



REPORT

**PLAN FOR AGRICULTURE AND RURAL
DEVELOPMENT SECTOR IN 2019**

Hà Nội, 17 May 2019



KEY ISSUES

I

Achievements in the implementation of the sectoral development plan in 2018

II

Key mandates and solutions to implement the Plan 2019

PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018



1. Achievements in implementing key indicators

(1) GDP of the whole sector increased by **3.76%** (of which agriculture increased by 2.89%, forestry increased by 6.01%, fishery increased by 6.46%), reached the highest level in the last 7 years, ***surpassed the target assigned by the Government (2.8 - 3%)***.

(2) Agriculture, forestry and fisheries (AFF) production value increased by **3.86%** (of which agriculture increased by 2.91%, forestry increased by 6.1%, fishery increased by 6.5%), ***exceeding the set target (3.25 %)***.

(3) Total export value of AFF products reached a record of **40.02 billion USD**, ***exceeding the target assigned by the Government (36 - 37 billion USD)***.

(4) Percentage of communes meeting new rural criteria: The whole country had 3,838 communes (43.02%) that met, on average, 14.57 criteria/commune and 61 districts meeting new rural standards, ***exceeding the targets assigned by the Government (37% of communes met new rural standards)***.

(5) Forest coverage rate reached 41.65%, ***exceeding the target assigned by the Government (41.6%)***.

PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018

2. Achievements on production development

(1) Crop production

- Crop production value increased by **2.52%**, higher than the set target (2.2%)
- Paddy area decreased but paddy production still increased 1.24 million tons (+2.9%). The provinces converted 138,000 ha of ineffective paddy area to other purposes
- Productivity and quality of many subsidiary crops and fruits increased. The areas increased as well by 68,4000 ha and the productivity increased 300,000 tons



PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018

2. Achievements on production development

(2) Livestock production

- Production value increased **3.98%**, higher than the set target (3- 3.5%).
- Có chuyển biến rõ nét trong tổ chức sản xuất theo hướng công nghiệp và bán công nghiệp, trang trại theo chuỗi.
- There is a clear shift in industrial and semi-industrial production organization, chain-based farms.
- Some livestock products have initially been exported, such as frozen pork to Myanmar, chicken to Japan.



PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018



2. Achievements on production development

(3) Fisheries

- Production value increased **6.5%**, surpassing the set target (5 – 5.5%).
- The total productivity of fisheries sector reached 7.75 million tons, increasing 6.1% compared to 2017: *Fishing was 3.6 million tons, increasing 5.3%; aquaculture was 4.15 triệu tấn, increasing 6.7%.*



PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018



2. Achievements on production development

(4) Forestry

- Forestry production value increased 6.1%.
- Wood exploitation volume domestically was 18.5 million m³. Forest area granted FSC was 226,300 ha; revenue from PFES was 2,938 billion VND, increasing 60%.
- To improve market access, Việt Nam and EU has signed the VPA/FLEGT.



PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018



3. Processing industries and product consumption

- There are 16 modern fruit and vegetable, pork and poultry processing plants with the total investment of about 8,700 billion VND which were already in operation.
- *Total export turnover reached 40.02 billion USD, up 9.6% compared to 2017; trade surplus reached 8.72 billion USD. Continue to maintain 10 commodity groups with export turnover of over 1 billion USD, including 6 items over 3 billion USD (rice, coffee, cashew, wood and wood products, shrimp).*



PART I. ACHIEVEMENTS IN IMPLEMENTING THE SECTORAL DEVELOPMENT PLAN IN 2018



4. Overall assessement

- Agriculture restructuring with specific focuses and high efficiency.
- Completing and exceeding 05/05 targets of the sector development plan, namely: (i) GDP growth rate (+3.76%); (ii) Production value (+3.86%); (iii) Export of AFF products (40.02 billion USD); (iv) The rate of communes meeting the standard of new rural development 43.02%; (v) Forest coverage 41.65%.

5. Shortcomings and challenges

- The agriculture restructuring was not uniform
- Deep processing has not yet developed; labor productivity and economic efficiency were not high. Market volatility, risk.
- Epidemic diseases in plants and animals were always at risk of outbreaks; food safety management was still very difficult and complicated.
- The EC's "Yellow Card" for IUU fishing has not been completely resolved.
- The gap between the results of new rural development between regions was quite large

1. Strategic objectives and sectoral development plan

- *Strategic development objectives of the sector till 2030:*** Developing a smart agriculture, international integration, adaptation to climate change, improving added value and sustainable development associated with new rural development towards a prosperous and civilized society. Striving to achieve the goal of building a prosperous agriculture, wealthy farmers, civilized and modern rural economy.
- *Objectives of the sector for 2019:*** Developing a smart agriculture, international integration, adaptation to climate change, improving added value and sustainable development associated with new rural development towards a prosperous and civilized society.



