

Quarter II  
**2020**

# PSAV News Letter

Partnership for Sustainable Agriculture in Viet Nam - PSAV

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT

## IN THIS ISSUE

### UPDATES OF THE ACTIVITIES OF THE PPP TASK FORCES ON VARIOUS KEY AGRICULTURE COMMUNITIES

- PPP Task Force on Coffee
- PPP Task Force on Fruits and Vegetables
- PPP TF on Spices and Pepper
- PPP Task Force on Livestock
- PPP Task Force on Rice
- PPP Task Force on Tea
- PPP TF on Agro-Chemicals



### OTHER ACTIVITIES AND EVENTS

- Virtual meeting on the ASEAN Food System in response to the Covid-19 pandemic
- Virtual meeting on the ASEAN action plan to address the Fall Army Worm (FAW)



### PSAV SECRETARIAT'S ACTIVITIES

- Formulation of the Strategy and the Action Plan of PSAV for the period 2021 – 2025 and vision to 2030
- Undertake activities to support specialized agencies in fight against Covid-19 pandemic
- Enhance international cooperation to promote sustainable agriculture development



### NEW POLICIES TO PROMOTE BUSINESSES AND SUSTAINABLE AGRICULTURE DEVELOPMENT

- Extend the timeline for tax payment and exempt interest for late tax payment due to impact of the Covid-19

### SOME INCOMING ACTIVITIES

- PPP Dialogue on Promoting application of science and technology for sustainable agriculture development
- Virtual Meeting of Grow Asia Forum 2020 (GAF)



## 1 PPP Task Force on Coffee:



Some main activities of the Coffee TF:

- The Global Coffee Platform (GCP) in Viet Nam cooperated with the Viet Nam Coffee Coordination Board (VCCB) to conduct a quick survey on the impact of the Covid-19 pandemic on Viet Nam's coffee industry, particularly in sustainable coffee production and exports. It was expected that the rapid assessment report would be completed and shared with stakeholders by the third quarter of 2020 as a basis for developing appropriate work plans as well as proposals to support the sector in

the coming time.

- GCP and its partners continued to replicate application of the traceability software for coffee in Di Linh and Lac Duong districts.

- Based on the success of VCCB's Guidance on Sustainable Coffee Production (NSC) for Robusta coffee, the Department of Crop Production, the National Agricultural Extension Center, the West Highlands Agriculture and Forestry Science Institute (WASI) ) and the GCP cooperated to develop the NSC Documents for Arabica coffee in Viet Nam. It was expected that in the third quarter of 2020, there would be the first draft to share with partners for comments.

- PPP TF on Coffee launched the project "Initiative for the responsible use of inputs for the coffee sector"; The project was sponsored by JDE, T'chibo, Nestle and IDH. The project was being carried out for four years in the Central Highlands provinces to support the coffee community towards responsible use of inputs for a sustainable coffee industry in Viet Nam.

## 2 PPP Task Force on Fruits and Vegetables

The PPP TF on Fruits and Vegetables coordinated with the PSAV Secretariat to organize the workshop "Outlook and Public-Private Dialogue of Viet Nam Fruit and Vegetable sector" to exchange information, share experiences and propose solutions to develop cooperation in applying sustainable standards of fruits and vegetables, improving food quality and safety, meeting the requirements of domestic and export markets.

Sharing ideas for implementing PPP projects: (i) Fruit Republic Company and its partners presented ideas on sustainable export market access; (ii) Mega Market / Metro Vietnam Company offered the idea of building a value chain of vegetables for export.

## 3 PPP TF on Spices and Pepper

The PPP TF on Spices and Pepper conducted a number of activities:

- Coordinate with the National Center for Agricultural Extension to develop a set of online training materials on sustainable pepper production. The documents was expected to be completed in the third quarter and uploaded to the application of the National Agricultural Extension Center to share with stakeholders.

- Coordinate with the Department of Crop Production, in the framework of IDH support, to conduct a quick survey to evaluate a number of indicators of the pepper industry

such as area, yield, farmer information and income.... as a basis for monitoring and building a sustainable development plan for sector in the coming years.

