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## CENTRAL RESOLUTION 6 ON THE DEVELOPMENT OF S&T, POLICIES AND LAWS ON LAND

The 6th Conference of the Party Central Committee XI was held to discuss and make decision on many important issues about the socio-economic development plan and the state budget in 2013; According to the Conference, priorities should be given to improve the efficiency of state-owned enterprises; reform policies and laws on land; reform education and training; develop science and technology. Moreover, the orientation views, solution and policy for land law and S&T reform has been signed in Resolution 19 and 20-NG/TU by H.E General Secretary Nguyen Phu Trong. This will be the key factor to promote socio-economic development in general and to promote agriculture and rural areas in particular. ISG website ([www.isgmard.org.vn](http://www.isgmard.org.vn)) sincerely presents the full text of the Resolution 19, 20-NQ/TU.

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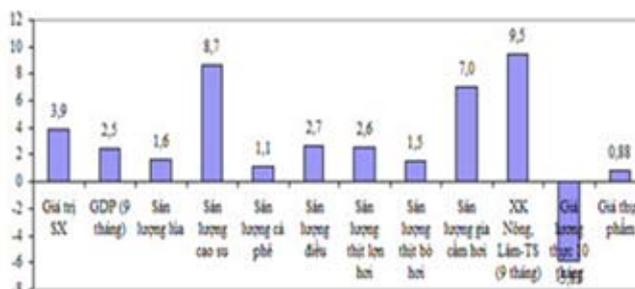


technology. Moreover, the orientation views, solution and policy for land law and S&T reform has been signed in Resolution 19 and 20-NG/TU by H.E General Secretary Nguyen Phu Trong. This will be the key factor to promote socio-economic development in general and to promote agriculture and rural areas in particular. For the full text of the Resolution 19, 20-NQ/TU, please visit ISG website ([www.isgmard.org.vn](http://www.isgmard.org.vn)).

## SOCIO-ECONOMIC SUSTAINABILITY MAINTAINED BY AGRICULTURE IN 2012

Year 2012 has gone through 5/6 of the time. Though, if we count by agricultural calendar, it has almost finished. Agriculture and rural areas has contributed actively in many aspects, from production to exports, prices, and employment. In a general view, agriculture has contributed to socio-economic sustainability.

The Production of Agriculture – Forestry – Aquaculture keeps growing at a modest rate (increase of 3.7% in 9 months, estimated 3.9% for whole year). Production of many kinds of plants and animals is very remarkable. Exports of agricultural, forestry and fishery in 10 months is estimated at \$22.5 billion, increasing 9.5% compared to the same period last year and accounting for 24.1% of



ESTIMATED INCREASE/DECREASE SPEED ON SOME AGRICULTURE AND RURAL AREAS' CRITERIA  
Source: Report from the Government and [General Statistics Office](#)

total national exports. In this period, Vietnam exported several world class products which helped to restrain trade deficit and contributed to lower inflation.

## FUNDING SUPPORT FOR SCIENTIFIC RESEARCH AND TECHNOLOGICAL INNOVATION IN BUSINESS

According to Decree No. 119/1999/ND-CP dated 18/09/1999 by the Government which will take effect since 2013, business sector who invests in scientific research and technological innovation to improve the product quality and efficiency will be funded to carry out the project.

To whom who may concern, please register your Scientific research and Technological innovation Project at National Foundation for Science & Technology Development (NAFOSTED) for approval not later than 30 November 2012.

At the moment, Science and technology are the priorities of the Government. Business sector is encouraged to participate in the scientific research and technological development, including research to create new products to increase export, reduce import and replace rare and special materials. Priority is also given to do study and research on



bio-technology to produce varieties of plants and animals; produce medicines for human, animal for better quality and higher economic efficiency; create advanced technological line; develop fuel-saving technology; do research on environmental protection, pollution (solid pollution, water pollution, air pollution) treatment. The maximum of the support not more than 30% of the total budget for project implementation.

## FINANCIAL MECHANISMS FOR TECHNOLOGICAL INNOVATION PROGRAM CREATED

The International Workshop on “National Financing of Technology Innovation” was hosted by the Vietnam Ministry of Science and Technology and Economic and Social Commission for Asia and the Pacific on 30 October 2012. In the workshop, the participants said that Vietnam investment for research and development activities was around 0.7% of GDP (equivalent to US \$700 million), which accounted for

70% from the government. Most of businesses sectors in Vietnam are now use the technology which lags behind the world 2 to 3 generations. The rate of technological innovation investment from Vietnamese business sector was lower than 0.05% of the turnover...

