

INTERNATIONAL COOPERATION IN AGRICULTURE AND RURAL DEVELOPMENT

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Vietnam Agriculture has made important achievements

The Conference "Transforming agricultural structure - improving land use effectiveness to reach the goal of developed farming household farms and fields with the production value of at least 50 million VND/ha/year" has taken place in Hanoi during April 16th and 17th.

According to the assessment carried out by the Ministry of Agriculture and Rural Development, the transformation of production structure has produced great social and economic results and ensured the continuous increase of agri-forestry and aquaculture GDP at a relatively high speed, from almost 3% in 2001 to more than 4% in 2002 and 3.2% in 2003. Cuu Long River Delta is the region with high transformation speed and the agricultural production value increases from more than 20 million VND/ha in 2000 to 28 million VND/ha in 2003. The Red River Delta comes after with the average agricultural and aquatic production value of 37 million VND/ha in 2003.

Although the rice cultivation area of Vietnam in 2003 decreases in comparison with that in 2000 but rice productivity increases from 32.5 million ton in 2000 to 34.52 million ton in 2003.

In his speech at the conference, the Prime Minister clarified that agricultural and rural issues need to be handled comprehensively in the time to come and attentions should be focused on traditional villages and small and medium enterprises.

Source: MARD

ODA disbursement is around 30% of the year plan

Disbursement of the official development assistance (ODA) in the first four months of 2004 is around \$ 555 million, equivalent to 29.8% of the plan set forth for the year.

Disbursement of loans values at around \$ 480 million, equal to 28% of the year plan, and that of nonrefundable aids is approximately \$75 million, equal to 49% of the year plan.

There was a great change in disbursement of the capital from the Japan Bank for International Cooperation (JBIC), which contributed to an increase in disbursement rate of this capital from 9% in last fiscal year to 11% in the fiscal year, which just ended on 31st March (the disbursement rate of the JBIC capital in the region is 15%).

The total value of ODA, which has been legalised by agreements signed with donors is nearly \$ 1 billion, equal to 53% of the total value of all agreements signed in 2003. Of which, loans are \$ 967.73 million and nonrefundable aids are \$ 31.82 million.

Most of the ODA value, which has been signed on agreements, are from the two major donors Japan (\$ 754.48 million) and Asia Development Bank (\$ 186.45 million), which accounts for around 94% of the total value of all agreements signed in the first 4 months.

Source: MPI

Implementation of the program 135: Help the farmers in sustainable poor alleviation

The conference on 5-year (1999-2003) implementation review of the Program on socio-economic development in extremely difficult communes in ethnic, border, remote and out-of-way areas (the Program 135) and 2-year (2004-2005) plan implementation took place in Hanoi in April 8th and 9th.

The biggest achievements during 5-year implementation of the Program 135 is that: (i) Thousands of infrastructures in mountainous and high areas have been built; (ii) The poverty and poor rate in extremely difficult areas has reduced from 50-60% in 1998 to roughly 26% in 2003; (iii) A number of provinces have reached to the goal of reducing 25% of poverty and poor rate in 2003 (instead of 2005) such as Tuyen Quang, Bac Giang, Ba Ria-Vung Tau, Khanh Hoa, Long An, etc; (iv) Education, health care, politic, raising public awareness and settlement have also achieved satisfactory results after 5-year implementation of the Program 135; (v) The program 135 has been highly appreciated and recognized as effective efforts in the process of hunger alleviation and poverty reduction by international organizations.

UK becomes the biggest donor for Vietnam

Hanoi, 21 April - in his working visit to Vietnam from 20 to 22 April, Mr Gareth Thomas, member of UK Parliament and first Secretary of the Department for International Development (DFID) has officially announced the DFID Country Assistance Plan in the period of 2004-2006 for Vietnam.

According to the plan, UK will increase the official development assistance (ODA) for Vietnam from \$US 35 million in 2003 to \$US 100 in 2005.

Mr Thomas says that the UK Government as well as other countries is impressive by achievements on growth and hunger alleviation and poverty reduction which Vietnam has achieved during the past time.

Source: People Daily

US\$90 Million Loan Signed to Help Alleviate Water Shortages in Southern Viet Nam

HANOI, VIET NAM (8 APRIL 2004) - The signing ceremony for a US\$90 million loan to develop water infrastructure in southern Viet Nam took place today between the Asian Development Bank (ADB) and the State Bank of Viet Nam (SBV). Governor Le Duc Thuy represented the State Bank of Viet Nam at the signing, while Bradford Philips, Country Director at ADB's Resident Mission in Viet Nam signed for ADB.

