MONTHLY BRIEFING



INTERNATIONAL COOPERATION IN AGRICULTURE AND RURAL DEVELOPMENT

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Information and experience equal knowledge, please share your knowledge with us!

1. Viet Nam and the international community join forces to coordinate the national fight against Avian Influenza

Hanoi, November 1 2006: With winter fast-approaching, Viet Nam, along with the international

community took another positive step today in its fight against Avian Influenza and the threat of a human pandemic by establishing a national partnership framework to ensure all AI programming and funding in Viet Nam is coordinated and fits into the priorities of a single national plan.

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"In the fight against avian influenza, we are always aware that, to gain success, Viet Nam cannot solve this matter alone and we need close cooperation with the international community by exchanging information and working on collective activities within the region, as well as worldwide," said Dr. Cao Duc Phat, Minister of Agriculture and Rural Development and Chairman of the National Steering Committee. "We also hope that by means of multilateral as well as bilateral channels of cooperation, the donors will be at our side to carry out the proposed activities to stop the potential of an outbreak in poultry in coming winter season, and in the long-term, to totally eliminate the threat of H5N1 in Viet Nam."

Viet Nam's National Steering Committee for Avian Influenza, donors, non –governmental organizations and international organizations committed to an overall framework for monitoring progress and implementing programmes in Avian Influenza through what is being called the Partnership for Avian and Human Influenza (PAHI).

The establishment of this partnership will facilitate the implementation of Viet Nam's national plan known as the "Green Book" or the "National Operational Programme for Avian and Human Influenza 2006-2010." It is expected this plan will provide greater coherence and enhance existing partnerships through coordinated information sharing, greater policy dialogue and support to working groups.

"Just one year ago Viet Nam responded quickly and decisively to control avian influenza and minimise the risk for human infections," said UN Resident Coordinator John Hendra. "With strong support from international partners, including the United Nations and the World Bank, Viet Nam is a global example of how nationally-led coordinated and integrated efforts can help control Avian and Human Influenza. The Government-United Nations Joint Programme on Avian and Human Influenza continues to contribute to, and inform the national strategy and the UN will continue to support the people and Government of Viet Nam to reduce the risk Avian Influenza poses to human health and livelihoods."

As a forum for information exchange and policy dialogue, PAHI will make recommendations to the Government and donors on how Official Development Assistance (ODA) to HPAI can best be spent to support the Green Book and its monitoring and evaluation. Viet Nam will also be supported to share information and experiences with other countries.

With an estimated budget of USD 250million, the Green Book sets aims to progressively control and eradicate HPAI from poultry in Viet Nam; minimize the incidence and mortality of human avian influenza infections; reduce the risk of the occurrence of a human influenza pandemic; and take steps necessary to reduce the impact of a pandemic, if it does occur. The Government expects to finance up to half of the total estimated cost for its implementation. Donors have thus far committed more than USD 60m.

"As Vietnam is moving from emergency response to medium-to long-term integrated disease control and prevention programs in both poultry and human populations, donor coordination to support the government program becomes even more critical," said Dr. Laurent Msellati, World Bank Country Operations Manager. "The Green Book provides the overall framework for donor support and the establishment of the PAHI will contribute to enhancing ODA efficiency and mutual accountability. The World Bank is committed to continue its financial support for the implementation of the medium-term program to control avian influenza and is preparing together with other agencies mainly the European Commission and the Government of Japan, a followup operation to the Avian Influenza Emergency Recovery Project due to close at the end of this year."

Viet Nam has been one of the most-affected countries by Avian Influenza. There have been three main waves of outbreaks in poultry in Viet Nam since late 2003, which have claimed 42 human lives and affected eight million Vietnamese households, the majority of which are poor.

"Given the complexity of global pandemic hazards and inefficiencies in controlling border transportation of poultry, Viet Nam is facing a high risk of new outbreaks in the coming winter," said Dr. Trinh Quan Huan, Vice Minister of Health and Vice Chairman of the National Steering Committee. "Today, with the support from the International community, Viet Nam has improved its capacity for pandemic preparedness and response."

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2. Cooperative Assistance Fund established

Ha Noi, 01/11/2006: Prime Minister Nguyen Tan Dung has signed a decision to establish a fund to assist the development of cooperatives in Viet Nam.

The Cooperative Assistance Fund (CAF), headquartered in Ha Noi, will assist cooperatives in developing products, renewing technologies, and expanding markets. It will also help build and multiply new advanced models of cooperatives and alliances.

The fund will be managed and operated by the Viet Nam Cooperative Alliance.

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Viet Nam now has over 17,000 cooperatives, half of them specialising in agriculture.

Source: VNA

3. Effective implementation of ODA projects in Ho Chi Minh city

Ho Chi Minh- 8/11/2006: Since the beginning of this year, three ODA projects with total investment of USD 7.6 mil. have been completed and other 10 projects with total investment of more than USD 1.56 bil. are on-going in Ho Chi Minh city.

Most of those projects are big-scale ones and mainly financed by the Japan Bank of International Cooperation (JBIC), World Bank (WB), and Asian Development Bank (ADB). Those ODA projects' disbursement has reached about USD 785.4 mil.

The ODA projects thereof focuss on infrastructure development and urban environment improvement.