The objectives of the national program of technology innovation to 2020 are: (1) to increase 10% per year the number of enterprises participating in technology



innovation; increase to 15% by 2015-2020, including 5% high technology application. The Priority of the program is to help 100% of the key and big enterprises to master the technology and to be able to create their own technology by 2015-2020.

Another priority is to form a sustainable agricultural production model in each ecoregion and a Task Force on Application Research and Technology Innovation in each provinces of ecoregion by 2015-2020 .../.

## VIETNAM BIOGAS PROGRAMME WINS THE 3RD INTERNATIONAL AWARD

Vietnam's Biogas Programme for the Animal Husbandry Sector has received the Humanitarian Award at the World Energy Forum (WEF) on 22-24 Oct. The programme was the partnership between the Ministry of Agricultural and Rural Development (MARD) and SNV Netherlands Development Organisation since 2003.

The objective of the programme from 2003 to 2012 is to increase incomes, improve family health and reduce carbon emissions. In addition, biogas installations contribute to mitigating global warming by reducing greenhouse gas emissions.

With over 120,000 digesters now built around the country, the programme has created jobs for more than 5,700 people. The biogas programme has also improved the lives of more than 650,000 people across Vietnam in the last 10 years

In announcing the award, the WEF stressed the humanitarian value of the biogas programme, emphasising its capacity to improve the livelihoods and quality of life



Project Photo: SNV (L) receiving the Humanitarian Award 2012

of low-income, rural people by effectively leveraging the social, economic and environmental benefits of biogas and bio-slurry to develop a commercially viable and sustainable biogas sector. The programme has reduced greenhouse gas emissions by over 675,000 tonnes per year and reduced average of 2.4 hour-working-time per day for woman. According to these benefits of Biogas Programme, Minister of Agriculture and Rural Development agreed to extend the Programme to the end of 2014 instead of the end of 2012. /.

## INTERNATIONAL COOPERATION AND INTEGRATION

### NEED OF INVESTMENT TO ENSURE FOOD SECURITY

The FARMD Annual Conference 2012 entitled "Risk and rice in Asia" hold by the collaboration of FARMD and Ministry of Agriculture and Rural Development on 17 October 2012 in Ho Chi Minh City. In this conference, many speakers agreed that priority should be given to public investment for farmers in order to ensure food security.

The small-scale rice production might create direct risks to the consumers from the instability rice market as well as disease, environmental pollution and climate change.

As an example, the Government of Indonesia has been spending



a number of investments and agricultural subsidies for farmers as well as providing policies to encourage private sector to invest in the agricultural sector. Indonesia also gives priority to improve irrigation system, weather forecast system, etc... for rice growers.

In Thailand, the agricultural input price has been increasing recently, and it caused a lot of difficulties for the farmers and the government to find a proper solution. However, price support for farmers is not a good long-term method in terms of the state budget. Long-term price support might also make the farmers rely too much

on the government.

In Vietnam recently, the investment for agriculture is very low. However, in order to promote agricultural development and overcome the current difficulties, the State should provide policies on encouraging the investment environment to attract private investment in the agricultural sector. Furthermore, the State should also provide policies to enhance industrial development, services... for rural areas without causing any harm to the countryside. /.

## ADB LAUNCHES COUNTRY PARTNERSHIP STRATEGY FOR VIETNAM

The Asian Development Bank (ADB) has just confirmed that it will support Vietnam to meet its target to reach upper middle-income status via three pillars: comprehensive growth; improving economic effectiveness and environmental sustainability. The announcement was released by ADB Country Director for Vietnam, Tomoyuki Kimura at a conference on October 31st, to launch the bank's country partnership strategy for the 2012-15 period. Accordingly, in the next three years, ADB may lend Vietnam about \$ 3.9 billion and \$ 24 million-technical assistance grants. This number did not change much compared to the previous commitment period (2007-2010).

