvement for Poverty Reduction in Central Highland and Center Coast Regions	MARD	Japan	17
	5. Preservation of Ba Be National Park and Improvement of Living Standards for Ethnic Minorities in Surrounding Area	MARD	Japan	2
	6. Floriculture Development in Viet Nam	MARD	FAO	0,48
	7. Improvement of Seed Sources and Rice Production for Food Security in the Highland and Mountainous Region in Vietnam	MARD	FAO	0,21
	8. National Programme on an Integrated Management of Varroa and European Foulbrood Diseases in Honeybees	MARD	FAO	0,28
<b><i>Irrigation</i></b>	9. Rural Sector Loan to Support SMEs in rural areas	MoF, MPI	Japan	30
	1. Groundwater Development in the Rural Provinces of the Southern Coastal Zone	MARD	Japan	--
	2. Ta Trach Irrigational System in Thua Thien Hue province	MARD	Japan	108,33

**Source:** Ministry of Planning and Investment (MPI)

## **International Integration**

### **ASEAN and ASEM cooperation**

The Ninth ASEAN Summit and other Summits between the 10 ASEAN countries and the four Dialogue Partners including China, Japan, Republic of Korea and India were held in Nusa Dua, Bali, Indonesia on 7-8 October 2003. Prime Minister Phan Van Khai headed the Vietnamese delegation.

The Summit approved the Bali Concord II, which affirms: ASEAN will be a united market and production characterized by the liberalization of services, commodities, investment and more liberalized capital flows in 2020; and affirms strengthening of the implementation of current integration programmes such as Vision 2020, Hanoi Action Programme...

Among the eight instruments signed at the Summit, there were seven signed between ASEAN and dialogue partners: China, Japan and India. They were the instrument that allows India and China to access the Treaty of Amity and Cooperation (TAC) in Southeast Asia; Framework Agreement on Comprehensive Economic Cooperation Between the Republic of India and ASEAN; Framework for Comprehensive Economic Partnership between ASEAN and Japan ...

The first ASEM Senior Officials Meeting on Agriculture will convene in Beijing, China from 11-12 November 2003. A Vietnam MARD delegation will be assigned to participate.

**Source:** ICD - MARD

### **Vietnam-United States Bilateral Trade Agreement (BTA)**

After completion of a investigation on food security hygiene and sanitary and phyto-sanitary (SPS) by 8 representatives of the Office of the Government, MARD, and Ministry of Health (MoH) in the United States under the framework of the Technical Support Programme to implement the BTA, MARD will continue cooperation with the STAR project of the United States and will coordinate with Ministry of Fishery, MoH, Ministry of Science and Technology to organize two national workshops on food security hygiene, SPS and Convention for the Protection of New Varieties of Plants late this year or early January next year in Hanoi, making a good step for Vietnam to join the Convention.

**Source:** ICD - MARD

### **Food Export to the US Market should be registered in the Internet**

Vietnam Ministry of Trade has just made an announcement on guidelines for implementation of the most updated regulations on management of food export to the US market. The Ministry also made a recommendation that the registration procedures for export product should be carried out on the website of the US Food and Drugs Agency (FDA) rather than the normal mail.

Biological Terrorism Act 2002, which is going to be approved by the US Parliamentary, requires all domestic production units and distribution agents as well as import firms that the reservation of foods for human being or animal in US is obliged to make registration with FDA before December 10th 2003.

According to the updated guidelines of FDA, enterprises can make their registration through the Internet (first, accessing to the FDA website: [www.fda.com](http://www.fda.com), and then click on the Registration of Food Facilities and after that click on Electronic

Registration via Internet for more detailed guidelines). From the viewpoint of the Vietnam Ministry of Trade, the registration is very convenient and not time-consuming. The thing needed to do is just to fill in an available form on the FDA web page. After being fed with logistic and adequate data, the electronic system will automatically certify your registration and the registration code then will be produced.

**Source:** MPI

### **WTO accession negotiations**

Currently, ministries and agencies, including MARD, are preparing related contents and documents for the seventh negotiation round on Vietnam's WTO accession. They include such agriculture related issues as tariffs, non-tariff; services; announcement on domestic support and export subsidy; adjustment and amendment to the action programme to implement the Agreement on Food Security Hygiene and SPS; programme to implement the Agreement on solutions regarding investment (TRIMs).