According to the assessment by the Department of Investment and Planning, many ODA projects took efficiency after their completion such as the project "Improvement and enlargement of the Saigon Bridge" financed by the French government, the project "Improvement of Water Supply System" using a ADB loan, and the project "Construction of Health Rubbish Burning Plant" using a loan offered by the Belgium government.

In order to push up the implementation of ODA projects and more effective utilization of ODA, the City's Department of Planning and Investment requested the authority agencies to adjust the procedures applied on ODA projects, issue guidelines on bidding procedures for ODA projects, and formulate regulations on function, task and organization of project management boards./.

Source: VNA

4. Vietnam MARD Minister Cao Duc Phat working with the Netherlands Minister of Agriculture, Natural Resources and Food Quality, H.E Mr. Cees Veerman

Hanoi, 30-Oct. 2006: Authorized by Prime Minister in the Official Letter No. 5992/VPCP-QHQT dated 19th Oct. 2006, MARD Minister Cao Duc Phat received and worked with H.E Mr. Cees Veerman, Netherlands Minister of Agriculture, Natural Resources, and Food Quality at the Ministry office, No.2 Ngoc Ha street, Hanoi. Attending the joint-minister reception are the highest level officers of both ministries.

After the warmly welcome to the mission extended by Minister Cao Duc Phat, the two ministers openned the workshop "Plant Breeder's Rights Partnership".

Two ministers discussed on 5 topics of both sides' concerns, including: (i) the assistance of the Netherlands government in bird flu prevention; (ii)

Impacts upon Vietnam becoming a WTO member and cooperation in agriculture between Vietnam and the Neitherlands; (iii) Formulation of Public and Private Partnerships- PPP on such agricultural products as cocoa, coffee; (iv) Project under the framework of Partners for Water and Food; and (v) Strenthening plant breeder's rights partnership between Vietnam and the Netherlands.

The friendly, open meeting showed the both sides' concerns at the special time when Vietnam enters WTO. An invitation to visit Netherlands was extended to Minister Cao Duc Phat by Minister Cees Veerman and accepted by the receiver.

At the end of meeting, two Ministers signed Memorandom of Understanding with the main contents of (i) Formulation of Public and Private Partnerships- PPP on such agricultural products as coca, coffee and (ii) Water Partners for Food and Ecosystem.

Vietnam and Netherlands define coffee and cocoa as appropriate agricultural commodities in Market Accessing Parters in order to implement the World Summit on Sustainable Development in Johannesburg in Sept. 2002. The both sides agreed to conduct an assessment on challenges and opportunities for Vietnam's products – chain of coffee and cocoa markets. It was also agreed that an thematic workshop would be held with the participation of all stakeholders in next year in order to assess and analize completely issues relating to the proposal of partners for coffee and cocoa subsectors.

The Water Partnership for Food and Ecosystem is focused on capacity building for sectors water, agriculture, environment comprehensively formulated in rural water management and other fields like tourism, fishery, mining, and energy. The both sides came into an agreement of copperating in food and ecosystem related water management. Under this context, Water Partnerhip for Food and Ecosystem is considered to be a comprehensive tool. The cooperation potential is Huong river basin. At present, the proposal of integrated water management and role of agriculture activities by IUCN is being considered by related agencies and stakeholders. MARD and Ministry of Agriculture, Natural Resources and Food Quality will organize an workshop on Water for Food and Ecosystem as a part in the Huong River Proposal in 2007. Vietnam's available experiences in the project "Integrated Management of Coastal region" will be consulted to. In the first step, LNV and MARD will support the formulation of agriculture and fishery strategy and plan to facilitate Water Integrated Management in Huong river basin.

Source: ICD- MARD

5. Workshop "Plant Breeder's Rights Partnership"

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Hanoi, 30/10/06: A Workshop on "Plant Breeder's Rights Partnership" was held in Ministry of Agriculture and Rural development and co-chaired by MARD Minister Cao Duc Phat and Netherlands Minister of Agriculture, Natural Resources, Food Quality Cees Veerman.

The objectives of the workshop are: (i) Strenthening the awareness of Breeder's rights, (ii) Dissemination of Vietnamese PVP system: History; fishnished, on-going and future activities; the implementation plan to meet the demand of WTO integration and UPOV membership requirements; Law on Property Right and UPOV 1991 Convention, (iii) Introduction of the Netherlands Plant Breeders' Rights, its shared experiences in defining plant breeds and diversification of new flowers, examples of breeders' breach and future cooperation.

The workshop was attended by about 120 representatives from related agencies of MARD, Neitherlands Ministry of Agriculture, Natural Resources and Food Quality, Vietnamses enterprises, and Neitherlands enterprises.

Source: ICD-MARD

6. Ministry of Agriculture and Rural Development appraising the project of Flood Protection on Saigon River

Hanoi, 11/11/2006: Prime Minister Nguyen Tan Dung assigned MARD to organize appraising, approval and making an investment decision for the project "Flood Protection on Saigon River Lowlands" which uses a loan offered by the Agency of French Development-AFD.

MARD is responsible for organizing the project implementation and comprehensively responsible for the project efficiency./.

