



PSAV

Partnership for Sustainable Agriculture in Viet Nam - PSAV

PSAV Newsletter

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT

4th Quarter - 2018

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UPDATES ON ACTIVITIES OF PUBLIC-PRIVATE PARTNERSHIP TASK FORCES IN AGRICULTURE

The PPP Task Force on Coffee:



In the 4th Quarter, the Task Force on Coffee has finished the pilot of the monitoring and evaluation (M&E) application on mobile phone in Di Linh district, Lam Dong province. In addition, many activities on sharing and transferring knowledge and experiences on the field were also implemented including:

- 01 training course for 3 days for 50 owners and extension workers of pilot models of projects in 4 provinces of Dak Lak, Dak Nong, Lam Dong and Gia Lai.
- 03 training of farmer (TOF) in December in Di Linh district organized by owners of pilot models for farmers in the neighborhood region.
- Interactive groups on Zalo and Viber application were established after experience sharing workshops to keep up-to-date information and exchange experiences after the trainings.

In the coming time, knowledge-sharing and knowledge-transfer activities will continue to be promoted and replicated. It is expected that in the first half of 2019, the Task Force will hold 40 field-sharing workshops (ToF) in the 4 provinces of the Central Highlands.

The PPP Task Force on Tea:

On the 12th of December in Hanoi, the PPP Task Force on Tea held a workshop on public-private partnership for sustainable tea development in Viet Nam for the period 2019 – 2020 to review the implementation progress of projects under the framework of the PPP Task Force on Tea with the participation of Viet Nam Tea Association (VITAS), IDH the Sustainable Trade Initiative (IDH), domestic and international tea production and trade enterprises and other related agencies under the Ministry of Agriculture and Rural Development. The projects were reviewed and evaluated in the workshop including the “Quality and Sustainability in Viet Nam Tea industry” and the project “Integrating Smallholders into Quality and Sustainable Tea Supply Chains in Viet Nam - Phase 2” which have been implemented from 2015 and completed in October 2018. Based on the results of these two projects, IDH and VITAS conducted consultations with relevant public and private partners to develop a new program: “Viet Nam public-private partnership program to promote sustainable development of the tea sector, period 2019 - 2020”.

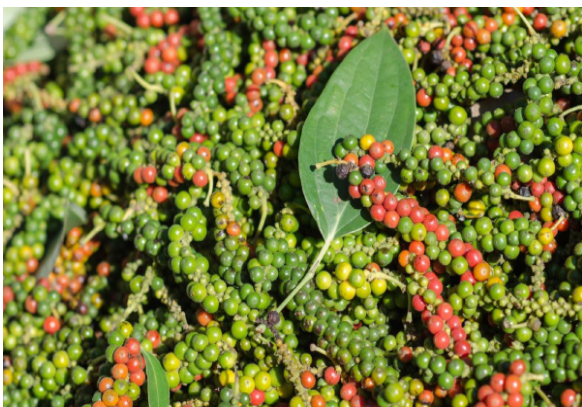


The new project will focus mainly on strengthening the management and use of plant protection products in tea production; supporting small farmers in responsible farming; strengthen links in supply chains to ensure tea quality in accordance with market and international buyers' requirements; strengthen the capacity of the PPP Task Force on Tea.

Also in the 4th Quarter of 2018, the PPP Task Force on Tea collaborated with members and partners to complete the National Sustainability Curriculum for Tea Production (NSC) for technical staff and farmers. Currently the PPP Task Force on Tea is cooperating with the National Agricultural Extension Center (NAEC) to distribute materials to the agricultural extension system and related partners in the industry.

The PPP Task Force on Pepper:

In the 4th Quarter of 2018, the PPP Task Force on Pepper worked with members and partners to complete the National Sustainability Curriculum for Pepper Production (NSC) for technical staff (TOT) and farmers (TOF). It is expected that the document set will be distributed by the PPP Task Force on Pepper in coordination with the NAEC and training will be carried out in the agricultural extension system and related business partners in 2019.