- Collaborate with Vietnam Pepper Association (VPA) to review and supplement the title of PPP activities of the pepper industry on VPA's website for the purpose of promoting and sharing PPP information of the sector to partners.

- Plan to review and update the NSC for sustainable pepper production to add more items related to intercropping practice.



*DDG of Crop Production Department (on the left) and DG of the International Cooperation Department (on the right) to co-chair the Workshop*



## 4 PPP Task Force on Livestock

The Department of Livestock Production and other members discussed to review and revise the TF's action plan appropriate with the current situation of the livestock industry in Viet Nam.

The National Agricultural Extension Center and partner enterprises jointly discussed and exchanged to formulate the plan of the PPP TF on Livestock to support development of the chicken value chain for export.

## 5 PPP Task Force on Rice



*Bayer Viet Nam staff to provide advise and training for farmers at the field (Picture from Agriculture News)*

Bayer Viet Nam Company is cooperating with PSAV Secretariat and the National Agricultural Extension Center to develop a PPP project on Public-Private Project Supporting Smallholder Farmer Communities to Cope with Unprecedented Dual Crisis: COVID-19 Pandemic and Severe Drought and Saltwater Intrusion in Mekong Delta Region'. It is expected that about 80,000 farmers will have access to the project's support.

## 6 PPP Task Force on Tea

The PPP TF on Tea under the Partnership for Sustainable Agriculture Viet Nam (PSAV) was officially institutionalized under the Decision 1994/QĐ-BNN-HTQT dated 3 June 2020. The Department of Crop Production, the Unilever Viet Nam, Sustainable Trade Initiative (IDH) were assigned as Co-Chairs of the TF, Vietnam Tea Association (VITAS) as its Secretary. The Co-Chairs and the TF members are added as required. The formalization of the PPP TF on Tea provided an important foundation for promoting effective public and private partnership within the TF, supporting the implementation of PPP cooperation initiatives for sustainable development of the tea sector of Viet Nam.



Currently, the PPP TF on Tea has been actively sharing information and supporting members to update the situation on export standards during the Covid-19 pandemic.

IDH and VITAS are working together to develop an initiative to apply the planting area code for traceability.

## 7 PPP TF on Agro-Chemicals

In the 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2020, the PPP TF on Agro-Chemicals continued to work with the TFs on Coffee and Pepper to carry out the monitoring and warning on issues related to import markets.

Croplife Viet Nam and the Plant Protection Department reviewed activities related to the responsible, safe and effective management and use of pesticides in Son La province, especially for the plants with high export value.



*Son La farmers used pesticides in safe, effective and responsible manner (Picture by Phạm Hiếu SL).*

## Formulation of the Strategy and the Action Plan of PSAV for the period 2021 - 2025 and vision to 2030



*Consultation Meeting on the Strategy and Action Plan of PSAV for the period 2021 – 2025 and Vision to 2030, chaired by Dr. Nguyễn Đỗ Anh Tuấn, DG of ICD on 17 June 2020 at HCM city.*

In order to strengthen the PSAV organizational structure, enhance the effectiveness of the PPP TFs, further promote the scale and replicate the public-private partnership models in the agricultural sector, PSAV Secretariat coordinated with the TF co-chairs, members, partners of the PPP TFs and related agencies to draft the PSAV Strategy and Action Plan for the period 2021- 2025, with a vision to 2030.

PSAV action plan with clear objectives, specific plans and coherent actions among public-private partners, closely aligned with the sustainable agricultural development orientation of the Ministry of Agriculture and Rural Development to maximize the effective public-private cooperation in agricultural sector.

The draft will be further finalized and consulted online (last batch) in the third quarter of 2020 before being submitted to the leaders of the Ministry of Agriculture and Rural Development for approval.