Source: VNA

7. Danida Builds The Capacity Of The Agency For Small-Medium Sized Enterprise Development (Asmed)

The Agency for SME Development (ASMED) under Ministry of Planning and Investment has with support from Danida enhanced the capacity on SME development of the staff in Hanoi and four selected provinces trough two training courses

The first course in SME development and promotion was organized in earlier this year on "Capacity Building for Officers" for ASMED and the Departments of Planning and Investment (DPI) of the four selected provinces of Ha Tay, Nghe An, Khanh Hoa, and Lam Dong.

The course was undertaken under the Danida-funded Business Sector Programme Support's (BSPS) Component One which aims to improve the Provincial Business Environment.

The trainers were Chief Technical Advisors with many years of experience from United Nations Industrial Development Organisation (UNIDO), Germany and India. The main content of the training course was to introduce policies and experiences of developed and developing countries in supporting and developing SME.

Through the training course, the participants got a better understanding of the business environment as well as policies and experiences in developing SMEs in Germany and India, and they learned how the international organizations approaches the issues. Furthermore, the participants had a chance to discuss with the international and national experts about how to promote the SME development in Vietnam at central and provincial level.

The second training course was organized in October 2006. The course had 50 participants from ASMED, the two Technical Advisory Centres (TAC) supporting SMEs in Hanoi and Ho Chi Minh city and the Institute of Economic Management in Ho Chi Minh City.

International advisers from Japan, Denmark and India conducted the training. The participants learned about the SME environment and laws and policies guiding the support to SMEs in other countries. The experiences with concepts such as TACs and One-Stop Service for SMEs were discussed in order to find solutions applicable to Vietnam's situation.

The participants expressed great satisfaction with the training courses and it is planned to continue the capacity building through more courses tailored to the need of the key staff involved in SME development in Vietnam.

ASMED is overall responsible for coordination and monitoring of the implementation of Component One – "Provincial Business Environment" of the BSPS.

The component aims to improve the business environment particularly for SMEs in four selected provinces.

The component has three sub-components with the following immediate objectives:

- 1. Regulatory and administrative bottlenecks to SME development in four target provinces significantly eased and private public dialogues intensified
- 2. Capacity of provincial authorities in four target provinces to plan and implement private business development initiatives significantly enhanced
- 3. ASMED capable of facilitating and monitoring SME development at provincial level.

8. Nearly 8.3 billion USD licensed in 11 months

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Ha Noi, 23/11/2006: Viet Nam attracted 8.27 billion USD in foreign direct investment (FDI) in the first 11 months of this year, representing a year-on-year increase of 47.4 percent and exceeding the 6.5 billion USD yearly target by 31.7 percent.

The country licensed 736 fresh projects with a total registered capital of 6.15 billion USD and allowed 49 existing projects to increase investment capital by 2.12 billion USD, according to the Ministry of Planning and Investment (MPI).

The newly-licensed projects mainly concentrate on industry and construction, accounting for 67.1 percent of the total projects and 72.1 percent of the total registered capital; agro-forestry-fishery sector, 6.5 percent and 1.72 percent; and services, 26.4 percent and 26.8 percent respectively.

The southern province of Ba Ria-Vung Tau led the country in FDI attraction in the 11-month period, accounting for 26.6 percent of the total registered capital. It was followed by Ho Chi Minh City, 18.8 percent and Binh Duong province, 10.8 percent.

The Republic of Korea ranked first among 39 countries and territories investing in Viet Nam, with 31.4 percent of the total new investment.

By November 2006, as many as 6,767 foreign-invested projects were valid in Viet Nam with a total registered capital of 59 billion USD, of which 36 billion USD was disbursed.

Projects that are prominent include Intel Products Viet Nam with an additional 395 million USD; Bach Ma Pottery Co. Ltd, 150 million USD; Ching Luh Viet Nam Shoes Co. Ltd, 98 million USD; VMEP Co., 93.6 million USD; and Canon Viet Nam, 70 million USD.

During the Nov. 12-19 APEC Week, around 1,200 foreign investors visited in Viet Nam and a series of investment contracts worth 2 billion USD were signed.

The WTO membership will also offer Viet Nam a good chance to lure FDI.

Asian countries and territories have so far been the largest investors in Viet Nam, accounting for 67 percent of the total registered capital. Next are European investors with 20 percent.

Source: VNA

9. Coffee helps improve ethnic minorities' living conditions

Coffee is an important staple export which has contributed to improving the living conditions of 1 million growers, especially ethnic minority people in the Central Highlands, said the Ministry of Agriculture and Rural Development.

Coffee has gained the second position among the country's leading export farm products. Viet Nam is currently placed second after Brazil in terms of coffee export volume.

According to recent statistics, Viet Nam produces between 750,000 and 800,000 tonnes of coffee per year, 90 percent of which are being exported. As a result, price fluctuations in international markets greatly affect the country's coffee market.

To cope with these fluctuations, many experts have suggested that coffee import-export businesses try to sell directly to coffee processors and participate in international futures market in order to minimise losses.

There are currently only 33 coffee businesses trading in this market through three local brokering companies.

Vice President of the Viet Nam Coffee-Cocoa Association (Vicofa) Doan Trieu Nhan said that prolonged drought has caused a sharp reduction in coffee supply by Viet Nam and Brazil. The coffee output of the 2005-06 crop is forecast to decrease by 30-40 percent.

However, the Trade Information Centre under the Ministry of Trade forecast that Viet Nam's coffee export value remains high, reaching around 950 million USD this year.

