

Quarter III  
**2020**

# PSAV News Letter

Partnership for Sustainable Agriculture in Viet Nam - PSAV

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT

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# UPDATES OF PPP TASK FORCES' ACTIVITIES IN QUARTER III OF 2020

## 1 PPP Task Force on Rice

Due to the great impacts of saline intrusion, drought and the Covid-19 pandemic to smallholder farmers, the Bayer Group is currently working with Grow Asia, the Ministry of Agriculture and Rural Development - MARD (National Agriculture Extension Center - NAEC and PSAV Secretariat / International Cooperation Department - ICD) to implement the project “Supporting smallholder farmers to cope with unprecedented dual crisis of COVID-19 pandemic and saltline intrusion in VietNam”, helping small-scale households to restore their production activities and effectively respond to current natural disasters and pandemic.



Representative from Bayer Group handovered support packages to NAEC and farmers at 7 project provinces

MARD / NAEC will accompany farmers in the production process from seeding to harvest through consultation on crop



Mr. Weraphon Charoenpanit, Country Commercial Leader, Crop Science Division of Bayer VietNam shared the project objectives

and pest management as well as other training programs to improve the application of plant protection technological solutions in cultivation. The project will support 80,000 smallholders in 5 provinces in the Mekong Delta region (Kien Giang, Tien Giang, Ben Tre, Long An, Ca Mau) and 2 provinces in the Southeast region (Dong Nai and Ba Ria - Vung Tau). In September 2020, about 700 extensionists in 7 project provinces were trained on a software for training, monitoring and evaluation.

The project is part of a global support initiative of the Bayer Group called “Better Farms, Better Lives”. The initiative will support 2 million smallholder farmers with comprehensive solution packages such as seeds, pesticides, market access solutions and people’s health safety so as to help ensure that the current economic and health crisis does not turn into a crisis of poverty.

## 2 PPP Task Force on Coffee:

### 10-Year of the NESCAFÉ Plan



Achievements from the NESCAFÉ Plan in the 10-year journey of nurturing sustainable coffee at the Central Highlands

Since 2011, the Global NESCAFÉ Plan on sustainable coffee development initiated by Nestlé has been deployed in VietNam, contributing to improve the value and quality of Vietnamese coffee beans and the local farmers’ life. After

10 years, the program has distributed over 46 million high-yielding disease-resistant seedlings to farmers; revitalized 46,000 hectares of old coffee trees in the Central Highlands through replanting and rejuvenation activities; provided sustainable farming techniques for more than 260,000 farmers with the participation of agronomists ; supported the development and formulation of a digital Farmer Field Book (FFB), a management tool based on digital technology (FARMS App - Farmer Relationship Management Solution), which helped connect farmers more closely with experts of the NESCAFÉ Plan.

The software also created a database of best farming practices for farmers and simplified the management of production and business activities. Since then, it helped farmers to manage production and business activities effectively. Along with that was the sharing of experiences in the application of digital technology in sustainable coffee production management with partners and other projects in the sector, contributing to encouraging the transformation and application of digital technology in the coffee industry.

- The PPP Task Force on Coffee has actively supported the organization and participation in consultation meetings

and conferences to build a set of criteria and regulations on management and use of “Vietnamese High-Quality Coffee” trademark organized by the Institute of Policy and Strategy for Rural Development (IPSARD) in collaboration with the VietNam Cocoa and Coffee Association (VICOFA). In the framework of the National Product Development Project on “Vietnamese High Quality Coffee”, the trademark would be developed for 3 product groups: green, roasted and ground coffee.

-The Global Coffee Platform (GCP) and partners completed a Rapid Assessment of the Covid-19 impact on Vietnamese coffee sector.

- Other members of the PPP Task Force on Coffee also quickly changed their organizational approach, accelerated information exchange, implemented training activities, training of farmers, and connection with project partners through digital channels, so that the pandemic would not interrupt the overall operation of projects.