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. It will also help develop irrigated agriculture in the surrounding provinces.

The total cost of the project is estimated at \$164.6 million, of which the Government is financing \$35.6 million equivalent and Agence Francaise de Developpement (AFD) is cofinancing 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, due for completion in September 2010.

"The additional water resources for the Saigon and Vam Co Dong river basins will benefit directly almost 170,000 people in the three new irrigation areas, creating jobs and raising incomes," said Mr. Philips. In addition, large number of households will benefit from improved supplies of water for domestic and industrial use and from improved salinity control in the downstream reaches of the rivers.

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.

Source: ADB

Beer waste to help farmers fight fruit flies

Ho Chi Minh City - 16 April 2004 - Australia's Ambassador to Vietnam, Mr Joe Thwaites, joined 120 farmers and invited guests in opening a small processing plant in Tien Giang Province as part of a cooperative project.

The Fosters' brewery in Tien Giang houses the plant which will process its yeast waste into protein to lure the tiny fruit fly that is number one on the hit list of fruit and vegetable growers.

The devastation caused by fruit flies to Vietnam's fruit and vegetable industries continues to undermine the country's efforts to achieve food security.

Scientists from Australia's Griffith University International Centre for Management of Pest Fruit Flies, Vietnam's Southern Fruit Research Institute and the National Institute of Plant Protection have collaborated in practical research to come up with an innovative solution to the urgent need for fruit fly control.

Ambassador Thwaites said: "The protein plant is the latest development in an initiative to enable worldwide control of a pest that threatens

agriculturally-dependent economies. At the same time it will protect farmlands, ecosystems and produce from overuse of pesticides. It is an outstanding demonstration of partnership between science, the corporate sector and domestic and international government agencies in Vietnam and Australia."

Source: AusAID

FAO gives Vietnam \$ 390,000 for avian influenza control

The United Nations' Food and Agriculture Organization (FAO) has granted around \$ 390,000 to Vietnam as emergency assistance for the control of the avian flu throughout the country.

Initially begun in February 2004 and for completion by December 2004, the grant aims to help further control the outbreak of the flu so as to prevent its spread and any human fatalities from the disease.

It has helped veterinary workers and farmers rapidly cull flu-infected poultry, provided techniques and measures to prevent the disease, produced and used vaccines and improved supervision and control.

A document was signed in Hanoi yesterday by Cao Duc Phat, Vice Minister of Agriculture and Rural Development and Anton Rychener, FAO representative in Vietnam. "Japan has pledged to provide Vietnam with \$ 400,000 to recover its poultry sector and FAO will continue to assist Vietnam to prevent the return of the deadly flu," said Mr Rychener.

Source: NDM-Partnership Secretariat

Nearly 50.000 ha of new afforestation nationwide

Since the year beginning, 52.800 ha of forestry of all kinds have been newly afforested, equivalent to 98.7% of the same period in the past year, 57.700 ha of forestry are taken care of, equivalent to 99.5% of the same period in the past year, 244.000 ha are parceled and grown with planted, equal

to 99.6% of the same period in the past year.

According to statistics, forestry area which is contracted to households for protection is 2.432.960 ha, forestry for special purpose and protective forestry are sustainably developed and managed, which can bring into full play the function of bio-diversified preservation.

Serious violations of the Law on Forestry Protection and Development, however, is being the biggest obstacle to the forestry development presently.

Source: VNS

Decentralization in Vietnam - Working Effectively at Provincial and Local Government Level

May 2003 - A study commissioned by the Australian Agency for International Development (AusAID). The study was undertaken by Adam Fforde & Associates under the leadership of Dr Thaveeporn Vasavakul.

This paper analyses the current allocation of decision-making responsibilities, authority and administrative capacities between central and local government units at the provincial, district and commune level in Viet Nam. It also explores the extent to which these arrangements support substantive program or service outcomes. The report identifies both areas of real progress and a number of ongoing structural constraints to working effectively at provincial and local government levels.