The country earned around 844 million USD from coffee exports in the first 10 months of the year, a year-on-year rise of 37.6 percent.

Source: Vietnam Agency-VNECONOMY updated: 07/11/2006

10. Over 49.4 billion VND for forest investigation progamme

Ha Noi, 13/11/2006: Viet Nam will pour more than 49.4 billion VND (roughly 3.1 million USD) into a forestry resource investigation and evaluation programme between now and 2010.

The funding for the programme, which was approved by Prime Minister Nguyen Tan Dung on Nov. 9, will be sourced from the annual budget of the Ministry of Agriculture and Rural Development.

The programme aims to help relevant agencies conduct comprehensive and consecutive forest investigations on a national scale, thereby working out a strategy to rationally utilise, protect and develop forestry resources for socio-economic development.

Source: VNA

11. A Netherlands organization offering financial assistance for the rural poor women.

Hanoi, 9/11/2006: On 9th Nov. the Cordaid and the Charity Fund of the Vietnam Women Association signed a 5-year loan contract of USD 300,000 to support rural poor women to develop their production and business.

Mrs. Ho Thi Quy, manager of the Charity Fund, said that the loan would facilitate setting up

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three new branches and expanding credit activities for the Fund's members to increase the number of poverty-free women.

Mr. Jan Postmus, a Credit program officer of Cordaid, released that this is the first time Cordaid has provided a financial assistance with an interest rate similar to the commercial rate for a micro-finance organization in Vietnam.

The Charity Fund was established in 1992. It provides such financial services as saving, credit, micro insurance for poor women of difficulties in rural areas. So far, it has financially supported more than 22,000 members in 7 northern provinces./.

Source: VNA

12. Over 1.75 trillion VND for agricultural construction works

Ha Noi, 09/11/2006: The Ministry of Agriculture and Rural Development (MARD) has this year invested 1.75 trillion VND (109.4 million USD) into building facilities for the agricultural sector, fulfilling nearly 88 percent of the target for 2006.

The construction of facilities for the forestry industry was completed two months early while 81 percent of the irrigation works were also finished.

The ministry has asked the Government to review the total investment for agricultural construction works.

The MARD has also requested that localities which benefit from the construction works provide capital, in order to raise their responsibilities in implementing related projects.

Source: VNA

13. How Enterprise Overcomes Poverty - Book Shows 30 Examples from Viet Nam

Hanoi, 20 November: A second volume of a series of books profiling successful entrepreneurs is being launched today in English and Vietnamese.

"Entrepreneur" features 30 success stories and explains how, in their own different ways, the subjects linked up with markets and became part of the driving force behind the economic reforms known as Doi Moi or "Renovation" in Viet Nam.

The cases are selected from 50 in a report compiled by the National Institute for Science and Technology Strategy and Policy Studies (Ministry of Science and Technology). The research was undertaken as part of "Making Markets Work Better for the Poor" - a regional technical assistance project supported by ADB, the United Kingdom Department for International Development (DFID), and the Tokyo-based <u>ADB Institute</u>.

The cases are drawn from a range of sectors, including eight from agriculture-related businesses such as farming, aquaculture, and handicrafts; 16

from art, ceramics, food, and commodity processing; and six with businesses based on services.

The entrepreneurs come from very different backgrounds and educational levels. They include former soldiers, artisans and government officials. But one common feature is that starting from a position of poverty and disadvantage, through hard work, self-education, dedication, initiative and risk-taking, they have started businesses during the period of Doi Moi and gained success.

According to Tran Ngoc Ca, team leader of the research team from National Institute for Science and Technology Strategy and Policy Studies, "The stories are so different and diverse but they share a common thing - with courage and passion, they learned to realize the market opportunities that emerged from Doi Moi."

The cases are an inspiration for anyone who has an ambition to become successful, according to Le Dang Doanh, senior economist of Ministry of Planning and Investment. "In becoming successful, the entrepreneurs have not only benefited themselves and their families, but also generated many jobs and assisted their local communities," he says.

Ayumi Konishi, ADB Country Director in Viet Nam, says the stories explain in very human terms the rationale for ADB programmes supporting small and medium enterprises in Viet Nam. "Successful private business creates jobs and wealth and is a major force in the struggle against poverty," he says.

Source: ADB web

14. UNDP assists building of information centres in rural areas

HCM City, 09/11/2006: The UNDP has given 400,000 USD to the building of pilot Internet-connected information centres in rural areas to give farmers access to information needed to improve farming skills and raise their incomes.

The 500,000 USD project on the construction of these centres will benefit the four northern provinces of Bac Ninh, Thai Nguyen, Thanh Hoa and Thai Binh, the central provinces of Lam Dong and Dak Lak, and the southern provinces of Binh Thuan, Binh Phuoc, Tien Giang and Vinh Long.

These centres will be equipped with computers, laptops, digital cameras, printers, photocopiers and fax machines.

Source: UNDP

15. UNDP helps build rural information centres

Hanoi, November 23: The Ministry of Agriculture and Rural Development (MARD) and the UN Development Programme (UNDP) signed an agreement on cooperation in administrative reform.

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The UNDP will also help localities build and operate 13 rural information centres.

The pilot construction of rural information centres is part of a project on administrative reform conducted by the MARD, jointly sponsored by the UNDP and the Dutch Government. To the project's total investment of US\$500,000, the UNDP contributed US\$400,000, and Vietnam, US\$100,000.