### 3 PPP Task Force on Pepper:

#### Workshop “Connecting sustainable pepper producers “

On September 24, 2020, in Gia Nghia city, Dak Nong province, Nedspice cooperated with Dak Nong Department of Agriculture and Rural Development and Binh Minh Cooperative to hold a workshop “Connecting sustainable pepper producers” in order to disseminate and scale up cooperation models and sustainable cultivation practices among pepper farmers.

The workshop connected 11 new cooperatives to participate in the Sustainable Pepper Project. Taking farmers as the core, the Project will support these cooperatives with training of farming techniques, thereby improving pepper quality, meeting requirements of exporting companies, as well as



Dr. Hoang Vu Quang, DDG of IPSARD made remarks at the Workshop

Scan QR code or access <http://psav-mard.org.vn/document> to see details of the Rapid assessment of Covid-19 impact on Vietnamese coffee sector



supporting farmers to connect directly to the markets.

The PPP Task Force on Pepper has completed a set of video clips as a digital tool for farmer training on sustainable pepper production. The video clips will be shown on VTV2 continuously for 4 weeks and rebroadcasted 3 more times. The broadcast time would be communicated to all Task Force members, to allow farmers in their respective material areas to watch and update of good practice instructions.

In late September and early October, the PPP Task Force on Pepper collaborated with the PPP Task Force on Agrochemicals to organize many workshops at commune, district and provincial levels to propose solutions on responsible management and use of pesticides in producing pepper for export.

### 4 PPP Task Force on Fruits and Vegetables:

#### Enhancing Public-Private Partnerships: Develop sustainable potato growing areas

PepsiCo Foods VietNam is planning to coordinate with partners of the PPP Task Force on Fruits and Vegetables to scale up its sustainable potato production project in Dak Lak and Gia Lai provinces with an area of more than 200 hectares.

In the next 5 years, PepsiCo aims to increase potato production by 3 times, to 30,000 tons/year, localize 100% of material supply for the company's production. Along with that is the expansion of growing areas, linking with 2,500 to 3,000 farmers participating in the project, and increasing the yield by 20% through developing potato varieties suitable to local farming conditions.

The Task Force collaborated with ASEAN Agri-Trade Project to organize a training workshop to promote Public-Private partnerships and gender mainstreaming in crop production



On 29 September 2020, PepsiCo Foods VietNam in collaboration with MARD and DARD of Daklak province organized a meeting to expand high-yield potato area in Daklak province

for project members and launched the Agriinnovation Fund, which will be deployed in 4 ASEAN countries (Cambodia, Laos, Myanmar and VietNam). Also within the framework of the ASEAN Agri-Trade Project, the Task Force chaired by the Department of Crop Production would develop 10 sets of guidelines on sustainable fruit production.



## 5 PPP Task Force in Livestock:

The PPP Task Force on Livestock has completed its organization structure, and is now initiating 2 value chain models linking production with sales and consumption in dairy farming led by TH Food Chain JSC and JSC (Vinamilk) in a number of localities such as Long An, Ho Chi Minh City, Lam Dong, Ha Noi, Son La. Specifically:



*This will be the largest dairy farm and fresh milk processing factory in the Central Highlands region*



*Vinamilk expands the linkage model for milk value chain at Mộc Châu, Sơn La*

+ TH Milk will build a value chain linkage model for milk production in Long An, Ho Chi Minh City (Cu Chi), and Lam Dong provinces with the participation of 1,000 households/dairy farms (total number of dairy cows is 11,000).

+ Vinamilk will expand the value chain linkage model in Son La (Moc Chau) and Ha Noi (Ba Vi) with the participation of more than 2,000 households/dairy farms (the total number of dairy cows is 40,000).

## 6 PPP Task Force on Tea

The PPP TF on Tea continues to carry out field studies to implement a program applying traceability code in tea production in some localities.

The TF also plans to organize a number of events in Quarter 4 of 2020 such as a Learning and Sharing Workshop on sustainable tea development, Tea sector policy dialogue, and responsible investment in the tea industry.