On December 4th in Ho Chi Minh city, the PPP Task Force on Pepper and the Viet Nam Pepper Association (VPA) cooperated with the Ministry of Agriculture and Rural Development, Ministry of Industry and Trade, International Pepper Community (IPC), European Spice Association (ESA), American Spice Trade Association (ASTA) and IDH to organize the Viet Nam Pepper Outlook - VIPO 2018. VIPO 2018 were participated by Minister of Agriculture and Rural Development Nguyen Xuan Cuong, Deputy Minister Le Quoc Doanh, along with more than 200 delegates from traders, importers and exporters, government agencies, financial companies, NGOs, spice associations ... interested in pepper products from Viet Nam and around the world. The content of VIPO 2018 focused on assessing the situation of pepper supply and demand in 2018 and prospects of Viet Nam pepper industry, determining the factors that can affect pepper production and trade in 2019 and the future. The Outlook also informed delegates about efforts in improving the quality of pepper in Viet Nam over the past years.

The PPP Task Force on Fisheries:

In the framework of the PPP Task Force on Fisheries, the Directorate of Fisheries collaborated with the German International Cooperation Organization (GIZ) and Viet Nam Association of Seafood Exporters and Producers (VASEP) to organize the dialogue on "Improving the value of Viet Nam's aquaculture in the context of international integration and Industry 4.0", with the aim of further strengthening the roles and advantages of Viet Nam's shrimp industry in the international market, creating more opportunities for Vietnamese investors and businesses to apply advanced technology and innovation in domestic production and global consumption of Vietnamese seafood products.

In the 4th Quarter, the Directorate of Fisheries collaborated with IDH, GIZ, the Viet Nam Fisheries Society (VINAFIS) and VASEP to develop a project proposal "Supporting sustainable development of aquaculture in the Mekong Delta through strengthening public private partnership". The goal of the project is to mobilize public and private resources to address the challenges on environmental, disease control, antibiotic management, improve efficiency in aquaculture, especially brackish water shrimp farming and pangasius farming in the Mekong Delta.

It is expected that the project will be implemented



from September 2018 to December 2020. The project includes 03 components:

- + Component 1: Promote public-private cooperation in environmental monitoring and disease surveillance in aquaculture.
- + Component 2: Improve the quality of aquaculture through better management of breeds, feeds, antibiotics and chemicals.
- + Component 3: Improve the traceability system of aquaculture products.

The PPP Task Force on Agro-Chemicals:

The PPP Task Force on Agro-chemicals organized the Workshop “ Driving Viet Nam Agricultural Exports & Food Safety: the Role of

Crop Protection”, chaired by Deputy Minister of Agriculture and Rural development Le Quoc Doanh and Executive Director of CropLife Asia, Mr. Siang Hee Tan. The meeting was attended by nearly 100 representatives from relevant units of the Ministry; leaders of provincial Departments of Agriculture and Sub-departments of NAFIQAD in Northern provinces; other Ministries; relevant domestic and international associations; companies producing and trading pesticides, coffee, tea, pepper, rice ...; members of PSAV PPP Task Forces; other relevant international and domestic organizations. The seminar discussed many important issues to promote competitiveness



and export of Vietnamese agricultural products, especially pesticide management solutions and management of maximum residue limits (MRLs ■

ACTIVITIES OF PSAV SECRETARIAT

Monitoring and Evaluating performance of PPP Task Forces

in November and December of 2018, the PSAV Secretariat cooperated with Co-Chairs of PPP Task Forces to carry out the performance evaluation of PPP Task Forces in 2018. Information and data collected on activities of all PPP Task Forces will be reported at the 2019 World Economic Forum Annual Meeting in Davos, Switzerland in January 2019.