The project, to be implemented from 2006-2008, will set up and operate 13 rural information centres in Bac Ninh, Thai Nguyen, Thanh Hoa, Thai Binh, Binh Thuan, Lam Dong, Dak Lak, Binh Phuoc, Tien Giang and Vinh Long provinces.

Bach Quoc Khang, Director of the administrative reform project, said that the project aims to build infrastructure facilities, improve local officials' capacity and establish centres to provide information on agricultural production and market for farmers and also facilitate the local people's exchange of information and experience in agricultural production.

Source: UNDP

16. Farmers to have access to pricing and market information through rural telecentres

HA NOI, October 26, 2006: Farmers in some of the least developed provinces in Viet Nam will now have instant access to pricing and market information through a new telecentre initiative developed by the Ministry of Agriculture and Rural Development (MARD), Intel and the UN Development Programme (UNDP).

Farmers will now know what the latest prices are, be able to have the latest information on domestic and international markets and have access to the latest research and information on farming techniques. Furthermore, farmers can now use the telecentre operator to input necessary paper work online, saving time and transportation costs.

As part of a UNDP-MARD programme in public administration reform, Intel will provide 13 computer systems to 13 telecentres in ten provinces, where information on agricultural markets and pricing will be distributed throughout the community broadcast system.

"The Government's Public Administration Reform Master Plan in 2001 signalled the way forward for public administration reforms to boost the socio-economic development of the nation," said Mr.Bach Quoc Khang, General Secretary of MARD. "Farmers lack relevant information on subjects such as insect control, rodent and fungus devastation as well as the selling prices of agriculture products. Information on agricultural output is essential and very helpful to farmers and it is urgently needed for agriculture production reforms."

The UNDP programme with MARD seeks to modernize state institutions, strengthen of human

resources and capabilities, and streamline public finance. This contribution from Intel will help improve MARD's capacity to provide farmers with agricultural information services that are based on needs of farmers and will contribute to improving incomes for farmers from the farming activities.

"Accessing information technology can be a powerful force to improve the livelihoods of farming communities. It saves time and in the long run saves money," said UNDP Deputy Resident Representative, Subinay Nandy. "This Rural Telecentre project is a three-year pilot that, once successful, will be replicated to benefit the agricultural sector and improve incomes and efficiency of ordinary farmers all over the country."

For Intel, the project is part of its "World Ahead" programme which supports initiatives to speed access to technology and education for people in the world's developing communities. The Intel-powered Community PC, brings technology to remote communities where issues like weather and unreliable power compromises regular computers.

"Intel actively supports efforts to provide computer technology to places where it hasn't previously been available," said Than Trong Phuc, Country Manager, Intel Vietnam and Indochina. "Our experience shows that ICT adoption in developing nations requires much more than providing a standard PC, the technology often needs to be adapted to local usage and environment of a particular country or region. In addition to defining the platform and developing the ingredient technologies, Intel also collaborated with local hardware, software and service companies to deliver on the promise of the Community PC platform."

The pilots will create a more in-depth understanding of the use of the ICT's for rural development in Vietnam. The focus is particularly on agriculture extension services and local market information for farmers and institutions representing them that can help towards improved agricultural output and enhanced economic opportunities for the farmers. The pilot will also test alternative models for achieving financial sustainability for rural ICT facilities involving local participation and investment ton ensure continued benefits to the community.

Source: UNDP web

17. Japan finances agricultural project

The Asian Development Bank (ADB) will grant 900,000 USD to a community-based training and agricultural project in mountainous areas.

The non-refundable aid will source from the Japan Fund for Poverty Reduction, according to the Viet Nam's National Agricultural Extension Centre.

The project, to which Viet Nam will contribute 80,000 USD, aims to provide agricultural information and technique for people in central

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Thanh Hoa and Nghe An provinces' mountainous areas, thus helping reduce poverty.

The 2006-2008 project will also help improve local agricultural workers' capacity, encourage farming activities among households and support local authorities in implementing the project.

Source: Vietnam Agency-VNECONOMY updated: 31/10/2006

18. Viet Nam's WTO commitments to go online

Ha Noi, 02/11/2006: Viet Nam's commitments to the World Trade Organisation (WTO) will be posted on the websites of the Government, and several ministries, said Tran Quoc Khanh, deputy chief of the government's delegation at WTO negotiations.

Khanh, who is also Head of the Trade Ministry's Department for Multilateral Trade Policies, said at the Government's regular press briefing on Nov. 2 that the commitments will be concerned with the opening of the commodity and service markets.

The commitments to the opening of the commodity market will include those relating to tariffs and agricultural subsidies.

A report made by the taskforce on Viet Nam's accession to the WTO, including Viet Nam's accountability on trade policies and its commitments to implementing WTO's multilateral agreements, will together be posted on the websites, said Khanh.

According to a source from the Trade Ministry, the Vietnamese delegation, led by Deputy Prime Minister and Foreign Minister Pham Gia Khiem, is planning to fly to Geneva, Switzerland, on Nov. 3 for a ceremony to admit Viet Nam as the WTO's 150th member.

Upon the admission ceremony, scheduled for Nov. 7, all commitments made by Viet Nam will be posted on the WTO's website.