*An intensive-farming tea plantation in Song Cau town, Dong Hy district, Thai Nguyen province*

## 7 PPP Task Force on Agro-Chemicals:

The PPP Task Force on Agro-chemicals continues to implement activities to support the PPP TFs on Pepper and Coffee. Representatives of the Plant Protection Department (PPD) coordinated with partners to collect samples, analyze and determine

pesticide residues in reference to export standards. The TF also participated in activities of coffee exporting companies, discussed and gave general directions on issues related to the responsible management and use of pesticides.

## 8 PPP Task Force on Fisheries:

The Directorate of Fisheries and other TF members met to discuss the plan to strengthen the TF's organization structure to ensure the interests and responsibilities of the members. It is expected that 5 sub-groups will

be established, including: tuna, catfish, shrimp, marine culture and seaweed. The TF will finalize its operation regulations and officially launch the sub-groups in Quarter 4 of 2020.

# NEW INCENTIVE POLICIES TO SUPPORT BUSINESSES TO EFFECTIVELY IMPLEMENT THE EVFTA

## • Amending and supplementing regulations on conditions for trading of duty-free goods, warehouses, and locations for customs clearance, gathering of goods, inspection and supervision

The Ministry of Finance issued Circular No. 72/2020/TT-BTC dated July 31, 2020 on the abolition of Circular No. 84/2017/TT-BTC dated August 5, 2017 providing detailed guidance for some articles of the Decree No. 68/2016/ND-CP dated July 1, 2016 on conditions for trading of duty-free goods, warehouses, and locations for customs clearance, gathering of goods, inspection and supervision.

## • The Prime Minister endorsed the Action Plan for EVFTA implementation

The Prime Minister issued the Decision No. 1201/QĐ-TTg on August 06, 2020 to endorse the Action Plan for implementation of the VietNam – EU Free Trade Agreement (EVFTA).

## • MARD Minister approve the Action Plan for EVFTA implementation

MARD issued the Decision No. 3233/QĐ-BNN-HTQT dated August 20, 2020 to issue MARD's Action Plan for implementation of the EVFTA

## • Focal agencies to implement the EVFTA

Prime Minister Nguyễn Xuân Phúc issued the Decision No. 1175/QĐ-TTg dated August 4, 2020 on the appointment of focal agencies to implement the EVFTA. The Ministry of Agriculture and Rural Development also appointed the focal points for EVFTA implementation under the Decision No. 3156/QĐ-BNN-HTQT dated August 17, 2020.



Scan QR code or access <http://psav-mard.org.vn/document> to download the full Decisions

## • Support businesses to improve productivity and quality of the products

The Prime Minister approved a National Program supporting businesses to improve productivity and quality of products and goods for the period 2021-2030 in Decision No. 1322/QĐ-TTg, dated August 31, 2020.



Scan QR code or access <http://psav-mard.org.vn/document> to download the full Decisions

## • Timber Legality Assurance System (TLAS)

The Government promulgated Decree No. 102/2020/ND-CP dated September 1, 2020 promulgating VietNam Legality Timber Assurance System (TLAS) for import and export; criteria, authority, order and procedures for classifying wood processing and exporting enterprises; granting FLEGT license... The Decree will be effective from October 30, 2020.

## • Regulations on certification of fragrant rice varieties exported to the European Union

The Decree No. 103/2020/ND-CP dated September 4, 2020 on “certification of fragrant rice varieties exported to the European Union” to help organizations and individuals enjoy import tax exemption according to TRQs (tariff rate quotas) when exporting to EU markets under the EVFTA. The Decree takes effect from September 4, 2020.



Scan QR code or access <http://psav-mard.org.vn/document> to download the full Decisions

## VietNam's preferential import and export tariffs for EVFTA implementation

The Government promulgated the Decree No. 111/2020/ND-CP dated September 18, 2020 on VietNam's Preferential Export Tariffs and Special Preferential Import Tariffs to implement the EVFTA in the 2020 – 2022 period. The preferential export tariffs were specified in Annex I and II of the Decree, including product code, description of goods, and preferential export tariff rates for different stages when exporting to different territories under the EVFTA.



