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INVESTMENT ATTRACTION IN AGRICULTURE AND RURAL AREA IN THE RED RIVER DELTA: PRIORITIZED THE INVESTMENT FOR HIGH TECHNOLOGY

Better exploit the agricultural potentials and rural economic in the red river area, particularly in the hi-tech agriculture, is the current key priority of this second nationwide largest economic zone. This delta includes 11 provinces and cities and possesses many advantages and rich natural resources (more than 1.4 million ha of rich alluvia cultivation land), good climate conditions, and abundant labor force. This delta definitely can become a hi-tech agriculture zone. However, all is only potential.

At the Investment Promotion Forum for the Red River Delta held 29th Nov 2012 in Ninh Binh city hosted by MARD, contributors all agreed that red river delta is the area with typical and ideal characters for the high tech agricultural development.

Complying with the red river delta agricultural development direction up to 2020, the high quality production areas for rice, vegetable, special fruits and flowers will be focused for high tech development; In addition, development and maintenance of the branch name for the special fruits areas and the large field for rice production as well as the secondary crop are also in the high tech development areas. Husbandry will be development toward concentrated industrial zones attaching with slaughter and processing in order to ensure the food safety. Red river delta's provinces also prioritize processing technologies.



The MARD's Vice Minister Vu Van Tam clearly stated that the zoning agricultural investment applying good practices, high tech, and material production attaching with post-harvest processing technologies are the core factor for higher quality and added values. The rural infrastructure shall be continued to be invested and effectively used in different forms, including PPP. Other factors including investment for high skilled human resources, management skill, vocational training for rural labors and preservation of traditional vocational villages attaching with tourism.

VIETNAM PUBLICIZED ITS GREEN GROWTH STRATEGY



Vietnam is implementing its Social Economic Development Plan (SEDP) period 2011-2015, as well as its 10 year Social Economic Strategy (SES) 2011-2020 with a lot of difficulties and constraints regarding the macroeconomic stabilization, environmental insurance and social welfare. On 25th Sep 2012, the Prime Minister has approved the No 1393/QĐ-TTg on the national green growth strategy.

Decision No 1393/QĐ-TTg includes 3 specific objectives:

(i) restructuring and institutional completion toward green growth for existing sectors, economic zone development promotion attaching with effective use of energy and fuel for a better added value; (ii) effective use of natural resources, reduction of green emission contributing to effective responses to climate change; (iii) accelerating the life standards for people, development of environmental friendly living style via green industries, agriculture, services and investment in natural capital as well as green infrastructural development.

In order to reach above mentioned objectives, the strategy identified 3 core tasks:

(1) Reduction of glass emission and promotion of clean energy and reused energy; (2) green production; (3) green living style and promotion of sustainable consumption.

The Director of WB to Vietnam, Md. Victoria Kwakwa appraised that this strategy reflected the dramatically development of green technologies that Vietnam wish to apply. This is the promise for the sustainable economic development. The stronger participation of the private sector alongside with the appropriate public investment for green economic is significant for this strategy.

THE ROLE OF FORESTRY IN THE GREEN GROWTH

It can be said that forestry is the key tools for mitigation of CC, desert prevention, bio-diversification preservation and effective contribution for the green and sustainable economic development. Therefore, forestry should be concerned as the key sub-sector in the general action plan attaching with multi-sectors and multi-regional synchronized solutions.

The workshop on “green economic in the climate change context” held 20 Nov 2012 in Hanoi determined that if forests are planned and managed sustainably, the natural values shall be renovated, and renewed similarly to the current forest situations in the European countries; once when people withdrew the lesson learnt from the overused and over-exploitation the forest for energy production technology in 17 and 18 centuries.

CC is not only influence to agricultural production but also increase the risk of deforestation and the risk of changing the using purpose of forestry land. These are factors leading to the threats of forest bio-diversification, changing the forest species allocation and breeding. Populations of rare species will be depleted at the same time the risk of harmful exotic species will be increased.