Within the framework of the bank's country partnership strategy for the 2012-15 period, ADB pledged to help connect local poor people and other disadvantaged groups to the development process via projects on upgrading infrastructure, rural development, approaching economic resources and supporting education and training opportunities

to respond to financial risks relating to the cost of restructuring the economy and possible inefficiency of the public sector, ADB will strictly monitor the financial impact of the current restructuring process and will



regulate its funding and aid programmes and may focus on the management of the public sector.

In addition, ADB will back Vietnam in restructuring the economy, improving policy-making and responding to environmental challenges.

ADB will provide a number of channels of assistance, such as loans, investment in shares, technical support and policy consultancy in order to meet the various needs of Vietnam. ADB will help augment abilities for central and local governments in planning investment and implementing projects.

## FIVE POLICIES TO CHANGE VIETNAM AGRICULTURE

To grow a better future for agriculture, Oxfam proposes five big shifts for policy makers in Viet Nam:

- \* End hunger and malnutrition and confront the causes of food insecurity with renewed urgency and vigour;
- \* End all forms of exclusion;
- \* Increase public and private investment in small-scale farmers;
- \* Guarantee land rights;
- \* Support people's initiatives, collaborative groups and voices.



## EUR 150 MILLION LOAN FOR CLIMATE CHANGE MITIGATION

The European Investment Bank (EIB) is providing a EUR 150 million loan to the Government of the Socialist Republic of Vietnam with the purpose of part-financing projects that will contribute to the mitigation of climate change. The Vietnam Climate Change Global Loan was signed in Hanoi on 31 October 2012 between EIB and Vietnam Ministry of Finance Vice-President Álvarez, who is in charge of the EIB's operations in Asia, stressed that "the EIB, as the EU bank, is strongly committed to climate change action, as one of the EU's global priorities".

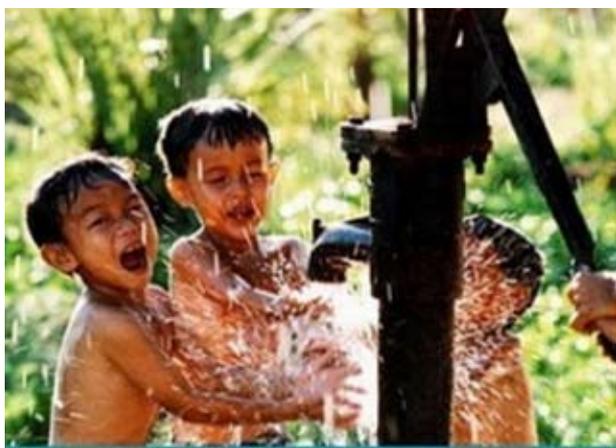
The loan will foster environmental sustainability and will make long-term financing available for investments that contribute to climate change mitigation through the avoidance, reduction or sequestration of greenhouse gases emissions, by using of renewable energy sources and energy efficiency enhancements, which are priorities for EIB lending.

The loan will be provided via the Ministry of Finance on behalf of the Government of Vietnam to four state-



owned banks for on-lending to small-scale climate change projects. The four banks who participate in the project are: SC Bank for Investment and Development of Vietnam (BIDV), Vietnam JSC Bank for Industry and Trade (Vietinbank), Bank for Agriculture and Rural Development (Agribank) and Vietnam Development Bank (VDB).

## VIETNAM GAINS \$200 MILLION IN WORLD BANK FUNDING FOR CLEAN WATER



National Target Program for Rural Water Supply and Sanitation will provide safe clean water for 1.7 million people

Safe clean water for 1.7 million people, improved sanitation for 650,000 people --- these are the services that Vietnamese in 8 provinces in the Red River Delta will receive through the government's National Target Program (NTP) for Rural Water Supply and Sanitation. The World Bank's Board of Executive Directors approved today a US\$ 200 million IDA credit to fund the ongoing program, using an innovative new

approach to financing which links funds directly to results, ensuring that benefits will be delivered to people in need.

"Better access to safe water and sanitation, delivered by the government using our new financing instrument, will help ensure that the quality of life for people in rural communities improves, which is important for sustainability and equity of growth in Vietnam," said Victoria Kwakwa, World Bank Country Director for Vietnam

The program will strengthen governance systems for results-based service delivery as well as gender-based monitoring and reporting, two key components of the World Bank Vietnam Country Partnership Strategy 2012 – 2016.