Scan QR code or access <http://psav-mard.org.vn/document> to download the full Decisions

## ACCOMPANYING BUSINESSES TO BRING VIETNAM'S AGRO-PRODUCTS TO THE EU IN LINE WITH THE EVFTA

Right after the EVFTA took effect, the Ministry of Agriculture and Rural Development collaborated with localities and enterprises to hold a series of ceremonies to export agricultural products to Europe, including shrimp, coffee, fruit, rice and tuna. This was a form of promoting the image of Vietnamese high-quality agricultural products that have successfully taken advantage of the EVFTA to introduce Vietnamese agro-products to the EU markets.

## SERIES OF CEREMONIES LAUNCHING EXPORT OF AGRO-PRODUCTS TO THE EU IN LINE WITH THE EVFTA

### • Ninh Thuan: Export of brackish-water shrimp to the EU at a 0% tariff rate



Vice Minister Phung Duc Tien (2<sup>nd</sup> from the right) at the Ceremony

Processed frozen shrimp is the second key export item of Ninh Thuan province, accounting for 43.5% of the province's total economic structure. In which, the main contributor is Thong Thuan Co. Ltd., branch in Ninh Thuan,

accounting for 95% of shrimp export turnover of the province. Thong Thuan Company has conquered fastidious customers such as the US, EU in addition to the traditional Japanese market, with an annual export turnover of 35- 37 million USD/year.

The Ministry of Agriculture and Rural Development cooperated with Ninh Thuan Provincial People's Committee to organize a ceremony launching the export of brackish-water shrimp to the EU in line with the EVFTA. Speaking at the Ceremony, Vice Minister of Agriculture and Rural Development Phung Duc Tien said: "Through trade and investment relations with the EU, VietNam is expected to acquire modern technological and governance capacities, to gradually standardize and upgrade VietNam's production processes to link with the global value chains".

### • First consignment of Loc Troi Group's fragrant rice exported to EU in line with the EVFTA

According to the Ministry of Agriculture and Rural Development, in the first eight months of 2020, VietNam's rice export reached more than 4.6 million tons, equivalent to over USD 2.25 billion, up 10.4% in value over the same period last year. In particular, the varieties OM5451, OM4900, Huong Nhai 85, ST20, RVT, VD20, Nang Hoa 9, Tai Nguyen Cho Dao are in the list of fragrant rice varieties exported to the EU to enjoy preferential tariffs under the TRQs, accounting for 43% to 46% of the total annual rice export volume of over 3 million tons.



On the morning of September 22, 2020, at Thoai Son Food Factory (Loc Troi Group), a Ceremony to announce the export of Loc Troi's fragrant rice to the EU under the EVFTA was held. Accordingly, 126 tons of Jasmine 85 fragrant rice, packed according to 18 kg specifications, were on the way to the European market by the end of September 2020.

### • The consignment of 296 tons of coffee of Vinh Hiep Company exported to the EU



Vice Minister of Agriculture and Rural Development Le Quoc Doanh (1st from the right) witnessed that coffee products of Vinh Hiep Co. Ltd were qualified, meeting all export requirements and standards of the EU.

On September 16, 2020 in Gia Lai, 296 tons coffee in 14 containers of Vinh Hiep Co., Ltd. (Pleiku city, Gia Lai) were exported to the EU through the ports of Hamburg (Germany) and Antwerp (Belgium).

Vice Minister Le Quoc Doanh emphasized that the implementation of the EVFTA had showed positive results. In August 2020, VietNam's coffee export value to the EU market was estimated at nearly 76 million USD, up 34.7% compared to July 2020. In the coming time, VietNam's coffee industry would ensure to meet the requirements of the EU market, especially standards on quality and sustainable development, making VietNam a reference for global Robusta coffee.