To enhance the role of forest to the green economic



heading to sustainable development, specific objectives and solutions must be identified, gathered and synchronized. In which the solution on institution, capacity building, international cooperation, science and technology, finance and local community mobilization are critical.

The forestry development strategy 2006-2020 is concerned as one of the core program attaching with its specific objectives. Among those, the objectives on the management, the protection, the development and using sustainably the planned 16,24 million ha for forestry, the productivity of timber 20-24 million m³/year basically satisfy the demand for material serving for forestry processing industry; providing that 30% of forest production areas are certified of sustainable development by 2020.

ACCELERATION OF THE NATURAL CAPITAL SOURCES FOR THE GREEN ECONOMIC

One of the reasons for a fragile economic, which is vulnerable to the global financial crisis, CC, natural resources dependence, is that for a long period, almost the development and economic growth policies have been focused on fast accumulation of material capital, financial capital but lacked of concerns for exhaust and degradation of the natural resources

The new growth model, - green growth – is reaching by the International communities and Vietnam. Effective use of the natural resources, mitigation of environmental risks and ecological risks are the main goals for the green growth. The trend of green growth with its core issue on the natural capital investment opens Vietnam an opportunity to “catch the headlight” and enter straight forward to a green growth economic with appropriate development forms satisfying the demands on the growth model reform and the economic restructuring.

The first factor for the green growth is to prioritize the sustainable agricultural development, and then the industrial production, service provision and consumption reform toward environmental friendly and effective use of natural resources. In addition, exploitation of the re-used energy, enhancement the investment for researches in bio-tech,



The workshop on the natural capital in the green growth economic promotion context in Vietnam: “The theoretical issues, practical and policy recommendations”

biomass technology, alternative energy, expansion of income for forest environmental services to generate more revenue for the people who depend on forests are also critical. In the other hand, the law system must be amended and developed appropriately with the international practices toward the green growth as the foundation for the suitable economic management policies at different levels and sectors.

RENOVATION OF PLANNING IN THE AGRICULTURE SECTOR



Within the frame of the project on “establishment of the M&E system for ARD -MESMARD”, MARD organized a workshop having the international

experience in planning for ARD in 14 Nov 2012 in Hanoi.

MARD is the first agency ever apply the objective based planning method, an advanced method is applied by many developed countries to enhance the effectiveness in the public management and the transparency as well as the accountability before the Assembly and the People.

Conversion to the objective based planning; MARD meets dramatically constraints and challenges in how to balance the ownership and the accountability of the economic elements in the market economy, at the same time, accelerating the effectiveness of the state management for the sector.

DEVELOPMENT OF THE 2013 WORK PLAN FOR THE NRD

Provision and sharing the lesson learns from the creative models in NRD is an initiatives from thee Deputy Prime Minister Vu Van Ninh in the NRD national committee handling meeting held 8 Nov 2012 in Hanoi.

The Deputy Prime Minister directed some year-end tasks of 2012 and the planning for the 2013. Strengthening the communication, particularly for the success models and good practices from localities are critical. In addition, further instruction for localities in monitoring and reviewing their



planning is a must. MIP and MOF are assigned to allocate adequate financial resources for 2013 work plan and for the period of 2013-2015, ensuring the capital of the coming year is higher than the capital of the previous year.

In the preparation for the 2 years review workshop and review for 2012, as well as implementation plan for 2013, MARD is assigned to prepare the report and to direct other levels to strictly implement the statistic and reporting procedures complying with the regulations of the national steering committee and the program standing committee.

REGULATIONS FOR THE FOOD SAFETY MONITORING FOR THE FISHERY POST-HARVEST PRODUCTS

MARD issued the Circular No 61/2012/TT-BNNPTNT dated 13/11/2012 regulating the monitoring for food safety for the fishery post-harvest products. This Circular is applied for production bases in a production and business chain with domestic consumption criteria, including: trading, preservation bases (at fishery landing ports, whole sale markets, and fishery price bidding agencies); processing bases. This Circular is not applied for production bases in a production and business chain with export consumption criteria.



