



MINISTRY OF AGRICULTURAL AND RURAL DEVELOPMENT
DEPARTMENT OF COOPERATIVES AND RURAL DEVELOPMENT

EXCHANGE OF INFORMATION ON AGRICULTURE COOPERATIVE ACTIVITIES IN VIET NAM

Thailand, 2022



I. UPDATED FOCAL POINTS OF THE ASWGAC

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II. POLICIES AND REGULATIONS ON COOPERATIVES

1. 04 groups of direct supporting policies

1. Supporting policies on the new development or re-organization of cooperatives.
2. Supporting policies on training and capacity development
3. Supporting policies on trade promotion
4. Supporting policies on science and technology applications

2. 02 groups of indirect supporting policies

1. Supporting policies for agricultural cooperatives (credit incentives; assigning and leasing land; tax incentives, notes on corporate income tax and VAT)
2. Risk prevention and mitigation policies

However, supporting policies to cooperatives are considered weak with complicate procedures. This makes the number of cooperatives benefiting from these policies is low.



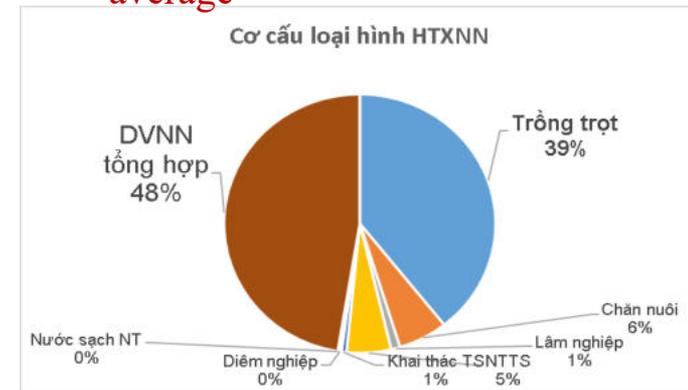
III. DATABASE OF THE AGRICULTURAL COOPERATIVE

The segment of collective economy and cooperatives in agriculture has overcome long-term limitations and weakness and has now shown potentials and opportunities for development (*Resolution 20/TW in 2022*)

Number of agricultural cooperatives by year



- Attract 3.23 million household members (almost 40% of total agro-forestry households)
- 176 members/cooperative on average



Operational efficiency of agricultural cooperatives

- 4.028 cooperatives joining the chains.
- 1003 cooperatives are OCOP subjects, accounting 39%.
- More than 2200 cooperatives employ organic, GAP or hi-tech practices.
- Cooperative models operate in diverse, efficient and innovative manner.
- Proven to be superior especially in case of pandemic breakout.

No	Criteria	Unit	Result
1	Number of regular worker/cooperative	person	21
2	Property (equipments, facilities) /cooperative	Million VND	871
3	Everage revenue/cooperative	Billion VND/year	2,44
4	Everage “profit”/cooperative	Million VND/year	383
5	Average income/worker in cooperative	Million VND/year	40,5
6	Member’s income increase, Product consumption	%	10-20 13,7



**IV. NATIONAL PROGRAMGES RELATED
AGRICULTURAL COOPERATIVES PERIOD
2021-2025**



General objectives of cooperative development in 2021-2030

(In accordance with Decision no. 340/QĐ-TTg & Decision no.1804/QĐ-TTg)

*“To support and develop collective and cooperative economy in horizontal and vertical dimensions, among which focus to be put on **improving quality of operation**; supporting members by raising public awareness of collective and cooperative economy; in the meantime strengthening capacity of collective and cooperative entities to further promote the linkages and further support members and regional communes; sharpening competitiveness of household economy, especially farmers’ economy in the context of socialist-oriented market mechanism and international integration”.*



Ultimate goals:
Improving
Operational
Quality and
Efficiency of Agri
Cooperatives



Specific objectives of Agri Cooperative Development by 2030

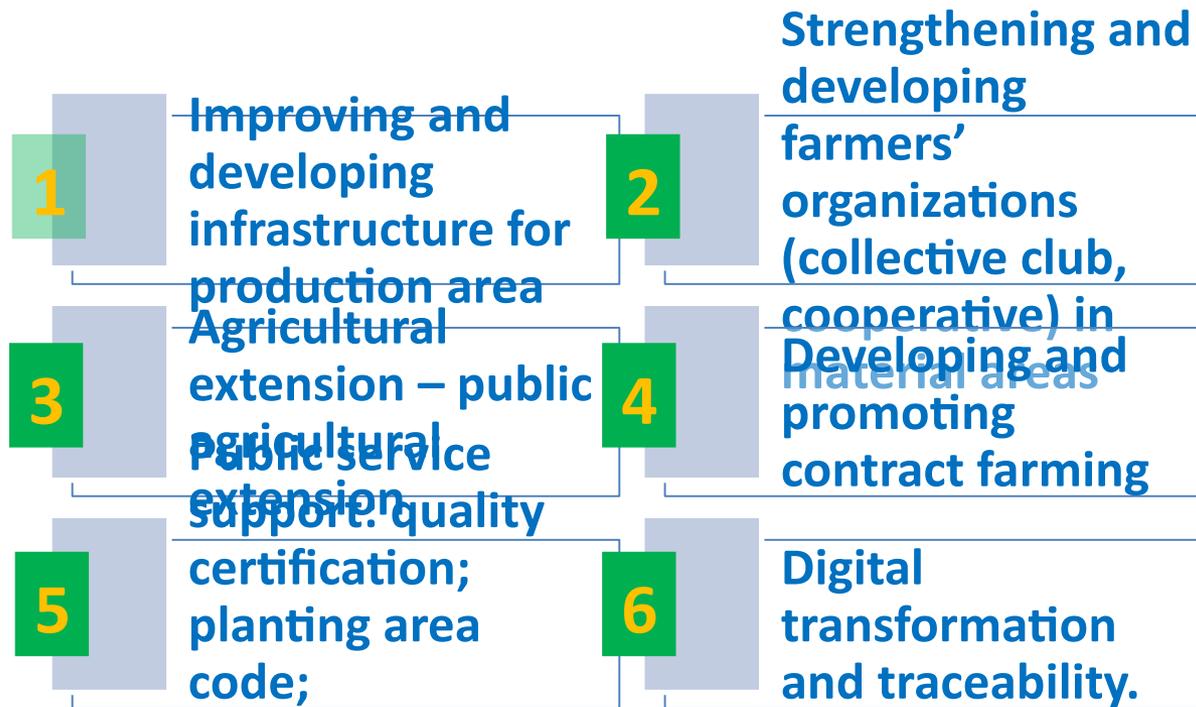
(In accordance with Decision no. 340/QĐ-TTg & Decision no.1804/QĐ-TTg)