The meeting of Co-Chairs from private sector of PPP Task Forces



With the aim of strengthening the cooperation mechanism between public partners and private partners in the framework of PSAV, co-chairs from private sectors of 7 PPP Task Forces of PSAV held a meeting on December 3, 2018 in Ho Chi Minh City to review and evaluate the performance of all Task Forces in 2018 and discuss new solutions and cooperation methodologies. The meeting was chaired by Ms. Marion Martinez, CEO of Yara Company. The contents discussed

at the meeting included solutions to support structural consolidation, PSAV member engagement, enhancing the role of public sector in PSAV and plans to organize public and private dialogues on issues raised by PPP Task Forces in the coming time.

Consultation on the establishment of the PPP Task Force on Livestocks

In the 4th Quarter, the PSAV Secretariat

collaborated with the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) to hold consultative meetings with private sector partners on the mechanism and priority activities. The group is working with the NAEC and the Department of Livestock Production to complete the proposal on the establishment of PPP Task Force on Livestocks, to be submitted to the Minister in the 1st Quarter of 2019 ■

OTHER ACTIVITIES AND EVENTS

Workshop on Public - private partnership in sustainable development of Viet Nam coffee sector 2018

In order to promote public-private partnership, share experience and initiatives in chain linkage and sustainable development of the coffee sector, on December 4th, 2018, the Viet Nam Coffee Coordination Board (VCCB) in collaboration with the Global Coffee Platform (GCP), Grow Asia, PSAV and HRNS/EDE Consulting organized the workshop on “Public - Private Partnership in sustainable development of Viet Nam coffee sector 2018”.



Attending the Workshop, the Production Subcommittee shared with delegates achievements in Phase 1 of the Program from 2010-2017 in “Building sustainable production farming models” and development direction for Phase 2 (2018-2020), focusing on “Promoting value chain linkage to increase the value of Vietnamese coffee, and studying and developing a project to coordinate the development of Vietnamese high quality coffee”. Specific objectives include: involving more than 80,000 farmer households with 97,000 ha of farming

areas; attracting the participation of many partners in public-private partnerships such as Nestlé Viet Nam, GCP, IDH, Yara, Bayer, EDE, ACOM, Olam, Simexco, WASI, Extension Centers of 4 provinces in the Central Highlands, NAEC ... In order to achieve that result, the coffee industry will expand the effective models of coffee public-private partnership; enhance monitoring and evaluation; strengthen connectivity between VCCB subcommittees and related projects to promote value chain connectivity.

The second “Viet Nam Coffee Day” in 2018



From December 9th - 11th, in Gia Nghia town, Dak Nong Province, the second Viet Nam Coffee Day was held by the Dak Nong Provincial People’s Committee in collaboration with Viet Nam Coffee-Cocoa Association (VICOFA) with the theme “Promoting the sustainable development of the Vietnamese coffee industry”. Besides domestic coffee manufacturing and trading enterprises, the event was also participated by nearly 40 foreign organizations and enterprises including the International Coffee Organization (ICO), ASEAN

Coffee Federation, Asian Coffee Association, business partners importing coffee from China, Indonesia, Malaysia, Thailand... The second Viet Nam Coffee Day was organized with several important events such as: a trade fair with 53 booths displaying and introducing high quality coffee products from famous coffee producing regions in Viet Nam, the Viet Nam Coffee Sustainable Development Workshop; a Trade Forum to connect domestic coffee exporters

with foreign coffee importers; a workshop on developing the processing industry to increase the value of key products from the Central Highlands... This was not only an important and practical event to promote and honor the value of the brand image of Vietnamese coffee trees but also a great opportunity to connect, exchange and enhance cooperation among coffee producers, processors and traders to support the development of Vietnamese coffee industry.

Viet Nam hosted the AMAF Conference: Promoting agricultural products to join the global value chain

From October 8th - 13th, 2018, in Hanoi, Viet Nam successfully organized 3 important ministerial level meetings on ASEAN cooperation in the field of agriculture and forestry, including the 40th Meeting of the ASEAN Ministers on agriculture and forestry (AMAF), the 18th Meeting of the ASEAN+3 Ministers on Agriculture and Forestry (AMAF+3), the 6th ASEAN-China Ministerial Meeting on Quality Supervision, Inspection and Quarantine and other relevant meetings.