REGULATIONS FOR THE SAFE MANAGEMENT OF VEGETABLE AND TEA PRODUCTION



MARD's minister issued the regulation on production management for safe vegetable, fruit and tea at the Circular No 59/2012/TT-BNNPTNT dated 9/11/2012. This Circular No is effective from 24 Dec 2012 and replaced: the Decision No 99/2008/QĐ-BNN dated 15th Oct 2008 by MARD regulating the management for production bases of vegetable, fruit and tea; and the Article 2 of the Circular No 17/2011/TT-BNNPTNT dated 6th April 2011 amending and abolishing some administrative procedures in crop production complying with the Resolution No 57/NQ-CP dated 15th Dec 2010. The MARD's Minister assigned the National Agro-Forestry-Fishery Quality Assurance Department is the focal point to coordinate, monitor and implement this Circular.

INTERNATIONAL COOPERATION AND INTEGRATION

VBCF FUND-KEY TOOL FOR THE PRIVATE SECTOR TO PARTICIPATE INTO THE POVERTY ELIMINATION

DFID publicized the Vietnam Business Challenge Fund (VBCF) with its total investment 7 million pounds, sponsoring for private enterprises operating in Vietnam. This fund operated effectively in many African and Asian countries, strongly influencing the poverty elimination and helping poor people accessing to the social services. The born of VBCF sully reflected the strong belief of the UK government to the potentials of creation and renovation of the Vietnamese private enterprises – the elevation enterprises for economic development of Vietnam. With the co-fund and the management of the SNV, VBCF will provide grant investment of the maximum 49% of the total investment for projects in the three sectors: agriculture, green growth and service infrastructure for the poor.

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ADB SUPPORT TO MITIGATE THE NATURAL RISKS OF FLOOD AND DROUGHT IN THE GMS



ADB and AusAIDS co-support a loan and a grant total value of 87.39 million USD to help Vietnam and Laos to mitigate the natural risks of flood and drought in the Greater making Sub region (GMS) via the infrastructure development and equipment of skills for planning, forecasting and preparing for CC. The

support package also used to gather data, information and knowledge serving for forecast of flood and drought in the national levels within these two countries.

The National Centre for Early Caution will be established in Laos to implement the researches and solutions for the cross-countries flood management.

USA HELPS VIETNAM IN NATURAL DISASTER COMBATING



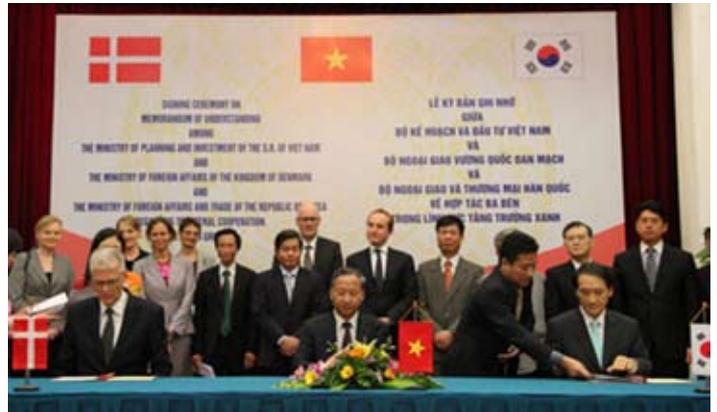
The project named “Green Shield” funded by USAID with total value more than 400,000 USD will directly influence 48,000 local people of 12,000 households in Quảng Nam and Binh Dinh province in the coming two years. These are two provinces which most regularly impacted by flood and adverse rain.

The project supports in strengthening the environmental protection and the natural resource protection via activities of planting, renovating and protecting the mangrove forests. The project also supports the vulnerable communities to protect their lives and livelihood as well as to use the Early Caution system.