The World Bank's new financing instrument called the Program for Results or PforR links disbursements of funds directly to the delivery of verifiable results. This program is the first PforR to be approved by the Bank in the East Asia and Pacific region and the first in the rural water supply and sanitation sector.

## 140,000 BILLION INVESTED FOR IRRIGATION PLANNING IN RED RIVER DELTA

In order to ensure the water supply in the Red River Delta to meet water needs for industrial, environmental, tourism, services..., the Prime Minister signed

Decision No. 1554/QĐ-TTg approving the Irrigation Planning in Red river Delta in 2012-2020 and the Orientation to 2050 in terms of climate change and sea

level rise issues on 17 October 2012.

Planning was carried out from 2012 - 2050, and was divided into 03 stages: 2012-2015, 2016-2020 and after 2020. The planning focused on the different options on water supply works, flood and storm control, etc..., with a total cost estimated at 142,450 billion VND, including invested capital for project building; non-structural approaches and S&T programs respectively at 142.000 billion VND; 370 billion VND and 80 billion VND.

There are some remarkable options such as: completing

the constructions from mainstream sources; renovating and upgrading the pumping stations along the Red River; clearing off the flow to increase the water storage capacity of the canal system; solidifying the irrigation system; completing the construction on the fields to increase the coefficient use of canals, improving water conservation; building monitoring systems, monitoring irrigation projects, giving priority to invest in key projects for better monitoring the safety of the project ...

The Decision takes effect from the date of signing.

## 278 BILLION VND INVESTED TO BUILD FOOD SAFETY CHAIN

**W**ith the objective of enhancing quality control capacity on food safety, the Ministry of Agriculture and Rural Development has released the draft of the Project entitled "Development of the safe food supply chain model all over the country".

In order to create 52 safe agro-forestry-fishery food models in seven ecological zones of the country, the Project focuses on production planning and quality control capacity on food safety. In addition, priority is also given to build the links between the manufacturing sector and retailing sector, strengthen the links between business sectors and increase the role of business associations in food safety activities.

Phase 1 (2012 - 2015) will be focusing on building and completing the pilot model. Phase 2 (2016 - 2020) will be developing the safe agro-forestry-fishery food supply chain models.

It was expected that the project consists of three components, including two important components: Development of the food-based-terrestrial-animal



(chicken, pork) supply chain model products of terrestrial animal origin (chicken, pork); Development of the food-based-plant (vegetables, fruit)

According to the Ministry of Agriculture and Rural Development, the total cost of Project implementation was supposed to be 278 billion. In particular, the support from international funds accounted for 30%; state budget accounted for 50%; localities, institutions and individuals funds accounted for 20%.

## AGRICULTURAL TRADE

### AGRO-FORESTRY-FISHERY EXPORTS HIT \$22.5 BILLION

**A**ccording to the Ministry of Agriculture and Rural Development, the export of agro-forestry and aquatic products in the first ten months of this year was estimated to earn Vietnam 22.5 billion USD, up 9.5 percent over the same period last year. Particularly, export of major agricultural products in the first ten months was 12.2 billion USD, up 7.7% over the same period last year. Meanwhile aquatic products registered only a slight increase of 1.7 percent in export value to over 5 billion USD. Wood and wooden products also saw a large increase of 18.3 percent in export value for the first 10 months of this year, earning almost 4 billion USD.

Rice had a year-on-year surge of 8.3 percent in volume



to 6.9 million tonnes but a year-on-year decrease of 8.7 percent in value to \$3.14 billion compared with the same period last year. Rubber earned a total \$2.3 billion from an export volume of 811,000 tonnes. The decrease of 8.7 percent in earnings was attributed to falling prices in the world market since early this year. In the reviewed

period, the agriculture sector imported materials in the first 10 months of 2012 reached \$13.76 billion, up 11.7% compared to the same period in 2011. Thus, the agricultural trade surplus of the first 10 months was estimated at \$8.74 billion.

