### Case Introduction:

# Technical Cooperation Project on Development Planning of Agriculture Sector in Nghe An Province

2017.08.20

## **Basic Information on Nghe An Province**



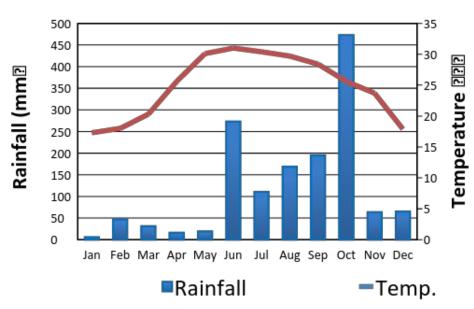
Population 3 million

Land Area 1.65 million ha

Land Use Fo

Forest 75 %
Cultivation Land 16 %
Others 9%

**Climate** 

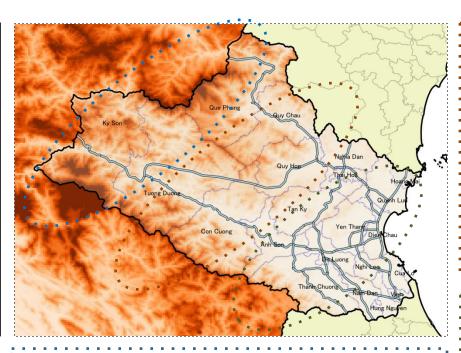


## Agriculture in Nghe An Province

**0**m

**Altitude** 

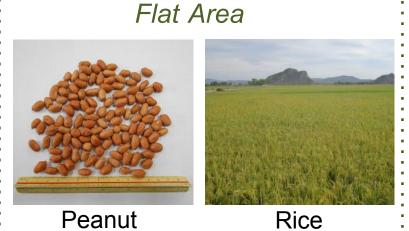
1200 m



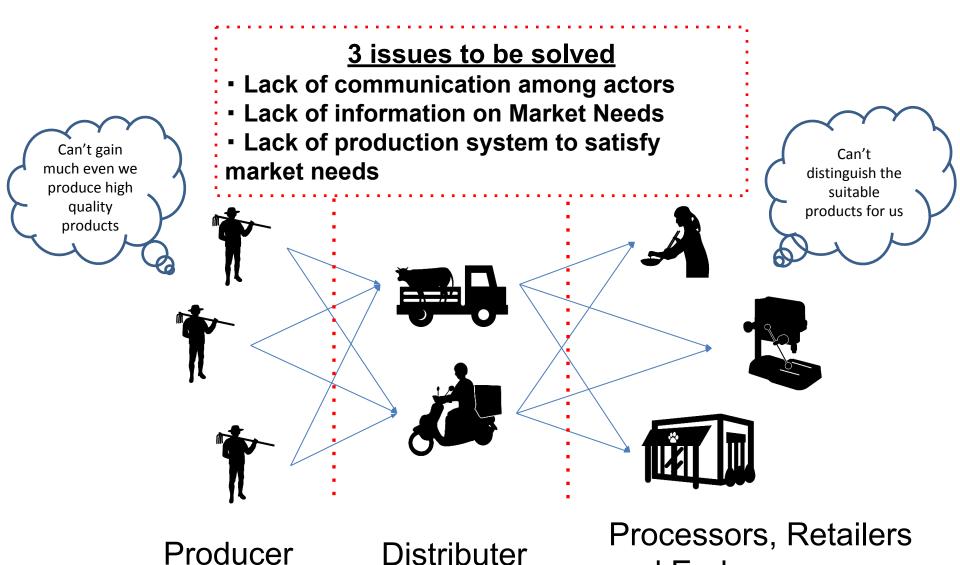


Mountainous Area





#### Current Issue of Agricultural Products Marketing in Nghe An Province



2017/07/26

and End users

#### **Project Objective**

This Project will develop "The Agriculture Development Master Plan (M/P) for Nghe An Province" and "Action Plan (A/P)" to achieve the goals of the M/P, through introduction of "Agricultural Marketing Platform" and "Contract Agriculture" which will enhance food value chain in Nghe An province.