At the Conference, ministers and delegates discussed and approved 23 technical documents in the field of agro-forestry and fisheries and signed three cooperation documents, including:

- + Protocol to amend the ASEAN+ 3 Emergency Rice Reserve Agreement.
- + A Memorandum of understanding (MoU) between ASEAN and China on agricultural and food cooperation.
- + A Memorandum of understanding (MoU) between ASEAN and FAO on strengthening cooperation in agriculture and forestry.

Accordingly, the 40th Meeting of the ASEAN Ministers on agriculture and forestry adopted a multidisciplinary framework on climate change: Agriculture - Forestry towards food security, nutrition and implementation of sustainable development goals through sustainable and efficient use of land, forest, water and fisheries resources.

The Meeting also adopted five important guidelines to ensure the safety and quality of agricultural products, while facilitating agricultural and forestry trade in ASEAN; adopted ASEAN guidelines for promoting responsible investment in food, agriculture and forestry to increase investment in these areas in the ASEAN region as well as sustainable use of natural resources.

At the same time, the Meeting adopted AMAF's



approach to mainstreaming gender in the food, agriculture and forestry sectors to support ASEAN member countries in promoting gender equality in policies, programs and agro-food system at regional and national levels; adopted ASEAN roadmap to enhance the role of agricultural cooperatives in the global agricultural value chain of 2018 - 2025.

In the forestry sector, the Meeting adopted the ASEAN Guidelines for Agroforestry Development to promote the role of the agro-forestry sector and achieve economic, environmental and social outcomes at farm, household and landscape levels, supporting ASEAN member countries achieve goals related to food security, sustainable growth, reducing greenhouse gas emissions, restoring land, protecting watershed forests, gender equality, social-community scale forestry, climate change adaptation and mitigation, to achieve sustainable development goals.

The Meeting also adopted the Manual for Assessing Forest Law Enforcement and Governance (FLEG) Implementation in ASEAN Member States.

In the fishery sector, the Meeting agreed to establish an ASEAN Expert Working Group on good aquaculture practices; adopt the Policy and Regulation to establish ASEAN regional eco-labeling system to ensure proper use of tuna resources and ensure responsible social regulations enforcement.

NEW POLICIES ON AGRICULTURAL AND RURAL DEVELOPMENT AND COOPERATION

New circular regulating financial management of Public-Private-Partnership investment projects

The Ministry of Finance recently issued Circular No. 88/2018/TT-BTC on financial management of Public-Private-Partnership (PPP) investment projects and investor selection costs. An important change in this circular is the revision of principles to determine lending interest rate for PPP projects.

Circular No. 88/2018/TT-BTC issued by the Ministry of Finance on September 28th, 2018 replaces Circular No. 55/2016/TT-BTC dated March 23rd, 2016, Circular No. 75/2017/TT -BTC dated July 21st, 2017, Circular No. 30/2018/TT-BTC dated March 28th, 2018. The Circular is built on the foundation of inheriting valid contents of the previous Circulars; amending and supplementing some contents to align with the practical situation;

and adopting a number of new contents assigned by the Government in Decree No. 63/2018/ND-CP. The Circular provides guidelines for the valuation of public assets in PPP projects; valuation of public capital that had been invested in public investment projects which was converted to investment in the form of PPP contracts.

The specific guidelines of Circular 88/2018/TT-BTC will facilitate ministries, branches, Provincial People's committees, investors and relevant agencies to effectively study and implement PPP projects. Changes to lending interest rate are expected to attract more investors to invest in infrastructure and public service delivery projects in the coming time.

New regulations on plant protection drugs that are permitted to be used or banned in Viet Nam

The Ministry of Agriculture and Rural Development issued Circular No. 13/2018/TT-BNNPTNT amending and supplementing a number of articles of Circular No. 03/2018/TT-BNNPTNT dated February 9th, 2018 of the Ministry of Agriculture and Rural Development

promulgating a list of plant protection drugs permitted for use, or banned from use in Viet Nam.