With the closed cooperation from local authorities, the project also mainstreams the knowledge on natural disaster prevention and impact mitigation into the school curriculum. By the time the project finish, the local authorities’ cadres and local communities shall have a practical people participatory model for natural impact mitigation to replicate to schools, districts in and out provinces.

VIETNAM. KOREA AND DENMARK COOPERATE IN GREEN GROWTH

On 7th Nov 2012, Vietnam, Korea and Denmark have signed an MOU on the trilateral cooperation in the green growth in Vietnam for the period of 2012-2020 and vision to 2050. Via this MOU, stakeholders commit and cooperate in information, knowledge, technology and secrets sharing in green growth and low emission. In addition, the support on institutional and human resource capacity building for implementation of the Green Growth Strategy and other cooperation relating green growth are also included. With the positive cooperation from Denmark and Korea for Vietnam in the green growth, Vietnam shall have more opportunities to expand its international cooperation with nations in the region and global wide, creating leverage for the success



implementation of the green growth strategy in Vietnam./.

WB AND KOREA SUPPORT VIETNAM TO COPE WITH CLIMATE CHANGE AND TO IMPLEMENT ITS GREEN GROWTH STRATEGY

On 9/11/2012 in Hanoi, the Chief representative of KOICA Vietnam Mr. Kim In and the Vice Minister of MPI Nguyen The Phuong signed the agreement minute for the project on the implementation of the green growth strategy in Vietnam.

Thus, KOICA shall support Vietnam about 2 million USD to implement the project in two years from 2013 to 2014. Approved by the Prime Minister on 25-9, The National Green Growth Strategy is a motivation for development in the new context with new objectives of less carbonic development, and

green production, etc.

On 9/11/2012, WB Vietnam disclosed that the steering committee of WB has endorsed the credit of 70 million USD for the policy loan to support Vietnamese Gov. in necessary institutional capacity building for CC responsive. This project includes 5 key activities compliance with the 3 core theme pillars: CC adaptation, CC impact mitigation and cross-sector issues. The project shall focus on water sector, energy sector, CC mainstreaming to development planning and creation of the good conditions for financial provision for CC responsive activities.



LEGISLATION DOCUMENTS IN AGRICULTURE AND RURAL DEVELOPMENT ISSUED IN 11/2012

| Issued date | Contents |
|-------------------------------------|---|
| By Prime Minister | |
| 21/11/2012 | Decision No 1775/QĐ-TTg approving the project on emission management and carbonic credit business management to the global market. |
| 15/11/2012 | Letter No 1946/TTg-QHQT approving the category of the 4th batch projects funded by UNDP |
| 08/11/2012 | Decision No 49/2012/QĐ-TTg On the supplementation and revision of the article 3 in the Decision No 142/2009/QĐ-TTg regarding the mechanism, policies for support of breeding for cultivation, husbandry, and aquaculture zones to recover after natural disasters and epidemic. |
| 07/11/2012 | Letter No 1870/TTg-ĐMDN regarding the wrap up of the implementation of the Resolution No 28-NQ-TW from the Ministry of Politic on arrangement, renovation and development of the state management agricultural and forestry farms |
| 07/11/2012 | Decision No 1660/QĐ-TTg approving the bio-tech development and allocation in the environmental protection up to 2020. |
| From the Governmental Office | |
| 21/11/2012 | Announcement No 385/TB-VPCP regarding the conclusion from the Deputy PM Vu An Ninh in the NRD national steering committee handling over meeting |
| 20/11/2012 | Letter No 9460/VPCP-KTTH stipulating the fees for quality certification for export agriculture products. |
| 19/11/2012 | Letter No 9382/VPCP-KGVX stipulating the prevention of transportation, business, consumption of smuggled chicken without original tracking papers and without food safety evidence. |
| 14/11/2012 | Letter No 9216/VPCP-KTTH stipulating the credit policies for minority households who facing extreme difficulties. |
| 14/11/2012 | Letter No 9217/VPCP-KTTH on the storage system for rice and mechanism for purchasing rice for temporary preservation. |