## Undertake activities to support specialized agencies in fight against Covid-19 pandemic

Responding to the call of the Viet Nam Fatherland Front “All people unite to prevent and fight against the COVID-19 pandemic”, PSAV Secretariat collaborated with the International Cooperation Department, partner organizations and companies (IDH Vietnam, Crop Life Vietnam, Nestlé, Yara, Vinh Hoan, Syngenta...), individuals and friends to organize 03 donations for Covid-19 prevention and control. The supported items included essential supplies and goods, which have been transferred directly to all the army units, medical facilities so as to join hands and support the soldiers working at the frontline to fight the pandemic.

The Department of International Cooperation and its partners carried out 3 rounds of transferring some essential goods to 4 quarantine points, including: Quang Ninh border guard, Ninh Binh Provincial Military School, Division 390 Thanh Hoa, Regiment 59 Xuan Mai, Hanoi; 5 medical facilities, including: Central Tropical Hospital (Dong Anh), CDC Hanoi, Hanoi Obstetrics Hospital, Dong Da Hospital, Bach Mai Hospital. At the end of 3 phases, goods were delivered to units including: 2,500 protective suits, 4,000 antibacterial masks, 7,500 pairs of medical gloves, 1,200 boxes of oat porridge, 720 boxes of Bat Bao porridge, 720 instant noodle packs, 2,880 boxes of Nestea tea, 1,500 packs of Maggi seasoning powder.



*ICD to offer food for the Regiment 59 at Xuan Mai, Ha Noi on 26 March 2020*

In addition, the PSAV Secretariat also enhanced information and communication activities on new regulations of some export markets to protect health against the COVID-19 pandemic, as well as to ensure safety in trading activities, trade in agricultural products and foodstuffs, thereby helping businesses to timely grasp new regulations of export markets in the context of COVID-19, proactively work out responsive solutions.





*UNIDO technical advisors to support development of the Center of Excellent with key companies*

## Enhance international cooperation to promote sustainable agriculture development Cooperation with United Nation Industrial Development Organization (UNIDO)

At the meeting with the leaders of the International Cooperation Department and the PSAV Secretariat (Ministry of Agriculture and Rural Development) on the afternoon of May 12, 2020, the national representative of the UNIDO office in Vietnam, Ms. Le Thi Thanh Thao said, UNIDO is pleased to work with MARD, through providing technical assistance to further strengthen policy formulation capacity to narrow institutional gaps and policy bottlenecks, high capacity of enterprises associated with the value chain with a focus on the sectors' competitiveness, market access, compliance to market standards and requirements; and sharing experiences in building and developing a Center of

Excellent with the core businesses and the circular economy.

At the meeting, representatives of the parties expressed their wish to continuously strengthen cooperation between UNIDO and the Ministry of Agriculture and Rural Development, especially within the PSAV framework to promote public-private cooperation and develop agricultural value chains in effective and sustainable way. The two sides agreed to coordinate and develop a draft project proposal to promote public-private cooperation between the Ministry of Agriculture and Rural Development and UNIDO, contributing to enhancing the competitiveness

### Cooperation with Swiss State Secretariat for Economic Affairs (SECO)

In the afternoon of 25 May 2020, ICD leaders and PSAV Secretariat had a meeting with Mr. Jonas Grunder, Deputy Head of SECO, Embassy of Switzerland in Viet Nam. At the meeting, the two sides exchanged views on PSAV's operational strategy for the period 2021-2025, vision to 2030 as well as opportunities for cooperation in agriculture and rural areas between the Ministry of Agriculture and Rural Development and SECO for the period 2021-2024. ICD leaders shared the achievements in public-private cooperation under the PSAV framework as well as orientations to promote public-private partnerships, increase attraction of businesses to invest in agriculture, and promote technology transfer, making practical contribution to agriculture

restructuring in the direction of added value increasing and sustainable agriculture development.

Donor community, including Switzerland, has always played an important role in Viet Nam's social and economic development, especially in agriculture, where Vietnam still had plenty of room for development. The Ministry of Agriculture and Rural Development highly appreciated public-private cooperation projects to promote sustainable agricultural development supported by Switzerland in recent years and looked forward to further strengthening cooperation and support for the private sector, especially small and medium enterprises (SMEs), and improving their competitiveness and access to international markets.