The report argues that the process of decentralization has evolved to different degrees and in different directions in Viet Nam's provinces. It examines decentralization at the provincial level, representing a range of experiences of decentralization in rural service delivery; and highlights the varying emphasis on the relative role of the state and the market. It concludes that, to work effectively at the provincial and local government level, the Government of Viet Nam (GOV) and donors should take into account

provinces' diverse experiences in decentralization.

For further information contact: AusAID, Mr Russell Miles, Ph:04-8317754, ext:123, email:Russell.Miles@dfat.gov.au, or Diep-Hoa.Nguyen@dfat.gov.au

Source: AusAID

A Celebration in Words and Pictures of Five Countries and a Province

The Greater Mekong Subregion Atlas of the Environment, launched at ADB Headquarters today, champions the environment of a unique part of Asia, an area that encompasses six culturally, ethnically, and linguistically diverse areas.

About 250 million people, most of them in rural areas, occupy the subregion's five countries and one province: Cambodia, Yunnan Province of the People's Republic of China (PRC), the Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam.

They are linked by the mighty Mekong, the longest river in Southeast Asia. Making its way over 4,200 kilometers, the Mekong endows the subregion with a rich natural resource base. These natural resources provide both sustenance and income to the great majority of peoples in the subregion who are leading subsistence or near-subsistence lifestyles.

Published by ADB and the United Nations Environment Programme, the GMS Atlas, through detailed maps, photographs, remote sensing images, tables, graphs, and text, for the first time shows the wealth of the subregion's natural resources, the growing seriousness of environmental degradation, and the efforts being made to tackle these challenges.

The GMS Atlas (ISBN: 971-561-499-X), containing 224 pages, is published in hardback for \$60 and softback for \$40, including postage. A CD-ROM is also

available containing the entire Atlas in PDF format, costing \$10, including postage.

Source: ADB

Regional Workshop on Participatory Irrigation Management - "Pathways for Progress"

A regional workshop on Participatory Irrigation Management (PIM) was held in Ha Long City from 30 March to 2 April 2004. PIM has been introduced and put into pilot operational models in agricultural sector of Viet Nam since the early 1990s and the establishment of Viet Nam PIM Network under MARD between 1995 – 1996. As in many other countries where irrigated agriculture is practiced, PIM has been recognized as an efficient and effective irrigation management approach. However, despite the encouraging pilot project outcomes, the PIM approach has not been widely embraced and exercised by the provinces and their irrigation management companies (IMCs).

The workshop was organized by the Ministry of Agriculture and Rural Development (MARD) with sponsorship from ADB, the Danish Agency for International Development Assistance (DANIDA), the International Network for Participatory Irrigation Management (INPIM) and the World Bank.

The workshop was opened by Vice Minister Pham Hong Giang of MARD. A wide range of Vietnamese participants of all levels from decision-makers to irrigation managers, practitioners and water user organizations representatives, academia and NGOs participated. The workshop was also attended by regional participants from Cambodia, Lao PDR, PRC and Thailand.

The objectives of the workshop were to:

1. To present the framework PIM strategy and action plan of MARD;
2. To share regional/international PIM experience;
3. To present and share the outcomes of the special evaluation studies 2003 in Viet

Nam derived from PIM Pilots, with emphasis on identifying main constraints for operationalizing PIM as perceived by the provinces/IMCs;

4. To develop a "Road-Map"/Action Plan for operationalizing PIM under ADB-financed water sector projects.

Conference looks at water preservation

Hanoi – The second Viet Nam Water Partnership (VNWP) conference was held in Hanoi on 23 April 2004. The conference developed an action plan under which VNWP members will raise public awareness about preserving water.

Addressing the conference, Mr. Jan Moller Hansen, Counsellor of the Danish Embassy in Hanoi said Denmark would continue to provide assistance to the VNWP. Mr. Hansen said, he hoped more international organisations would finance water preservation projects in Viet Nam.

The conference appointed Mr. Pham Hong Giang, Vice Minister of Agriculture and Rural Development and Mr. Nguyen Cong Thanh, Vice Minister of Natural Resources and Environment as the partnership's co-chairmen.

Established in May 2002, the VNWP is composed of representatives from State management agencies, institutes, universities, social organisations and concerned individuals.