### ● Ceremony launching the 1st shipment of fruits to EU in line with the EVFTA

On the afternoon of September 17, 2020, in Ben Tre province, the Agro-Product Processing and Market Development Department (Ministry of Agriculture and Rural Development) cooperated with Ben Tre Provincial People's Committee and VINA T&T Company to hold a Ceremony of VietNam's first fruit shipment to the Europe in line with the EVFTA. The Ceremony was attended by representatives of the European Chamber of Commerce in VietNam

(EuroCham) and leaders of some localities.

The export consignments included containers of 20,000 fresh coconut, 12 tons of green pomelo and 3 tons of dragon fruit exported by Vina T&T Company to the EU by both sea and air ways.

Mr. Nguyen Dinh Tung, General Director of Vina T&T Company, said that the tariff reduction under the EVFTA



was helping Vietnamese fruits to have a great advantage in the EU market, promising that Vietnamese fruits would have a large share in this potential market in the coming time, especially after the Covid-19 had been controlled and the demand in the EU would rise again. It was expected that each week, Vina T&T Company would export about 20 tons of fruits of all kinds to the EU, then gradually increase the export volume.

### ● Dong Giao Foodstuff Export JSC (DOVECO) exporting 100 tons of condensed passion fruit to the EU



Vice Minister Le Quoc Doanh made the remarks at the Ceremony

At the Ceremony launching the export of passion fruits to the EU under the EVFTA, Vice Minister of Agriculture and Rural Development Le Quoc Doanh said: "Over the past 5 years, VietNam's passion fruit export volume and turnover have increased by more than 300%, bringing VietNam into the top 10 largest passion fruit exporting countries in the world, after Brazil, Peru and Ecuador". Currently, Vietnamese passion fruit has been exported to markets with strict quality, quarantine and food safety requirements such as France, Germany, the Netherlands, Korea, Taiwan, and Switzerland. The Ministry of Agriculture and Rural Development is negotiating the opening of fresh passion fruits to other major markets such as Australia, China, Japan, and Thailand.



## UPCOMING ACTIVITIES AND EVENTS OF PSAV SECRETARIAT

The World Economic Forum (WEF) Virtual Sustainable Development Impact Summit from September 21-24, 2020, included a series of high-level discussion sessions, focusing on building and broadening multi-stakeholder partnerships to address climate change issues and promote sustainable development. VietNam is now a very important partner of the World Economic Forum, working actively with Grow Asia through the Partnership for Sustainable Agricultural VietNam (PSAV).

In the session "Galvanizing Game-Changers for the Future

of Food", DG of the International Cooperation Department, Ministry of Agriculture and Rural Development, cum PSAV Director Nguyen Do Anh Tuan shared practical experiences of VietNam, particularly PSAV's activities to support smallholder farmers to improve productivity and develop sustainable agriculture, as well as national experience promoting a more equitable economy in the Great Reset of the post-Covid-19 era. At the session, the parties agreed to strengthen closer coordination between 'Public' and 'Private' stakeholders to bring about systemic changes and practical actions through the support of networks of global and regional forums.

## Meeting of Public Leaders of PPP Task Forces

On October 15, 2020, PSAV Secretariat cooperated with PPP Task Forces to organize a **Meeting of the Public Leaders of PPP Task Forces under PSAV**, chaired by Vice Minister Le Quoc Doanh, aiming at reviewing TFs' performance in a new context; their difficulties and problems; and proposed solutions to enhance the effectiveness of Public-Private cooperation in the PPP Task Forces. Under the direction of

the Vice Minister, the public Leaders of the PPP Task Forces will coordinate with private sector Leaders to select issues and activities that need to be prioritized for implementation, in alignment with specific policies. The Task Forces' plans, organizational and personnel changes in some Task Forces will be submitted to the Vice Minister' for approval. The Department of International Cooperation was assigned to coordinate with the Department of Finance to study and propose the possibility of providing additional fund for PSAV operations from the state budget, and report to the Ministry's leaders for consideration and approval.