## Virtual meeting on the ASEAN Food System in response to the Covid-19 pandemic

Virtual meeting on the ASEAN Food System in response to the Covid-19 pandemic organized by the World Economic Forum (WEF), the Grow Asia and the International Agricultural Development Fund (IFAD) on May 26, 2020. The meeting was a high-level event that brought together leaders from ASEAN Governments, the global private sector and international civil organizations, farmer organizations and key stakeholder to exchange and cooperate in food, agriculture and forestry development in order to propose coordinated actions and solutions to prevent the spread of the virus and mitigate the socio-economic impacts caused by the Covid-19 pandemic.

At the meeting, delegates discussed and proposed practical solutions to work together to deal more effectively with the socio-economic impacts caused by the COVID-19 pandemic on the regional food system. From the initiatives and proposals given at the meeting, Expert Groups would be established. During June to the end of July, the Expert Groups hold various online sessions to discuss the details of the Groups' action plan. Accordingly, a public-private action plan would be developed, clearly defining the roles and responsibilities of all stakeholders, and submitted to the ASEAN Leaders for approval to develop a support mechanism to the ASEAN food system in response to the COVID-19 pandemic.

## Virtual meeting on the ASEAN action plan to address the Fall Army Worm (FAW)

On 28 May 2020, Grow Asia, MARD, ASEAN Secretariat and FAO organized a virtual meeting to discuss the ASEAN Action Plan to address the FAW.

The FAW (*Spodoptera frugiperda*) is a particularly dangerous pest that spread quickly and caused severe damage in the infected areas.

This pest was first discovered in Nigeria, Africa in 2016 and has quickly spread to many countries throughout Africa and sub-Saharan Africa. In Asia, FAW was first discovered in India in July 2018, and has now spread to many countries such as Sri Lanka, Bangladesh, China and ASEAN countries. The Ministry of Agriculture and Rural Development of Viet Nam officially announced the discovery of FAW in April 2019. Since then, this pest has spread rapidly across the country, affecting more than 35,000 hectares of maize in 40 provinces.

Based on the results of the 40th ASEAN Agriculture and Forestry Ministers Meeting (AMAF) and the Preparatory ASEAN Senior Officials Meeting (PrepSOM), the AMAF Ministers agreed on the need for building a group of solutions to cope with the FAW in the region. Viet Nam, as ASEAN 2020 Chair, was asked to develop a Project Proposal to submit to the ASEAN Working Group on Crops (ASWGC) in response to the FAW.

Grow Asia has collaborated with the Ministry of Agriculture and Rural Development of Viet Nam, the ASEAN Secretariat, the Food and Agriculture Organization of the United Nations (FAO) and the ASEAN Working Group on Crops (ASWGC) to develop the project / the regional action plan framework to deal with the FAW.



At the meeting, the experts, businesses and Government representatives from countries shared experience to control that critical FAW, discussed the draft action plan of the ASEAN community to handle with that FAW, thus getting consensus on the cooperation program between related partners in the future.





GIZ representative endorsed the ASEAN AgriTrade project

## Launching ASEAN AgriTrade Project

On 23 June 2020, the Ministry of Agriculture and Rural Development and the German International Cooperation Organization (GIZ) approved and launched the project “Promoting sustainable agricultural value chain in ASEAN” (referred to as ASEAN AgriTrade at side of the Workshop on “Outlook and Public-Private Dialogue of Viet Nam Fruit and Vegetable sector”

Speaking at the seminar, Dr. Nguyen Do Anh Tuan, Director General of International Cooperation Department shared the potentiality of Vietnam’s fruit and vegetable sector, which was expected to develop into a comprehensive development and high-tech application sector. It was estimated that by 2021, the world’s consumption of vegetables, tubers and fruits would be US\$ 317 billion, but currently Viet Nam only shared nearly US\$ 4 billion (2019), about 1% of the total demand of the world. The Viet Nam - EU Free Trade Agreement (EVFTA), which would be in effect since 1

August 2020, expecting to boost production and export. EVFTA would be a wide door to bring Vietnamese fruit and vegetable to the EU market.