## JOIN INVESTMENT IN FISHERIES

The regional linking approach to encourage investment in fisheries in Mekong River Delta is responded positively. The link will take full advantage of all local strengths and potential in the region while at the same time, create the overall strength for comprehensive development of the fisheries sector in the Mekong Delta. Can Tho City has been proposed to be the linking center to connect and support other provinces on science and technology, education and training, research and development, infrastructure

“Workshop on promoting investment in the fisheries sector in the Southern area” will be held to discuss the idea of forming a high-tech processing center in Can



Tho which connects to the main fisheries cluster in the Mekong River Delta. This center is highly appreciated by the Government, foreign and domestic business sector. (TVC-ICD/MARD)

## THE 2012 LIVESTOCK INVESTMENT PROMOTION CONFERENCE

Addressing the 2012 Livestock Investment Promotion Conference recently held in Ho Chi Minh City, the Department of Livestock Husbandry, MARD said to develop the animal husbandry sector, the livestock industry should promote investment attraction under the (Public-Private Partnership) PPP form as this is a very successful model in countries that have advanced agriculture sector. In addition, Vietnam should provide preferential treatments for FDI enterprises in this sector equally with those in other areas and in accordance with WTO commitments, continue to adopt preferential income tax rates on FDI specialized projects such as biological technology, creating new animal breeds and processing cattle and poultry products.



FDI enterprises helped Vietnam establish a closed value chain of husbandry products. However, many FDI enterprises are still facing difficulties that need to be removed. For example, land and planning issues for the livestock industry have not been well implemented in many localities. Although the Prime Minister approved the Development Strategy of Animal Husbandry sector until 2020 according to the Prime Ministerial Decision 10/2008/QĐ-TTg dated January 16, 2008, so far only 40 out of 63 cities and provinces throughout the country have drafted development plan of animal husbandry

sector and most of them have not adopted policies to encourage the development of the livestock industry.

FDI enterprises said input costs are increasing while product prices are not stable have caused them many difficulties. In addition, the technological infrastructure and specialty of the workforce in terms of animal raising and slaughtering have not met the investors’ demand. The profit distribution among raisers, slaughterers, traders and distributors have not been equal, in which raisers are often put at a disadvantage and take high risks.

## LEGISLATION DOCUMENTS IN AGRICULTURE AND RURAL DEVELOPMENT ISSUED IN OCTOBER 2012

Date of issue	Contents
<b>From Prime Minsiter</b>	
29/10/2012	Decision No. 1601/QĐ-TTg on approving the Project to improve the management of foreign investment flows into Vietnam.
29/10/2012	Decision No. 1601/QĐ-TTg on approving the Project to improve the management of foreign investment flows into Vietnam.

26/10/2012	Dispatch No. 1758/TTg-QHQT on approving the Framework Agreement between Vietnam and Finland on the Finnish preferential credit programs.
24/10/2012	Decision No. 1587/QD-TTg on the establishment of the Steering Committee for reviewing the Resolution No. 28-NQ/TW by the Political Bureau on the reorganization and the development of SOF
24/10/2012	Decision No. 1588/QD-TTg on approving the Central Irrigation Plan from 2012 to 2020 and the orientation to 2050 in terms of climate change and sea level rise
23/10/2012	Decision No. 1583/QD-TTg on the chemical disinfectant support to Quang Nam province.
23/10/2012	Decision No. 1554/QD-TTg on approving the Red River Delta irrigation Planning from 2012 to 2020 and the orientation to 2050 in terms of climate change and sea level rise

### From the Governmental Office

31/10/2012	Announcement No. 363/TB-VPCP on the conclusion about forest protection and development plan period 2011 – 2020 via H.E Hoang Trung Hai, Deputy Prime Minister and Head of the State Steering Committee.
29/10/2012	Document No. 8641/VPCP-QHQT on the official organization of the Conference Consultative Group in Vietnam (CG) in December 2012.
29/10/2012	Document No. 8638/VPCP-QHQT on the negotiation results of the project entitled "Capacity Building on the hygiene management in the Mekong Sub-region", funds lent by Asian Development Bank (ADB).
25/10/2012	Document No. 8504/VPCP-QHQT on the organization of the Asian Forum on the Fourth time of reducing, reusing and recycling waste.