Source: VNA

19. Viet Nam's WTO entry to boost American investment

Ha Noi, 09/11/2006: Viet Nam's accession to the World Trade Organization (WTO) will boost the level of American investment in the country as proper implementation of the agreement will help increase investors' confidence, Adam R. Sitkoff, Executive Director of the American Chamber of Commerce (AmCham) in Ha Noi, said.

He told a Viet Nam News Agency correspondent on Nov. 8 that "WTO will bring AmCham members increased opportunities in both the goods and services sectors."

"American investors are attracted to Viet Nam's strong GDP growth, rapid industrialization, huge labour force, stable political situation and the prospect of a better business climate under WTO rules," he explained.

He gave "an example of increased optimism by American investors" that Intel has announced that it "will more than triple its investment in Viet Nam to 1 billion USD."

"And, there is more to come as American companies weigh the opportunities that WTO accession will bring," he affirmed.

According to the AmCham Executive Director, most American investment to Viet Nam has come from US company subsidiaries in a third country.

"When FDI and foreign indirect investment are added together, the US is the top foreign investor in Viet Nam," he said.

Regarding the granting of Permanent Normal Trade Relations (PNTR) status for Viet Nam, he said: "PNTR for Viet Nam is the final step in full economic normalisation between the two countries."

"If Viet Nam joins the WTO without the extension of PNTR status by the United States, American workers and companies risk losing the full benefits of Viet Nam 's WTO accession agreement," he stated.

AmCham continues to lobby the US Congress and Administration to grant PNTR status as quickly as possible, he said.

Source: VNA

20. "WTO's entry, worry of agriculture sector's death is not right"

"The negotiation options were actively worked out by us, not forced or squeezed by counterparts". "WTO's entry doesn't mean the full abolishment of agricultural subsidies, but must be the subsidies in complication with WTO's regulations" affirmed by the former Deputy Prime Minister Vu Khoan.

He said: "It should be thought that WTO's entry brings about more opportunities than challenges. Catching the trend and the economy's demand, we actively chose this integration way by ourselves not by anyone's force or inducement. So that we chose the good and beneficial way to go; nobody rushes into the seen-dark way."

The negotiation options were actively worked out by us not forced or squeezed by counterparts. We proactively gave offers that included "overcharge", "bargain", negotiated and came into the final agreement of both "win-win".

"I have to emphasize the spirit of active integration because many statements caused such puzzles as "we will loose in our ground", "foreign goods overflowing the domestic market". Such statements are not true, only considering the inputs not outputs."

From now on, the average import tax rate of the country will reduce from more than 17% to 13.6%, whereas that of the US, EU, Japan, and China is only 3.7%, 4.2%, 3.4%, and 10% respectively.

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Another active preparation that we changed to the world standard business right before the integration. Our law system, renovation of state enterprises were taken into account with regards to WTO regulations.

Besides, some confuses in the press and some statements on agricultural subsidy might worry farmers. WTO's entry doesn't mean the full abolishment of agricultural subsidies, but must be the subsidies in complication with WTO's regulations.

Pursuant to the regulations, developing countries are entitled to have agriculture subsidy but not exceeding 10% of the total income from its agriculture sector. The worry that the agriculture sector will die and farmers will be afflicted upon WTO's entry is not right. It should be reminded that every policy of our government is firstly targeted to poor people and farmers.

We should believe in the country and have a right to be self-confident.

Source: Youth-Vn. Economy updated: 08/11/2006

21. Australian Trade Minister welcomes Viet Nam's entry into WTO

Ha Noi, 08/11/2006: Australian Government Minister for Trade Warren Truss has welcomed the completion of negotiations on Viet Nam's accession to the World Trade Organisation (WTO), according to a press release issued by the Australian Embassy in Ha Noi on Nov. 8.

After nearly 12 years of negotiations, the WTO approved Viet Nam 's accession to the organisation on Nov. 7, Truss said, adding that Viet Nam was approved on terms which will see a significant opening up of the Vietnamese market and that will benefit Australian exporters.

Truss emphasised that "there will be enhanced access for a range of Australian exports, including dairy, sugar, confectionery and fruit. On services, there will be opportunities in banking, education, environment and mining services."

"This outcome demonstrates the benefits the WTO delivers to Australia," Truss said.

The minister also confirmed that Viet Nam is an important trading partner for Australia.

"Australia works closely with Viet Nam in APEC and other regional forums and we look forward to continuing that cooperation w ith in the WTO," Truss said.

Source: VNA

22. Agricultural exports rise nearly 22 percent

Ha Noi, 10/11/2006: Total exports of agro-forestry products reached 5.9 billion USD in the first 10 months of this year, a 21.9 percent increase year-on-year.

October earnings alone reached 592 million USD, according to the Ministry of Agriculture and Rural Development.

Sales of agricultural products in the first 10 months of the year reached 4.2 billion USD, an increase of 21.4 percent on the same period last year. Sales of forestry products made up the remaining 1.7 million USD, up 23.3 percent of last year, and exports are expected to pass the 2 billion USD mark by the end of the year.

Rice was the single biggest agricultural export over the first 10 months of this year, worth 1.18 billion USD. In October alone, rice exports reached 320,000 tonnes, valued at 87.6 million USD.

The ministry is planning to help businesses promote their trademarks and sign new contracts over the next few months. officials added.