| From MARD | |
|-----------------------|---|
| 26/11/2012 | Letter No 4068/BNN-CB on the cooperation in implementation the rice export business planning |
| 26/11/2012 | Announcement No 5793/TB-BNN-VP regarding the conclusion of the Vice Minister Nguyen Thi Xuan Thu at the meeting on the agricultural material quality management and agro-forestry- fishery food safety organized in Oct, Nov 2012. |
| 26/11/2012 | Announcement No 5768/TB-BNN-VP regarding the directions from the Minister Cao Duc Phat assigning the Management Board of Forestry Projects to complete the project document for “integration protection for the coastal and the mangrove areas for CC adaptation at Mekong zone/CC and coastal ecological system in Mekong delta (ICMP/CCCEP)”. |
| 16/11/2012 | Decision No 2911/QĐ-BNN-KHCN licensing the limited industry survey and plan for approval of trials assessing the environmental and biodiversity impact from the genetically modified maize, Events: MIR 162 pest resistance wing scales, Registered organizations: Co.ltd Syngenta Vietnam |
| 15/11/2012 | Decision No 2909/QĐ-BNN-CN adjusting the targets for the construction of biogas 2012 for provinces, cities implementing the project “Biogas Program for the Animal Husbandry Sector in Vietnam 2007 – 2012” |
| 13/11/2012 | Circular No 61/2012/TT-BNNPTNT stipulating the post-harvest food safety monitoring |
| 12/11/2012 | Decision No 2871/QĐ-BNN-KHCN of 2012 adjusting the national extension project issued by the MARD’s Minister |
| 12/11/2012 | Decision No 2863/QĐ-BNN-HTQT approving the project on “safe management of the dried rice breed in Vietnam” funded by AFACI |
| 9/11/2012 | Circular No 59/2012/TT-BNNPTNT stipulating the production management for safe vegetable, fruit and tea |
| 08/11/2012 | Letter No số 3846/BNN-HTQT approving the category of the project on capacity building for flood early caution, phrase 2 funded by USAID |
| 07/11/2012 | Circular No 58/2012/TT-BNNPTNT promulgating the additional list of veterinary drugs, vaccines, biological products, microorganisms, chemicals used in veterinary medicine which are allowed to be available in Vietnam. |
| 06/11/2012 | Circular No 56/2012/TT-BNNPTNT promulgating the rehabilitation of degraded natural forests. |
| From MPI | |
| 19/11/2012 | Decision No 1548/QĐ-BKHĐT establishing the Central Steering Committee for implementation of the Strategy for Development Statistics Vietnam for the period 2011 to 2020 and vision to 2030. |
| From MOF | |
| 23/11/2012 | Circular No 205/2012/TT-BTC guiding the implementation of the policies to protect and support development of paddy land under Decree 42/2012/ND-CP dated 11/05/2012 on management and use of land for rice. |
| 19/11/2012 | Letter No 16047/BTC-ĐT advancing the payment for the project using the State budget and Government bonds. |
| 07/11/2012 | Circular No 188/2012/TT-BTC guiding interest rate subsidy for loans and subsidized interest rate difference for the implementation of support policies to reduce post-harvest losses for agricultural and fishery products. |
| From MOFA | |
| 12/11/2012 | Circular No 05/2012/TT-BNG guiding the implementation of the Decree No 12/2012/ND-CP dated 01/03/2012 on registration and management of activities of foreign non-governmental organizations in Vietnam |
| Ủy ban Dân tộc | |
| 12/11/2012 | Decision No 303/QĐ-UBND promulgating the Regulation on organization and operation of the Project Management Committee “Support for implementation of the Resolution 80/NQ-CP on sustainable poverty reduction orientation period 2011 - 2020 and the National Target Programme on Sustainable Poverty Reduction period of 2012 - 2015 “ |