Source: VNS

Setting up of Office of River Basin Planning Management

On the 8 April 2004, Minister of Ministry of Agriculture and Rural Development issued the Decision on the establishment of the General Office of river basins planning management. To get the document, please visit the ISG website at: <http://www.isgmard.org.vn/Information%20Service/Legal%20docs/Legal.doc.asp>

Source: ISG Sec

72 billion VND Investment on Can Tho rice market

Can Tho city is promoting the establishment of rice specializing market located near the Hau river and the national highway 91 in Thot Not District.

The market situated on an area of 21 ha is locations for offices and bank exchange bureaus, rice storehouses, drying grounds and mills. The total expenditures for the work is 72 billion VND, in which the Central level will invest 20 billion VND on technical and infrastructure construction.

Can Tho rice market is one of 3 focal agricultural product markets at regional-level besides 2 other markets in Dak Lac and Nghe An, and is under the management of the Ministry of Trade as assigned by the Central level. When completed, Can Tho rice market will be the focal point to mobilize enterprises operating in every economic sector to cooperate to improve their rice production and processing capacity, their competitiveness in bidding to buy and sell rice in Cuu Long river delta as a whole, and gradually move to directly export rice to other countries.

At present, the project is registered for investment by a great deal of enterprises. It is estimated that the contributed investment can reach 60 billion VND in the time to come.

Source: VNS

An Giang expands rice export market

The rice of An Giang, at present, has been exported to 17 countries, some of which such as Australia, Canada and Poland are new markets in addition to other permanent and frequent markets such as Indonesia, Malaysia and the Philippines.

Since the year beginning, the rice exports of An Giang have reached \$US 21 billion, which accounts for nearly 50% of the total exports of the province.

This is the result of improvements in cultivation skills and seedling structure,

which the provincial agriculture sector has implemented with an aim of improving the quality of organic rice for export to meet the requirements of the world market.

According to the agriculture and rural development sector of An Giang, in 2004 the province will continue to speed up the production structure transformation in the orientation of producing more high-quality rice with a low selling price.

In April, the province launched a website on agricultural seedlings with the purpose of informing and updating the farmers with new technologies and seedling sources.

Source: VNS

The sixth Meeting of the ISG Thematic Ad-hoc Group 2 (TAG2) on Support to Hydraulic Works Development, Disaster Control, and Rural Water Supply

The sixth Meeting of the ISG Thematic Ad-hoc Group 2 (TAG2) on Support to Hydraulic Works Development, Disaster Control, and Rural Water Supply under the framework of the ISG process held 23 April 2004, co-chaired by Ms. Nguyen Thi Tuyet Hoa, Deputy Director, ICD MARD, and Mr. Nico Bakker, First Secretary, Royal Netherlands Embassy.

The meeting objectives were (i) to update TAG 2 activities; (ii) to present the TAG 2 Work Plan 2004 and select most priority activities for TAG2 to carry out in 2004 in order to support to implementation of MARD work plan 2004; (iii) to exchange information and discuss on the coordination activities between MARD, other ministries and donors in the water sector.

Participating in the meeting were representatives from MARD agencies, Government relevant agencies, and donors as well as several donor-funded projects, programmes.

TAG2 members agreed to the following issues:

- The open work plan 2004. It was agreed that the activities considered priority and feasible would be incorporated into the work plan.
- The questionnaire should focus on PIM issues, such as the responsibilities of each agency and water users.
- The Decree 143 specifies functions of IMCs. There should be a workshop participated by IMCs in several provinces to discuss the Decree 143, with a view to find out what the IMCs say and think about this decree, at the same time to identify appropriateness and possible implementation of this decree.

(For further information of the meeting, please contact ISG Secretariat for details)

Source: ISG Sec

Updated information of TAG3

In April, ISG Secretariat and CECI co-organised a fieldtrip to visit three provinces in the Mekong Delta, An Giang, Soc Trang and Tra Vinh to:

- Introduction of CPRGS concept
- Introduction of tools for improvement of policy dialogue
- Introduction of local capacity to implement CPRGS
- Information sharing

In May 2004, another fieldtrip to visit Thanh Hoa and Thai Nguyen provinces will be made with the same objectives. For more information on these fieldtrips, please contact ISG Secretariat.

ISG Secretariat is under the preparation of the Fourth Regular Meeting of TAG3, tentatively on 20 May 2004. It would be highly appreciated if you could give your comments and/or suggestions for the preparation of the Meeting. Please contact ISG Secretariat to get involved in this activity.

Source: ISG Sec