Circular No. 13/2018/TT-BNNPTNT takes effect from November 22nd, 2018.

The National Assembly passed the Law on Crop Production and the Law on Livestocks

At the 6th session of the 4th National Assembly on the afternoon of November 19th, the National Assembly passed the adoption of the Law on Crop Production and the Law on Livestocks with a majority of yes votes.

Including 7 chapters, 85 articles, the **Law on Crop Production** regulates the management of plant varieties, fertilizers, cultivation, harvesting, preliminary processing, preservation, processing, trade and quality management of plant varieties. The Law defines the development orientation of crop production towards promoting market-oriented cultivation, large-scale production of high quality agro-products, development of international markets based on the effective utilization of natural resources, environmental protection, and climate change, harmonizing interests between producers, businesses, the state and public benefits. The Law also regulates fertilizer management, aiming at strict and effective management of fertilizer on the market, creating favorable conditions for users; simplified and transparent administrative



procedures for organizations and individuals investing in the fertilizer industry. The Law on Crop Production will take effect on January 1st, 2020.

The Law on Livestock Production regulates the livestock activities; rights and obligations of organizations and individuals in breeding activities; State management of animal husbandry with 8 chapters and 83 articles. Accordingly, the law stipulates the principles of animal husbandry to develop the livestock industry towards a value chain, promoting potentials, comparative

advantages and maximizing public contribution, attracting resources from the public sector to invest in livestock production through market economy and international integration. At the same time, this law also specifies the production and

business conditions, and conditions of a livestock establishment to ensure disease safety, food safety, environment protection and market equilibrium for livestock products. This law takes effect from January 1st, 2020.

3 main aquaculture species

On December 13th, Deputy Prime Minister Trinh Dinh Dung signed Decision No. 50/2018/QĐ-TTg stipulating Viet Nam's main aquaculture species. Accordingly, the main aquaculture species include: black tiger shrimp, white shrimp and pangasius.

According to Decision No. 50/2018/QĐ-TTg, aquaculture species must meet four criteria to be considered one of the national main aquaculture species:

- 1 - On the list of aquaculture species permitted for business purpose in Viet Nam.
- 2 - Capable of creating jobs and higher income for

workers; effectively leveraging natural resources and natural conditions of the country and adaptive to climate change.

3 - Capable of generating high yield and productivity; capable of attracting investment to create large-scale concentrated production areas and fostering high technology application.

4 - Creating high value-added products; capable of competing with other countries' aquatic products in domestic and export markets, with a minimum annual export value of USD 100 million.

The Decision takes effect as of January 30th, 2019.

The government intention to submit a Law on PPP

On the morning of December 10th, in the 29th session, the Standing Committee of the National Assembly considered the adjustment of the law- and ordinance-making program for 2019. The shortcomings of the existing decrees on selecting investors have demanded solutions at a higher legislation level. That was one of the main reasons emphasized by the Government when presenting the need for a new Law on public-private partnership investment in the upcoming year. The Government proposed the

National Assembly to provide comments at the 7th session (May 2019), and adoption at the 8th session (October 2019).

Through verification, the Legal Committee agreed with the proposal from the Economic Committee and the Government to develop the Law on PPP. The draft law on PPP will be added to the law- and ordinance-making program of 2019 and submitted to the National Assembly for comments at the 8th session (October 2019) and adoption in 2020.

Tackling existing issues on fertilizer management regulations

On September 26th, 2018, the Prime Minister signed and issued the Decision No.1254/QĐ-TTg approving the Action Plan for promoting the National Single-window mechanism, ASEAN Single Window mechanism, reforms of specialized inspection for imports, exports and trade facilitation for the period of 2018-2020.