1. 140.000 cooperative clubs with 2 million members, **45.000 cooperatives with 8 million members**, 340 cooperative alliances nationwide.
2. Well-performing cooperatives to account for 60-70% of total cooperatives nationwide.
3. At least 25% of cooperative managers to graduate from colleges or universities; about 80% managers receive training on managing cooperative entities.
4. **More than 5000 cooperatives to employ hi-tech applications including traceability application in production, distribution of agro products.**
5. About 50% of agricultural cooperatives to be associated with enterprises along the value chains.
6. Take clear actions/solutions towards cooperatives that have stopped operation, not been converted or reorganized in accordance with Cooperative Law 2012.



Pilot of Developing agro-forest-fisheries material areas meeting standards by MARD

1. Requirements of qualified material areas



Material area development: PPP promotion mechanism



Scale and location



Location: 184 communes, 50 districts of 11 provinces



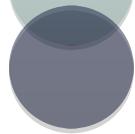
Area: 198.300 ha



17 processing, export and trading enterprises



250 agri cooperatives



185.000 farmer households

05 material areas

- Fruit in the Northern Mountainous areas (Sơn La, Hòa Bình): **14.000 ha** (passion fruit, pineapple, mango);
- Planted wood in Central coastal area (Quảng Trị, TT. Huế): **22.900 ha**;
- Coffee in Central Highlands (04 provinces): **50.200 ha**;
- **Rice in Long Xuyên quadrangle (Kiên Giang, An Giang): 50.000 ha**;
- **Fruits area in Đồng Tháp Mười (Đồng Tháp, Tiền Giang, Long An): 60.200 ha** (mango, jackfruit, durian).



MARD's proposal to develop material areas

Project 1

Infrastructure investment for regional connection

- Road connecting planting areas: 132 km
- Water management: irrigation canals, sluices, dredging canals
- 02 Silo for coffee storage, 01 IFQ cold storage; 03 coffee warehouses; 03 pre-treatment facilities, 06 wood consolidation areas,

Central: 440 billion VND (mid-term investment)

Project 2

Organization and management of production and material areas

- Set up 68 Coop.
- Training for Coop managers: 287 persons.
- 22 agri extension projects (in which: 9 projects at central budget)
- Software applications for management of 300 Coop.
- Traceability: 300 Coop..

Project 3

Public agricultural extension promotion and communication

- Set up 136 agri extension clubs (Central budget 26 clubs, the rest by provincial budget)
- Communication on material areas

Project 4

Promoting linkages along value chains

- 62 Coop have credit access for chain development
- State insurance 97 HTX
- Chain development (Decree 98).
- GAP application.

Industry Association Development (1)

- *Industry association plays important role, being the bridge between government and business community, cooperative, producers (being members) in the industry.*
- Representing the voice, viewpoints of members in domestics and foreign affairs related to the operation of the industry.
- Protecting legitimate rights and interests of the association and its members
- Uniting members for professional development. Promoting cooperation, coordination among members, mediating internal disputes.
- Disseminating knowledge and information, providing training for members.
- Improving linkages along value chain, supporting members in technology application in production



V. RESPONSE TO THE IMPACT OF COVID 19 PANDEMIC TO AC DEVELOPMENT

- Resolution No.105/NQ-CP on support enterprise, cooperatives and business households during the COVID-19 pandemic
- Payment extension for taxes and land rental
- Electricity price reduction, policies to support employees and employers...
- Organizing product consumption forums for cooperatives, connecting activities for product consumption, e-commerce floors



VI. DIGITAL TECHNOLOGIES IN AC DEVELOPMENT

- Decision N0.749/QĐ-TTĐ dated June 03, 2020 on introducing program for national digital transformation by 2025 with orientations towards 2030
- Focusing on Big data, Smart agriculture, E – commerce and agri business with the use of technology, innovation...
- Promoting using software on accounting software in AC; electronic production diary, traceability, e-commerce...



VII. Shortcomings in cooperative development

1. Inner problems

- Small size, few members
- Motivations from outside instead of benefits from cooperative itself
- Management capacity and qualifications
- Lack of capital and assets
- Limited access to technology
- Limited access to market information

2. State management and policy implementation

- **Incorrect perception of officials and people**
- Lack of resources, unrealistic policies (11 policies)
- Barriers: Land, credit, infrastructure, technologies, market
- **State management; qualification of officials, government;**
- Lack of development consultancy



VIII. RECOMMENDATION FOR REGIONAL COOPERATION

1. ENHANCING THE EXCHANGE OF INFORMATION
2. BUILDING PROJECTS AND SEARCHING FOR SPONSORS TO IMPLEMENT
3. STUDY TOUR FOR ENHANCE CAPACITY OF COOPERATIVE AMONG COUNTRIES





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Thank you!