2. Specific objectives:

(1) By 2025: (i) GDP growth of the whole sector is about 3 - 3.2% / year; (ii) The number of communes meeting the standard of New Rural Development (NRD) is about 75% (of which at least 25% meet the standard model of NRD); (iii) Average income per capita of rural population is 1.8 times higher than that of 2020; (iv) Agricultural labor in the total labor force is about 25%.

(2) By 2030: (i) GDP of AFF sector is about 3%/year; (ii) Growth of rural industries and services over 10%/year; (iii) The number of communes meeting the standard of NRD is over 90%; (iv) Income of rural residents is 3 times higher than in 2020; (v) Agricultural labor is still about 15% of the total labor force.

(3) Key indicators of the sectoral development plan for 2019: (i) The GDP growth rate of the whole sector is over 3%; (ii) AFF production value is over 3.11%; (iii) Export turnover of over 43 billion USD; (iv) at least 50% of communes and more than 70% of districts meet new rural standards; (v) Forest coverage rate is over 41.85%.



3. Key mandates and solutions

1. Enhance agriculture restructure, increase yields and quality of agriculture products as well as production and business efficiency. The specific areas are including:

(1) Crop production: The growth rate of production value is over **1.78%**, value added is over **1.58%**. Restructure of crops and products; strongly develop fruit trees, vegetables, flowers and herbal plants.

(2) Livestocks: The growth rate of production value is over **4.15%**, value added is over **4%**. Developing concentrated, industrial and semi-industrial husbandry; expand export of livestock products.

(3) Fishery: The growth rate of production value is over **4.69%**, the value added is over **4.65%**. Improve the quality of sustainable offshore fishing; develop aquaculture of key products.

(4) Forestry: The growth rate of production value is over **6%**, value added is over **5.8%**. Protect, develop and use effectively and sustainably existing forest areas; restore coastal forest systems; strictly control the conversion of forest use purposes; promote socialization of forestry work; improve market access, implement VPA / FLEGT



PART II. KEY MANDATES AND SOLUTIONS TO IMPLEMENT THE PLAN 2019

(5) Development of processing industry, prioritizing fine processing, deep processing, especially for key products.

(6) Strongly develop consumption markets both domestically and for export: Strive for AFF products' export turnover in 2019 over 43 billion USD, of which agricultural products are 21 billion USD, fisheries is 10.5 billion USD, forestry 10.5 billion USD and other agricultural products 1 billion USD.

2. Rural development, focusing on the National Target Program on NRD

3. Develop agricultural and rural infrastructure; strengthen resource management; pay attention to irrigation development and prevent natural disasters to adapt to climate change: To organize strictly and effectively undertaking of the assigned public investment capital plans, among which **ODA capital will be attracted on the following directions:** (i) Infrastructure of agriculture and rural development; disaster prevention, combat and mitigation, climate change adaptation; ensure dam safety; fishing ports, storm shelters for fishing ships and big-scale fishing centers; (ii) Developing policies and institutions; (iii) Human resource development, knowledge transfer and technology development; (iv) Use as investment capital of the State to participate in implementing the project in the form of PPP.

PART II. KEY MANDATES AND SOLUTIONS TO IMPLEMENT THE PLAN 2019



- 4. Strengthening capacity and improving the effectiveness of quality management, food safety**
- 5. Innovating and developing forms of production and business organization:** Striving to establish 2,100 new cooperatives, bringing the total to 15,500 cooperatives; The number of newly established agricultural enterprises is 2,300 enterprises, bringing the total number of agricultural enterprises to 11,535 enterprises.
- 6. Proactive international integration; promote the application of science and technology, improve the quality of human resources:** Implement solutions to make the most of the opportunities of the Industrial Revolution 4.0, especially in the fields of high-tech and organic agriculture, clean, biotechnology, processing technology, reduce losses in agriculture.
- 7. Actively build institutions and policies, promote administrative reform**
- 8. Effectively implementing resolutions of the Party, National Assembly and Government**



THANK YOU!