The Action Plan identified one of the solutions is to improve specialized inspection. Accordingly, in the field of fertilizer management, currently under Decree No. 108/2017/ND-CP dated September 20th, 2017 of the Government, there are a number of specific difficulties and shortcomings in Article 30 of Decree No. 108/2017/ND-CP regulating

state inspection agencies on the quality of imported fertilizers, Clauses 6 and 7, Article 3 of Decree No. 108/2017/ND-CP which requires certificate of eligibility for fertilizer production in the case of an enterprise importing fertilizers in the form of cargoes or bulk cargoes if packing goods into packages at ports after unloading goods from transport means to and transporting to enterprises' warehouses, and the provisions of Article 30 of Decree No. 108/2017/ND-CP for the state inspection of quality of each batch of imported fertilizers. The deadline for completing the amendments and supplements of Decree No. 108/2018/ND-CP is Quarter II of 2019.

Draft Circular stipulates some articles on export and import of plant varieties, animal breeds, import of plant protection drugs

The Ministry of Agriculture and Rural Development is drafting a circular stipulating a number of articles on export and import of plant varieties, animal breeds and

import of plant protection drugs. Domestic and foreign agencies, organizations and individuals could review and provide comments at <http://bit.ly/2TYzSGe>

UPCOMING ACTIVITIES

Workshop on developing strategy for PPP Task Forces under PSAV

In order to enhance the effective cooperation between public and private partners in the framework of PSAV, the Workshop on “Developing strategy for PPP Task Forces under PSAV” is expected to be held in February 2019 with the participation of co-chairs from both public and private sectors of PPP Task Forces of 7 agricultural commodities under PSAV. The objectives of the workshop are to strengthen public and private partnerships in all PPP Task Forces, develop medium-term strategies for 2019-2020, and develop specific work plan for all Task Forces as well as identify roles of relevant stakeholders.

The annual meeting of PPP Task Forces under PSAV

The annual meeting of PPP Task Forces under PSAV will be organized with the aim of reviewing and evaluating the overall situation of activities of all Task Forces in 2018 and discuss on the issues and recommendations to improve the efficiency of activities of all Task Forces in 2019. The meeting is scheduled to be held in March of 2019 with the participation of all PSAV members and observers.

Experience sharing among PPP task forces in agriculture

With the intention of promoting the experience sharing and expanding the application of pilot production models through linkage with farmers in all PPP Task Forces under PSAV, in the 1st Quarter of 2019, the PSAV Secretariat will cooperate with Bayer to organize a workshop to share experiences in building and managing farmer groups to all partners of PPP Task Forces under PSAV and other partners in the agriculture sector. All partners attending the workshop will have the opportunity to share and learn experiences from other partners in the PSAV network on creating linkages,

production organization with farmers in the value chain from Breeding - Farming - Postharvest preservation technology - Brand building - Product consumption to bring high economic value to farmers, encouraging cooperative members and farmers to join the linkages.

Proposal to establish the Viet Nam Pepper Coordinating Board

In the 3rd and 4th Quarters, the PPP Task force on Pepper organized many consultation meetings with public and private partners, especially with pepper production, trading and exporting enterprises on the establishment of the Viet Nam Pepper Coordinating Board (VPCB). The Task Force will organize a meeting with the Deputy Minister of Agriculture and Rural Development to report on the results of the consultation and provide recommendations on the mechanism, organization, functions and tasks of the VPCB in the 1st Quarter.

The World Economic Forum 2019

The World Economic Forum 2019 is scheduled to be held from January 22nd – 25th in Davos, Switzerland under the theme “Globalization 4.0: Shaping a Global Architecture in the Age of the Fourth Industrial Revolution”. The 2019 World Economic Forum will bring together 3,000 leaders from all social sectors, high-level representatives of more than 100 governments and 1,000 businesses.

The meeting will include more than 400 working sessions of governments, international organizations, businesses, civil society, media agencies, leading experts in many fields and young generations, from all over the world. In addition, the meeting is an opportunity to take on “global dialogues,” with recommendations from delegations, international experts and organizations including members of the Managing Board of the World Economic Forum ■

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