Source: VNA

23. Agro-forestry exports increase sharply

Ha Noi, 06/11/2006: The country earned over 5.9 billion USD from exports of agro-forestry products in the first ten months of this year, a year-on-year increase of 21.9 percent, according to the Ministry of Agriculture and Rural Development.

Of the figure, October earnings reached 592 million USD.

Forestry products contributed about 1.7 billion USD to the total value. Wood works are expected to pass the mark of 2 billion USD in export turnover by the end of the year.

The ministry said that export values of tea and cashew nuts were up over the same period last year despite a drop in their prices. However, export turnovers of peanuts and oil decreased in the reviewed period.

The ministry is taking measures to help enterprises promote their trademarks and sign new contracts for the remaining months of this year and next year.

Source: VNA

24. Coffee price: an increase of USD 50/ton

Hanoi, 08/11/2006: According to the Vietnam Association of Coffee and Cocoa, coffee price has a strong increase now at USD 1,450 – 1,460 /ton FOB Ho Chi Minh, an increase of USD 45-50/ton compared to that at the end of Oct.

The increased price of exported coffee is due to the buying speculation funds. At the LIFFE, on 3rd Nov. the closed price of robusta coffee to be delivered in Jan. 2007 was up to USD 1,586/ton compared to USD 1,517/ton in the previous week.

The Trading Information Center of MOT released that the Vietnam's coffee price will be at high rate in the coming time due to the increasing world

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consumption whereas the coffee production of key producers reduces because of drought and flood.

The increased price of export coffee has made the domestic price increase also. In Dak Lak, the whole sale price of robusta is at VND 22,300 – 22,500/kg, up by VND 300 – 500/kg compared to that at the end of Oct.

In Lam Dong province, the coffee price has an average increase of VND 500/kg. At present, the price of robusta coffee is VND 21,500/kg, type 1: VND22,500/kg, type 2: VND 22,300/kg; the price of arabica coffee type 1: VND 23,700/kg, up by VND100/kg./.

Source: VNA

25. APEC makes up 73 percent of foreign investment into Viet Nam

Ha Noi, 06/11/2006: Member economies of the Asia-Pacific Economic Cooperation (APEC) have got 5,681 projects licensed with a combined capital of over 41.7 billion USD in Viet Nam, making up over 73 percent of the nation's foreign direct investment (FDI).

Taiwan leads the 16 APEC investors with 1,542 projects capitalised at 8.04 billion USD, representing 27 percent in the number of projects and 19.3 percent in investment capital.

It is followed by Singapore with 447 projects and 8.03 billion USD, Japan, 723 projects and 7.1 billion USD.

However, Japan leads in terms of disbursed capital as over 4.7 billion USD has been put into investment. The world's second largest economy has also signed a joint initiative of cooperation with Viet Nam to improve the competitive edge of the Vietnamese investment climate.

The US has invested some 2 billion USD in Viet Nam, which however would reach 3 billion USD, ranking seventh among the 74 foreign investors, if investment through a third country is calculated.

APEC investment focused on industries, construction, services and agriculture-forestry.

Ho Chi Minh City, Ha Noi and southern provinces such as Dong Nai and Binh Duong are the largest venues of investment from APEC economies. HCM City leads in the term, attracting over 1,700 valid projects with a combined investment of 9.8 billion USD, followed by Ha Noi with 565 projects and 7.8 billion USD.

APEC projects such as Intel Product of the US have helped create new industries and new products using advanced sciences and technologies in Viet Nam, a developing economy trying to become industrialised by 2010.

Head of the Overseas Investment Department Phan Huu Thang unveiled a plan to work with the remaining four APEC economies left unnamed in Viet Nam's foreign investment list, namely Papua New Guinea, Mexico, Chile and Peru, to make the list full of APEC names.

The Ministry of Planning and Investment expected to promote investment through diplomatic agencies from the four countries and planned to suggest them to exchange missions of businesses to conduct market surveys.

By hosting the APEC Economic Leaders' Meeting and fully joining the World Trade Organisation (WTO), Viet Nam will confirm its international prestige, said Thang.

The senior investment expert also predicted a wave of investment from APEC economies into Viet Nam for its safe investment climate and opening policies.

Source: VNA

26. Australian businessmen forecast new investment wave to Viet Nam

Sydney, 02/11/2006: Australian businessmen have praised Viet Nam's achievements in developing its economy, including investment environment, forecasting a new investment wave for the country, mainly in agriculture, industry and services, after its accession to the WTO.

At a Viet Nam investment promotion conference held in Sydney on November 2, the businessmen, who included Vietnamese living in Australia, especially welcomed Viet Nam's administrative reform and policies aimed at abolishing discrimination against foreign investors.

A number of Australian entrepreneurs shared their business experience in Viet Nam, saying that the Vietnamese authorities had made favourable conditions for them in terms of licensing, ground clearance, and project implementation and operation.

Vietnamese Deputy Minister of Planning and Investment Nguyen Bich Dat highlighted the potential market in Viet Nam, which has a population of more than 83 million.

He also highlighted the country's highly skilled workforce, plentiful natural resources, economic and social stability as well as the country's strategic position in the region.

The Deputy Minister added that the Vietnamese Government has implemented many initiatives in order to attract more investors such as tax reduction and exemption, preferential land lease prices, and simplification of administrative procedures.