#### Project Area

Nghe An Province, Vietnam

#### **Project Duration**

Mar. 2016 to Mar. 2019

#### **Project Implementation Organization**

Nghe An PPC
Japanese International Cooperation Agency (JICA)

### PROJECT APPROACH

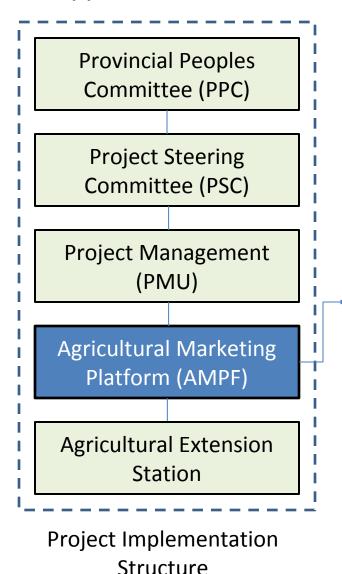


1. Establishment of Agricultural Marketing Platform (AMPF) for the Facilitation of Communication and Business Matching Among the Actors of Food Supply Chain



2. Implementation of the Pilot Project Regarding Contract Agriculture for the Creation of Sustainable Food Value Chain

#### Approach 1: Establishment of Agricultural Marketing Platform (AMPF)



#### Role of AMPF

- Organizing or Participating the exhibition on the agricultural crops and commodities produced in Nghe An for the promotion of those products and the facilitation of the business matching.
- Support farmers and buyers to conduct sustainable contract agriculture by providing technical assistance and consultation.
- Provide technical assistance to the farmers or agricultural enterprises to produce the agricultural products which satisfied the specific needs of the market.

#### **Activities of AMPF**



Arrangement of Exchange Meeting



**PR** Activities



#### **Database Preparation**



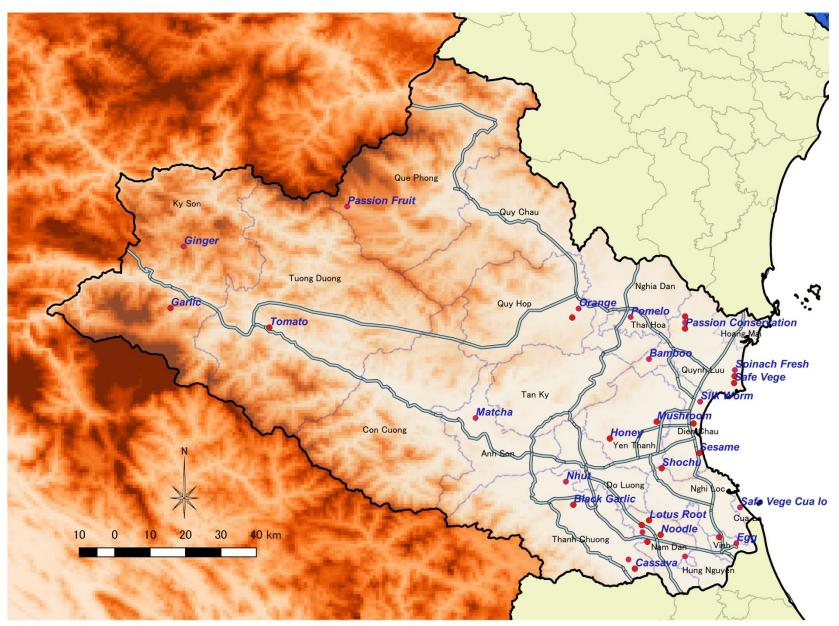
Arrangement of Pilot Project

Approach 2: Implementation of Pilot Project regarding Contract Agriculture

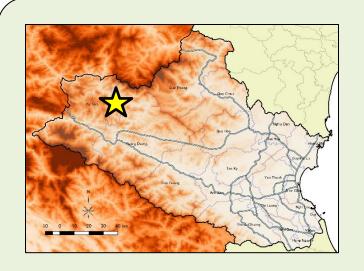
AMPF conducts the Planning and Implementation of **Pilot Projects** for the creation of FVC in order to check the feasibilities of Contract Agriculture in Nghe An province.