## Handover of Private Sector Co-Chairmanship

On September 25, 2020, Ms. Marion Martinez, CEO of Yara VietNam Co. Ltd, Private Co-Chair of PSAV hosted a meeting to discuss the plan of transferring PSAV's Private Sector Co-Chair to a new representative. Ms. Marion has held the position for the past 3 years, accompanying the Minister of Agriculture and Rural Development and many Public - Private partners to address various important sustainability challenges of the Vietnamese agricultural sector through promoting Public-Private partnerships. The participation of a new private representative in the position of PSAV's Private Sector Co-Chair is expected to

bring a new vision, new resources, to further promote the effectiveness of public-private cooperation in PSAV, contributing significantly to sustainable agriculture and rural development. In addition, Yara VietNam Co. Ltd. is also committed to maintain its active role in the activities and initiatives of PSAV as well as the PPP Task Forces on Coffee, Pepper, Vegetables and Agro-Chemicals. The new PSAV's Private Sector Co-Chair will be officially announced and appointed at the upcoming PSAV Plenary Meeting 2020 and the 10-year PSAV Anniversary (to be held in November).

## Endorsement of ASEAN Action Plan on Fall Army Worm (FAW)

On August 5, 2020, the Ministers of Agriculture and Forestry of ASEAN countries approved the ASEAN Action Plan on FAW. The plan was developed by Grow Asia and the Ministry of Agriculture and Rural Development of VietNam (Department of Plant Protection and PSAV Secretariat), the ASEAN Secretariat, the Food and Agriculture Organization of the United Nations (FAO) and the ASEAN Sectoral Working Group on Crops (ASWGC). Accordingly, the Ministry of Agriculture and Rural Development of VietNam was appointed as the Chair of the ASEAN Working Group on FAW, and Grow Asia was appointed as the Secretariat of the Working Group. In addition, the Working Group also have the participation of many partners, particularly the Public-Private members of ASEAN countries to support the overall implementation of the ASEAN Action Plan on FAW.

In Quarter 3, a series of webinars was organized by the Working Group around different topics to effectively respond to the FAW such as (1) Application of drones and digital IPM (integrated pest management); (2) Traditional methods; (3) Biological control. The webinars attracted the participation of many speakers from both the private and public sectors, increasing opportunities for sharing experiences, discussing cooperation plans, developing projects to implement the ASEAN Action Plan on FAW. The Working Group will continue to deploy a series of other webinars in the fourth quarter of 2020 to enhance exchange of experiences, promote cooperation of technology solutions to support effective response to the FAW outbreaks in ASEAN countries as well as in the world.

Scan QR code or access <http://psav-mard.org.vn/document> to download the full Action Plan



## Towards 10-year Anniversary of PSAV

PSAV was launched in 2010 under the "New Vision in Agriculture" (NVA) initiative of the World Economic Forum (WEF) towards 20-20-20 targets (increase productivity by 20%, reduce poverty by 20%, and reduce GHG emissions by 20%). To date, PSAV has established 08 PPP Task Forces with the participation of more than 120 organizations. The PPP Task Forces have successfully connected many actors in agricultural sector, shared experiences, and cooperated to develop value chains of key agricultural products of VietNam in the form of Public-Private Partnerships, aiming at increasing the added value, competition and food safety of Vietnamese agricultural products.

In November 2020, PSAV will hold the Plenary Meeting 2020

and the 10-year Anniversary of PSAV to promote sustainable and inclusive agriculture in the new context of the New Normal post-Covid-19 and the application of Free Trade Agreements (FTA). This is an opportunity for members and partners of the PPP Task Forces of PSAV to look back on the 10-year journey of PSAV's operation and development: achievements and lessons learned. In the meantime, this will also aim to foster continued member efforts to enhance the effectiveness of Public-Private cooperation to support the agricultural sector to overcome the challenges of the socio-economic crisis caused by the Covid-19 pandemic, taking advantage of the new trends of global economy, new opportunities from new generation FTAs, to foster sustainable and inclusive development of agriculture and rural areas.

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