Mr. Le Van Duc, Deputy Director General of the Department of Crop Production, said “This is the right time for sector’s partners to promote further public-private cooperation, to find solutions to develop a sustainable fruit and vegetable industry in the coming time”

According to Mr. Daniel Herrmann, AgriTrade Program Team Leader, GIZ: ‘The limitations in the application of quality, safety and sustainability standards are currently not only a challenge in most ASEAN countries, but also a major obstacle to economic integration, expanding links with global value chains. The project is expected to solve a regional issue related to cross-border agricultural trade barriers’.

## Extend the timeline for tax payment and exempt interest for late tax payment due to impact of the Covid-19

In order to promptly remove difficulties for taxpayers due to the Covid-19 pandemic, contributing to stabilizing production and business, the General Department of Taxation has just issued the paper No. 897 / TCT-QLN on 3/3/2020, directs tax departments to implement extension of tax payment, exemption of late payment interest for taxpayers, in accordance with the current Law on Tax Administration and guiding documents.

Regarding tax payment extension, the General Department of Taxation requires tax departments to base on the guidance of provision 3, Article 31 of the Circular 156/2013/ TT-BTC to specify the cases of tax payment extension. The General Department of Taxation requests provincial tax departments to proactively implement a support system, instructing taxpayers effected by the Covid-19 pandemic to prepare dossiers and procedures and promptly extend tax payment and exempt late payment interest for taxpayers in accordance with the Law on Tax Administration and its guiding documents.

### **Circular 01/2020/TT-NHNN of 3 March 2020 to regulate credit institutions and foreign bank branches rescheduling the repayment term, exempting or reducing interest and fees, keeping the debt group in order to support customers affected by Covid-19**

The scope and subjects covered by Circular include: Credit institutions (excluding policy bank), foreign bank branches; Customers of credit institutions, foreign bank branches (except customers being credit institutions, foreign bank branches); Other organizations and individuals involved in the restructuring of debt repayment terms, exemption or reduction of interests and fees, keeping the debt group to support customers affected by Covid-19.

### **Directive No. 11/CT-TTg dated 04/3/2020 on urgent tasks and solutions to remove difficulties for production and business, ensuring social security to cope with the Covid-19**

The Directive works out 7 groups of tasks and solutions, including: (i) Removing difficulties and facilitating access to capital, credit, finance, tax, commerce, electronic payment; (ii) Reviewing, reducing administrative procedures and costs for businesses; (iii) Facilitating production and business, promoting import and export; (iv) Urgently restoring and developing the tourism and aviation sectors; (v) Accelerating implementation schedule, disbursement of investment capital and improving the business environment; (vi) Focusing on handling labor problems; (vii) Promoting communication.

### **Decree No. 41/2020 / ND-CP dated April 8, 2020 on extension of tax payment and land rental, which takes effect from the date of issuance and is widely applied to most businesses, organizations and households, individuals directly affected by the Covid-19.**

The Decree applies to entities including enterprises, organizations, households and individuals engaged in production activities in the following economic sectors: (a) Agriculture, forestry and fisheries; (b) Food production and processing; weaving; costume production; leather and related products production; wood processing and products made from wood, bamboo (except beds, wardrobes, tables, chairs); production of commodities from straw and plaiting materials; manufacture of paper and paper products; manufacturing products from rubber and plastic; manufacture of products from other non-metal minerals; metal production; mechanical; metal treatment and coating; manufacturing electronic products, computers and optical products; manufacture of cars and other motor vehicles; production of beds, wardrobes, tables, chairs; (c) Construction.

The Decree specifies the extension of the time limit for value

added tax payment (excluding value added tax at the import stage), corporate income tax, personal income tax of business households and individuals ...

