Restructuring Crop Production in Vietnam

Dr. Tran Cong Thang and Nguyen Le Hoa
Institute of Policy and Strategy for Agriculture and Rural development of Vietnam

On June 10, 2013, the Prime Minister of Vietnam issued Decision No. 899/QD-TTg approving the restructuring of agriculture and rural development towards increasing the added value and sustainable development. On June 18, 2013, the Minister of Agriculture and Rural Development promulgated the Action Programme to implement the Prime Minister’s Decision. According to Action Programme, from 2013 to 2015, relevant bodies and localities focus on reviewing and drafting policies, building resources development strategies and training rural workers. Cultivation (crops production) restructuring is an important content of this program.

Main polices: context of issuance and major contents

After a long period of focusing on quantity increasing and abusing chemical material input, it was time for Vietnam to restructure its crop production towards high value and sustainable development and to introduce crop diversification on rice land to increase profits. Cultivation restructuring raised food security and farm incomes, alleviated poverty, stabilized the country's socio-economic situation, protected the environment - and responded to climate change. Farmers are encouraged to invest more in plants of high economic value and in commodities highly sought after in the market. The Government also urges farmers to use plant species of high quality and pest resistance and to apply advanced scientific methods and technologies to farm production, particularly in reducing postharvest losses. The restructuring process aims to help the farmers to improve livelihood.

In order to facilitate the transformation and restructuring of agriculture in general and crop production, many polices have been implemented, including Decision No. 62/2013/QD-TTg dated October 25, 2013 by the Prime Minister on policies to encourage collaborative development, linkages between production and the consumption of agricultural products and built large field, Decision No. 68/2013 / QD-TTg dated 14/11/2013 of the Prime Minister on policy support to reduce losses in agriculture, the Decree No. 210/2013/ND-CP on policies to support enterprises to invest in agricultural and rural development, the Decision No. 580/QD-TTg dated April 22, 2014 on policies on shifting from paddy to other crops cultivation in the Mekong Delta.

Within the framework of overall agriculture restructuring, the ministry of Agriculture and Rural development of Vietnam (MARD) and other official agencies at different levels have actively implemented restructuring plan and has achieved some initial results. MARD has issued related
policies as follows: The Action Plan for implementation of the restructuring crops productions in the period of 2014-2015 and 2016-2020 period (Decision No. 1006 / QD-BNN-TT dated 05.13.2014); The Plan to promote the study and application of science and technology for agricultural restructuring (Decision No. 986/QD-BNN-dated 05.09.2014 of Science and Technology); The Irrigation Restructuring plan (Decision No. 794 / QD-BNN-TCTL dated 21.04.2014) and the Programme of implementation of the scheme to restructure the irrigation sector (Decision No. 802 / QD BNN-TCTL dated 22.04.2014); The Plan of innovation of economic organization of agricultural cooperatives (Decision No. 710 / QD-BNN-KTHT dated 10.04.2013)

MARD has established a steering committee to assist the Minister to monitor the agricultural restructuring plan and different committees on sub-sectors restructuring including steering Committee on coffee replanting; Steering Committee on sustainable development, steering Committee on fruit production development in the southern region of the country, Steering Committee on tea sustainable development; Steering Committee restructuring paddy crops on land in the Mekong Delta; Steering Committee on VietGAP application in crop production, and Steering Committee on rice restructuring.

At the provincial level, many local governments have approved projects and plans to restructure the local agricultural sector, including crop production; some provinces have formed their own Steering Committees or working groups on agricultural restructuring.

Some initial results

In the course of restructuring crop production, 13 provinces in the South of Vietnam have created 369 large rice fields covering 120,500ha. Provinces in the Song Hong (Red River) Delta have established 1,256 large rice fields on 35,518 ha. In the course of restructuring crops, 13 provinces in the South have created 369 giant rice fields covering 120,500ha. Provinces in the Song Hong (Red River) Delta have established 1,256 large rice fields on 35,518 ha. In 2013, farmers in the Cuu Long (Mekong) Delta converted 87,310ha of rice land to grow other crops. Farmers in the North also planted subsidiary crops instead of rice on tens of thousands of hectares and earned more profits.

The ongoing campaign aims to poor paddy fields to grow other crops, or for animal husbandry or aquaculture in as many localities as possible.

Limitations and big challenges to overcome:

There is inconsistency in the awareness of the need to restructure agriculture in general and in particular in the area of cultivation of local officials. The cultivation restructuring in some cases is
hindered by backward thinking in favor of quantity production, waste of land resources, water, substance abuse; lack of international integration, less concerned with the sustainability of economic, social, environment. Some provinces have not mastered the local purpose, direction, content and measures of restructuring so they become confused in building projects, planning and implementing organizational restructuring;

The investments are limited both in public and private terms; funds for restructuring plans do not meet the requirements, especially funds for upgrading the infrastructure for production, such as transportation, irrigation;

Lacking of stable market is among the big obstacles to conversion, scaling up production; building successful models that are difficult to replicate the large production;

The agricultural sector lacks science and technology breakthroughs (new varieties, new technological advances), technologies have not met the requirements of production and not can improve the competitiveness of agricultural products.

**Recommendations**

The central and provincial governments should continue to complete projects and plans to restructure the major horticultural products aimed at raising income for farmers and, businesses. Each province should select typical products having advantages, market, technical progress, with high levels of competitiveness;

It is necessary to clarify the SWOT analysis in production and market of each crops, in order to promote advantages and overcome their limitations, then facilitate breakthroughs in technologies, reorganization of production, policy and institutional innovation.

It is important give priority to selected tasks in the programs, which need more resources and investments.

The central government should ask provincial governments to review and evaluate the effectiveness of new models, new technical advances, best practices, creative replication of practical issues, as well as to establish steering committees which assure the performance monitoring of local agricultural restructuring programs.