### From MARD

30/10/2012	Circular No. 54/2012/TT-BNNPTNT on amending and supplementing some contents of the Circular No. 10/2012/TT-BNNPTNT 22/02/2012 and Circular No. 22/2012/TT-BNNPTNT dated 05/06/2012. Those 2 Circulars were on amending and supplementing some parts of the Circular No 10/2012/TT-BNNPTNT dated 22/02/2012.
30/10/2012	Decision No. 2683/QD-BNN-KHCN on approving the environmental impact assessment reports of Component 2 entitled "Capacity building of irrigation management and training facilities for the Vietnamese Academy of Science of Irrigation", which's under the North Nghe An irrigation system upgrading project.
29/10/2012	Decision No. 2641/QD-BNN-XD on the amending and supplementing the basic design and project execution time for the Project entitled "Sweet – Salt Demarcation System in Soc Trang - Bac Lieu.
26/10/2012	Instruction No. 3685/CT-BNN-TT on the production of spring season from 2012 to 2013 in the Mekong Delta region.
26/10/2012	Instruction No. 3670/CT-BNN-CN on the fight against hunger for cattle in Winter - Spring 2012 - 2013.
26/10/2012	Announcement No. 5217/TB-BNN-VP on the conclusion on the agro-forestry-fishery quality management and food safety via MARD Vice Minister, Mrs. Nguyen Thi Xuan Thu at the Quarter IV briefings.
26/10/2012	Announcement No. 5216/TB-BNN-VP on the direction of the MARD Minister Cao Duc Phat on the project building to renovate cooperatives and other forms of economic cooperation in agriculture and rural development.
24/10/2012	Decision No. 2599/QD-BNN-DMDN on the establishment of the inspection Task Force to review the land use planning in the private agro-forestry enterprises.
22/10/2012	Decision No. 2585/QD-BNN-CN on approving the technical and economic norms on "Building and expanding the research station as well as keeping and feeding the core pig at the Thuy Phuong Porck Research Center."
22/10/2012	Document No. 5125/TB-BNN-VP on the conclusion of the Vice Minister, H.E Hoang Van Thang at the meeting on the reports reviewing irrigation planning to combat flooding in Ho Chi Minh City area and assigned the task of preparing Irrigation Conference according to the request of the Steering Committee for the South West.
19/10/2012	Circular No. 51/2012/TT-BNNPTNT on guiding the implementation of forest protection and development tasks specified in Decision No. 57/QD-TTg dated 09/01/2012 of the Prime Minister.
19/10/2012	Document No. 3598/BNN-CB on export credit support for rice.
17/10/2012	Report No. 3559/TTr-BNN-TCLN on approving the 3rd negotiations Voluntary Partnership Agreement between Vietnam and the European Union on forest law enforcement, forest management and forest product trade by the Ministry of Agriculture and rural Development issued

### From MOF

#### From Minister of Labour

24/10/2012	Document No. 3890/LDTBXH-VP on the implementation of the widely supervision and inspection in 2012
09/10/2012	<a href="http://mail.mard.gov.vn/owa/redir.aspx?C=V-ISUAKb6EGjwDYJt6has56sP6rKj89Ixy8mev6PKtisbmhvOn4mTyBdxHRgbd5LrAq7hkB17oL.&amp;URL=http%3a%2f%2fhuatvietnam.vn%2fdefault.aspx%3ftabid%3d684%26q%3d166%252f2012%252fTT-BTC%26st%3d%26i%3didentity%26p%3d1%26size%3d10%26by%3ddoc_publicdate%26order%3ddesc">http://mail.mard.gov.vn/owa/redir.aspx?C=V-ISUAKb6EGjwDYJt6has56sP6rKj89Ixy8mev6PKtisbmhvOn4mTyBdxHRgbd5LrAq7hkB17oL.&amp;URL=http%3a%2f%2fhuatvietnam.vn%2fdefault.aspx%3ftabid%3d684%26q%3d166%252f2012%252fTT-BTC%26st%3d%26i%3didentity%26p%3d1%26size%3d10%26by%3ddoc_publicdate%26order%3ddesc</a> Ministry of Finance issued Circular No. 166/2012/TT-BTC on the regulations to use budget for level publications, magazines for ethnic minority and mountainous areas with special difficulties in 2012 - 2015.

#### Committee for Nationalities

24/10/2012	Circular No. 01/2012/TT-UBDT on instructing the implementation of Decision No. 30/2012/QD-TTg dated 18/07/2012 on the criteria to define the especially difficult communes in ethnic minority and mountainous areas in 2012 - 2015.
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### From Hanoi People's Committee

18/10/2012	Decision No. 4673/QD-UBND in 2012 on approving the planning of irrigation development to 2020, vision to 2030 for Hanoi.
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