- To evaluate the domestic and international market demand for the preparation of pilot project.
- To provide technical support for the local farmers to produce the agricultural products which satisfied the specific market needs.
- To evaluate the efficiency of Contract Agriculture and finalize those results to make M/P and A/P

#### Pilot Projects conducted in Nghe An Province: 38 projects



## Pilot Project: Improvement of ginger production to meet international market demand



Pilot Site: Ky Son district

Pilot Duration: March 2017

to March 2018

Producer: Farmers in Ky Son

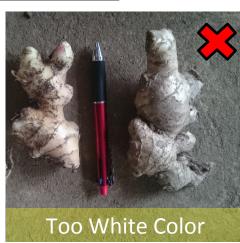
Processor: Nafoods

**Buyer: Japanese Trading** 

Company

#### **Current Cultivation Varieties**





**Buyer's Requirement** 







Ginger Paste Products

## Pilot Project: Improvement of ginger production to meet international market demand



**Target Crops** 

Local Farmers and Cooperative



Contract

Nghe An Foods Co., Ltd



Contract

Japanese Trading Company

Production

Processing

Sales

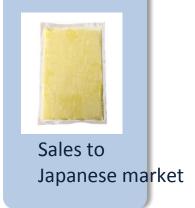


Planting yellow ginger for pilot project





Processing for Ginger Paste



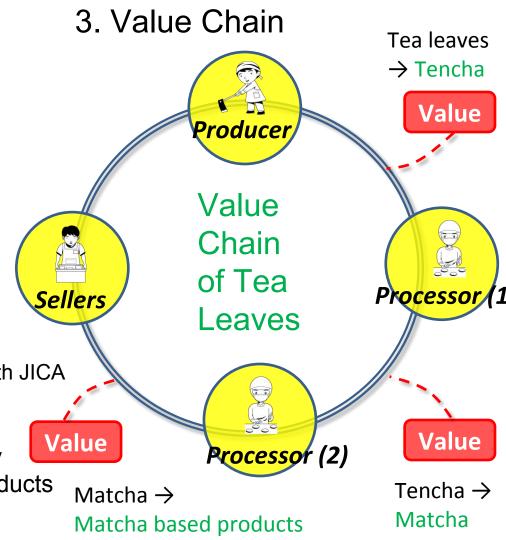
## Matcha Pilot Project (1)

#### Back Ground

- Nghe An prov. is famous with tea
- Matcha demand is being increased
- Invested by Japanese Company

#### 2. Concepts

- Private Public Partnership
   Supported by DARD, DPC
- Private Private Partnership
   Japanese Co. Vietnamese Co.
- Introduction of Foreign Capital
   Supported by JPN Co. in cooperation with JICA
- Value Chain to Big Market
   Nghe An to South Vietnam
   e.g. Ho Chi Minh City
- Value Added to Traditional Agri-Products
   Value added to Nghe An tea leaves



## Matcha Pilot Project (2)

Production

**Process** 

Sales

: Japanese Company (Supervise, Technical advice) / DARD/DPC •

MOU among 5 actors

Farmer (Anh Son Dist.)

1

Contract

JPN Company



Contract

: VN Companies (Kien Giang Prov.)









New Matcha Products

e.g. Matcha Latte/Jelly













### **Expected Results and Future Perspective**

- Establishment of AMPF would provide the opportunity to obtain the specific needs of the domestic and international buyers, which could create more trade channels for the local farmers in Nghe An province.
- Facilitation of Contract Farming would create favorable condition to let the local farmers to produce agricultural products which satisfied the needs of the market as well as the trade transaction of the agricultural products becomes more sustainable.
- Strengthen of the capacity of AMPF would be necessary for the continuous creation of FVC in Nghe An province.

# Thank you