### **Resolution 84 / NQ-CP dated May 29, 2020 on tasks and solutions to further remove difficulties for production and business, promote disbursement of public investment capital and ensure social security and order in the context of the Covid-19 pandemic**

In order to remove difficulties for production and business, promote disbursement of public investment capital, ensure social order and security to maintain the growth of the economy, the Government adopted tasks and solutions as followings:

- First, don't criminalize economic and civil relations. Added, a 15% reduction in the payable land rent of 2020 for enterprises, organizations, households and individuals that are directly leased land by the State under decisions or contracts of competent state agencies in the form of annual rental payment but they have to hang production and business due to the influence of Covid-19.

- 30% reduction of corporate income tax (CIT) payable by 2020 for small and micro enterprises.

### **Notice 183 / TB-VPCP dated 15/5/2020 on the conclusion of Prime Minister Nguyen Xuan Phuc at the Prime Minister's Conference with enterprises with the theme "Joint efforts to overcome challenges, welcome opportunities and recover the economy"**

In order to remove difficulties for businesses affected by the Covid-19 pandemic, the Prime Minister asked the Ministry of Finance to assume the main responsibility for, and coordinate with ministries and central agencies to continue reviewing and proposing an extension, exemption or reduction for some types of fees and charges for businesses.

At the same time, the ministries and sectors need to create a very favourable, open and timely environment for businesses to develop, punishing the corruption officials that make it difficult to businesses ...

In addition to the actions of State management agencies, the Prime Minister also asked business associations, commodity associations, businesses to be proactive and creative, to renovate production and business models, and restructure enterprises, improve management capacity, human resources; to Take advantage of scientific and technological advances, turning challenges into opportunities, creating new values, paying attention to serving domestic needs, expanding markets, creating momentum for sustainable development and breakthrough.



## PPP Dialogue on Promoting application of science and technology for sustainable agriculture development

In order to promote the application of science and technology, support agricultural enterprises to grasp new markets for sustainable development, the Ministry of Agriculture and Rural Development plans to hold a public-private dialogue, creating platform for some businesses in the agricultural sector to share about difficulties and opportunities, make the most urgent suggestions for the above issues in order to promptly remove, support, and facilitate business recovery ; take advantage of new trends in the global economy, overcome challenges of sustainable development.

The event is expected to be attended by more than

120 participants, including leading enterprises in hi-tech agriculture, organic agriculture, agricultural, forestry and fishery production (AFF) for export, some associations. In the AFF sector, some provinces interested in agricultural investment, representatives of relevant ministries, departments, and sectors, some key agricultural provinces and press agencies. The Dialogue is expected to be held in Hanoi at the end of August 2020 with the co-chair of Minister Nguyen Xuan Cuong, Minister of Science and Technology and Chairman of the Association of High-tech Agricultural Application Enterprises. .

## Virtual Meeting of Grow Asia Forum 2020 (GAF)

**GAF** 2020 is scheduled to be held online on August 13, 2020, including three main sessions to discuss outstanding issues in sustainable agricultural development in the ASEAN region: (i) Regional Strategy to deal with the COVID-19 pandemic; (ii) Gender equality in agriculture and the food system of Southeast Asia; (iii) Strengthening the capacity of small farmers to apply technology in agriculture.

The forum will update the Progress Report 2019/20 of the Grow Asia partner network, sharing some achievements and new initiatives

applied by partners to overcome emerging problems in the supply chain, overcome the COVID-19, promote sustainable agricultural development during the pandemic. The event is an opportunity for partners from public, private, and civil organizations to share, learn from experiences, increase opportunities to connect, cooperate, promote the application of science and technology in agriculture. This is also an opportunity for stakeholders to reshape the strategy of developing a more sustainable, inclusive food and food system.

### Contact:

#### PSAV Secretariat Office

Room 102 Building B4 Ministry of Agriculture and Rural Development

Address. No. 2 Ngoc Ha street, Ba Dinh district, Ha Noi, Viet Nam

**Phone:** 024 3771 3071 | **Email:** psav.office@psav-mard.org.vn | **Website:** psav-mard.org.vn