Viet Nam's Ministry of Planning and Investment (MPI) coordinated with Australian law firm Freehills to organise the event to promote investment into Viet Nam.

Australia currently ranks 18th in the foreign investor list in Viet Nam with 134 foreign direct investment projects capitalised at 686 million USD.

Viet Nam and Australia have signed a series of bilateral economic agreements in many fields such as investment promotion, aviation and tax. Their economic cooperation focuses on oil and gas, telecommunications, tourism, agriculture and education.

Source: VNA

27. Fruit cooperative receives EU quality recognition

Binh Thuan,12/11/2006: The Dragon Fruit Ham Minh Cooperative in the southern central province of Binh Thuan has been awarded the EurepGAP certificate in recognition of its product quality.

The EurepGAP is a standard system set up by the European Merchants' Association in an effort to curb crisis in the food industry, ensure food safety and protect environment.

The Ham Minh cooperative is the first of the Vietnamese fruit industry to receive the certificate, paving a way for the cooperative to take a foothold in demanding markets in Europe and the US.

The Ham Minh cooperative was set up in 2005, which grows dragon fruit on over 37 hectares.

Source: VNA

28. Int'l conference in support of cacao farmers

Ho Chi Minh City on Oct. 31: An international conference aimed at increasing the value of the cacao through a strong alliance of farming families opened under the sponsorship of the US Agency for International Development (USAID).

The conference reviewed the progress of a project funded by ACDI/VOCA, an American non-profit organisation, which has helped expand the areas which grow the crop to 7,320 hectares from a few dozens hectares in 2000.

Dr. Bui Ba Bong, Vice Minister of Agriculture and Rural Development (MARD) said at the meeting that cacao is growing mostly in the south and the Central Highlands. The national territory under cacao is expected to almost treble to 20,000 ha by 2010, Bong said

VCDI/VOCA President Carl Leonard praised Viet Nam's efforts in fastly expanding the areas under cacao over the past three years in a sustainable way as set by project Success Alliance.

Eighty percent of the world supplies of cacao beans come from farming families, proving that the crop is very suitable to small-scale farming, said Leonard in conclusion.

Source: Vietnam Agency-VNECONOMY updated: 01/11/2006

29. Agriculture ministry steps up Mekong rice disease fight

Long An, 16-11-2006: The Ministry of Agriculture and Rural Development has instructed Mekong Delta authorities to step up the fight against the delta's pest and rice disease plague.

At a meeting in Long An Province this week, the ministry's deputy minister Bui Ba Bong said the provincial authorities in the region must establish three special expert teams in Long An, Tra Vinh and Soc Trang provinces within the next 10 days to inspect recent infestation.

The brown planthopper insects are the delta's most serious of rice pests. They suck rice plant sap and transmit rice diseases and viruses, leaving fields susceptible to the ragged stunt rice disease.

The committee must regularly check fields every 15-20 days in order to promptly stamp out the pests and disease, he said.

The committee will also stop cultivating rice crops consecutively by securing isolation periods of at least 20-30 days between two rice crops.

Also on Monday, the ministry donated 70 tonnes of pesticides to Tra Vinh, Vinh Long, Soc Trang and Long An provinces.

The ministry will also spend VND300-400 million (US\$19,000-25,000) to deliver leaflets and booklets to farmers on the prevention and control of the pest infestation.

Other measures involve assisting farmers with cultivation and planting pest-resistant rice trains to reduce losses. Paddies under 40 days old where at least 10 per cent of the rice plants have been infected will be destroyed immediately.

Paddies over 40 days old with brown planthopper densities of more than three pests on a rice plant branch will be sprayed with pesticides. Heavily affected paddies must be destroyed after being sprayed pesticides to avoid the disease spreading to neighbouring fields.

The brown plan-thoppers and the resulting ragged stunt rice disease have damaged around 42,277 ha of paddies in the Delta provinces so far this year. Long An and Tra Vinh provinces have destroyed 1,200 ha and 601 ha of disease-affected fields respectively.

Source: VNS

30. Rural, handicraft products promoted at new exhibition

Ha Noi, 11-11-2006: Over 180 businesses are attending a trade village exhibition which opened yesterday at the Viet Nam Agriculture Exhibition and Marketing Centre in Ha Noi.

The exhibition, organised by the Ministry of Agriculture and Rural Development, intends to develop the rural sector, traditional craft production and to create more favourable conditions to boost tourism and promote the national identity, Deputy Minister Diep Kinh Tan said.

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The six-day event will showcase agricultural products, as well as 168 handicraft products that were finalists in Viet Nam's handicraft production competition 2006.

On the sidelines of the exhibition, a conference on e-commerce applications for the agricultural sector was also held. At the seminar, attendees were informed of developments in e-commerce over the last few years, as well as a master plan to develop online applications between 2006-2010.

Tran Huu Linh, deputy head of the Ministry of Trade's E-commerce Department, spoke at length on the opportunities that on line platforms such as

business-to-business , business-to-customer and government-to-business could bring to agricultural companies.

However, Linh did go on to point out difficulties that rural businesses face in applying the technology. Difficulties arise with people's unfamiliarity with buying and selling goods through websites, unclear legal documents, poor e-payment system and sub-standard security and safety level, he said.

Source: VNS

31. List of legal documents issued in November (*Tobe published on next issue*)

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