With a view to implement the Article 7 and Annex B of the WTO SPS Agreement, particularly to establish a focal point for information provision and Q&A service on food security hygiene and SPS, the Government has assigned MARD to be the focal point on this issue.

In an effort to implement the MARD capacity-strengthening project funded by Australian Government, MARD has held national workshops on international economic integration in agriculture in Hanoi on 20-21 October 2003, and in Da Nang 23-24 October 2003 and in Ho Chi Minh City 27-28 October 2003.

**Source:** ICD - MARD

### **To improve awareness and knowledge about Vietnam's intergration**

In an effort to enhance the awareness and improve the knowledge of MARD staff and other key stakeholders at central and provincial levels about the commitments and implications of Vietnam's membership of international trade agreements in relation to the agricultural sector and in order to better response to the challenges and make use of the opportunities from this membership, MARD, through the AusAID-funded project "Strengthening Capacity of the Agriculture and Rural Development Sector for International Integration", organized a series of workshops on the implications of WTO accession for Vietnamese agriculture.

The workshops were organized for 10 days, from 20th to 28th , October 2003, in Hanoi, Danang and Ho Chi Minh City. The workshop mobilized over 160 participants, including senior officials from MARD, provincial DARDs, MARD research institutes, universities and managers of State-owned and private agribusinesses, representatives from other institutions such as Ministry of Fisheries, Ministry of Trade, the Vietnam Chamber of Commerce and Industry (VCCI) and the People's Committees.

At the workshops, participants were introduced of many issues relating to international trade and WTO such as patterns of global trade and protection, trade organization, the logic of trade liberalization, how the WTO works, structure of WTO, Agreement on Agriculture, developments in Doha ground, TRIPS, China's accession to the WTO, dispute settlement, trade and environment, and quarantine and technical standards; and many actual examples relating to Vietnam and the agriculture sector such as ASEAN free-trade area (AFTA) and Vietnam agriculture, the US – Vietnam

Bilateral Trade Agreement (BTA), WTO accession: Progress and issues in brief, US anti-dumping law and tra/basa fish case.

Many other issues were asked and discussed passionately by participants, such as What opportunities and challenges will Viet Nam's accessing into WTO bring to the farmers?; If globalization is good, so why were there anti-globalization demonstrations in the world annually?; Why has China met many difficulties in its accession into WTO but Kampuchea has not?; Is the implementation of TRIPS useful or harmful to developing countries?; Does Vietnam gain or loss from anti-dumping lawsuit of tra & basa fish?; Some applications of sanitary and phyto-sanitary (SPS) and technical barriers in Vietnam; Some applications of TRIPS agreement in Vietnam and so on.

**Source:** ISG Secretariat

### **The Greatest International Conference on Rice held in Vietnam**

The International Conference on Rice 2003 held on October 16-17 in Hanoi by the Trade Promotion Department (Ministry of Trade), Vietnam Food Association and IBC ASIA Company (Singapore). With the participation of more than 200 domestic and international delegates, this is a greatest conference on rice trade ever held in Vietnam.

Participants of the Conference are representatives from rice trade enterprises, food associations, service and consultancy firms from big rice-producing regions and rice consumption markets all over the world such as those of EU, the US, Africa, Middle East, South East Asia, China and Pakistan, etc. The conference is a chance for enterprises to have contact, and exchange experiences and business opportunities and to review and evaluate the prospect of rice production and trade as well as the factors that affect the future rice market. Moreover, Vietnam rice enterprises and international customers have chance to meet for trade discussion and explore the market of each other.

"International rice trade", which is an important annual event, is alternatively organized in rice-producing countries throughout the world with the purpose of discussing and exchanging views on issues concerning international rice trade and improving the mutual understanding between partners of the international rice market. This conference was first organized in 1996 according to the initiative of Informa Group Plc., with the head quarter in London. It is the first time Vietnam host this conference after 15 years of exporting rice to other countries.

**Source:** Ministry of Trade

### **Poverty mapping in Vietnam**

At the seminar to report on the results of the research project on "Poverty mapping and market access in Vietnam" held in Hanoi on October 2nd 2003, PhD. Dang Kim Son, Director of the Information Center of Agriculture and Rural Development (Icard) expressed his wishes to map poverty distribution to district and commune level. We have had poverty maps at regional and provincial level.

The project, co-funded by the New Zealand Embassy and Swish Agency for Development and Cooperation, is implemented by the International Food Policy Research Institute in cooperation with ICARD and the Research and Development Institute under the coordination of the World Bank.

PhD. Nicholas Minot (IFPRI) said that given the above-mentioned objectives, the seminar should focus on the discussion on the foundation, objective and methodology of mapping, characteristics of poor households as well as poverty indicators at the district and commune level. Although the poverty mapping has been implemented in a number of countries throughout the world such as Ecuador, South Africa, Nicaragua and Mozambique, but Vietnam has not realized it.

**Source:** ISG Secretariat

### **Mekong Delta Poverty Analysis**

The Australian Government funded Mekong Delta Poverty Analysis (MDPA) held its final workshop in Can Tho on 23 October 2003.

The aim of the workshop is to present analysis conducted by the MDPA project, including findings from four special studies conducted by research teams, to the leaders of the provinces in the Mekong Delta, central officials, donors, NGOs and community groups. The special studies focused on the causes and effects of landlessness, access to rural markets, the Khmer ethnic minority and an assessment of human capital in the Mekong Delta, and were undertaken respectively by Ho Chi Minh City University of Economics, Can Tho University, and the University of An Giang.

The research was conducted in 12 provinces of the Mekong Delta and made use of participatory methods and the 2002 Vietnam Household Living Standards Survey by General Statistics Office. MDPA's community website [www.mdpa.org.vn](http://www.mdpa.org.vn) provides information, newsletters, reports on poverty reduction issues in the Mekong Delta.

**Source:** AusAID

### **Farmers to benefit from better pesticide knowledge**

How to manage the risks of using pesticides, so that the benefits of their use are not outweighed by agricultural product contamination and environmental damage is the main concern of the three day workshop titled "Environmental Risk Assessment, Monitoring & Remedial Action for Pesticide Residues" held from 28 to 30 October 2003 in Hanoi.

This workshop will present the results of the 2-year \$AUD322, 000 (VND3.2 billion) project "An integrated Approach to Strengthening Institutional Infrastructure for Environmental Risk Assessment, Monitoring & Remedial Action for Pesticide Residues", an activity supported by the Australian-funded Capacity-Building for Agriculture and Rural Development (CARD) program.

The project focuses on the use of a risk assessment framework to facilitate the safe use of pesticides and to enable monitoring of pesticide residues in agriculture produce. These results have been summarized concisely in a project manual, prepared mainly by the Vietnamese project participants, as a guide for future work in this area in Viet Nam.

**Source:** AusAID

### **Disbursement of 311 million euro for ODA in 2002**

It is mentioned in the report "European Commission - Development Cooperation Activities in Vietnam in 2002" (Blue Book) delivered on October 16th in Hanoi that the disbursement of Vietnam in 2002 as of all projects and programs funded by the European Union is 311 million euro, which accounts for nearly 20% of ODA disbursement of Vietnam in the same period.

Among those, the non-refundable assistance accounts for 78%, and the remains (22%) are loans and credits. These financial resources are focally invested in the fields of agriculture, forestry and aquaculture, human resource development, economic management, regional development and natural resource management.

The European Union is the greatest donor for Vietnam in term of non-refundable assistance.

In 2002, the committed assistance for the on-going and up-coming projects by European Union for Vietnam is approximately 2,6 billion euro. Up to now, the disbursed amount is nearly 971 million euro, which accounts for around 37,5% of the committed fund.

In addition to the bilateral official development assistance for Vietnam, members of the European Union have also assisted Vietnam with a number of other big ODA through multilateral financial organizations and other organizations.

According to the Blue Book, the EU Strategy is to assist Vietnam in realizing its efforts to integrate into the world economy, improving the human resource development and poverty reduction and hunger alleviation. EU has also willingly supported Vietnam Government to improve its efforts and strengths in public administration reform and governance; committed to closely and harmoniously integrate its guidelines, policies and procedures applied in Vietnam for improved effectiveness and mutual supplementation.

To the end of effective implementation of ODA projects, EU will continue its supports for the perfection of the administration and budget management system: implementation of a strict anti-corruption strategy; improving the transparency of the budget system; improving the transparency of taxation, tariff and counterpart capital.

**Source:** MPI