

Dairy development in Vietnam Smallholder Farming and Large Scale Investments

Case-Study in Ba Vi (Hanoi)

JD Cesaro, Nguyen Mai Huong, Dung, Pham Duy Khanh,
Hoang Vu Quang, G. Duteurtre

PART 1 : GENERAL CONTEXT AND QUESTIONS



New economic growth and the dairy sector

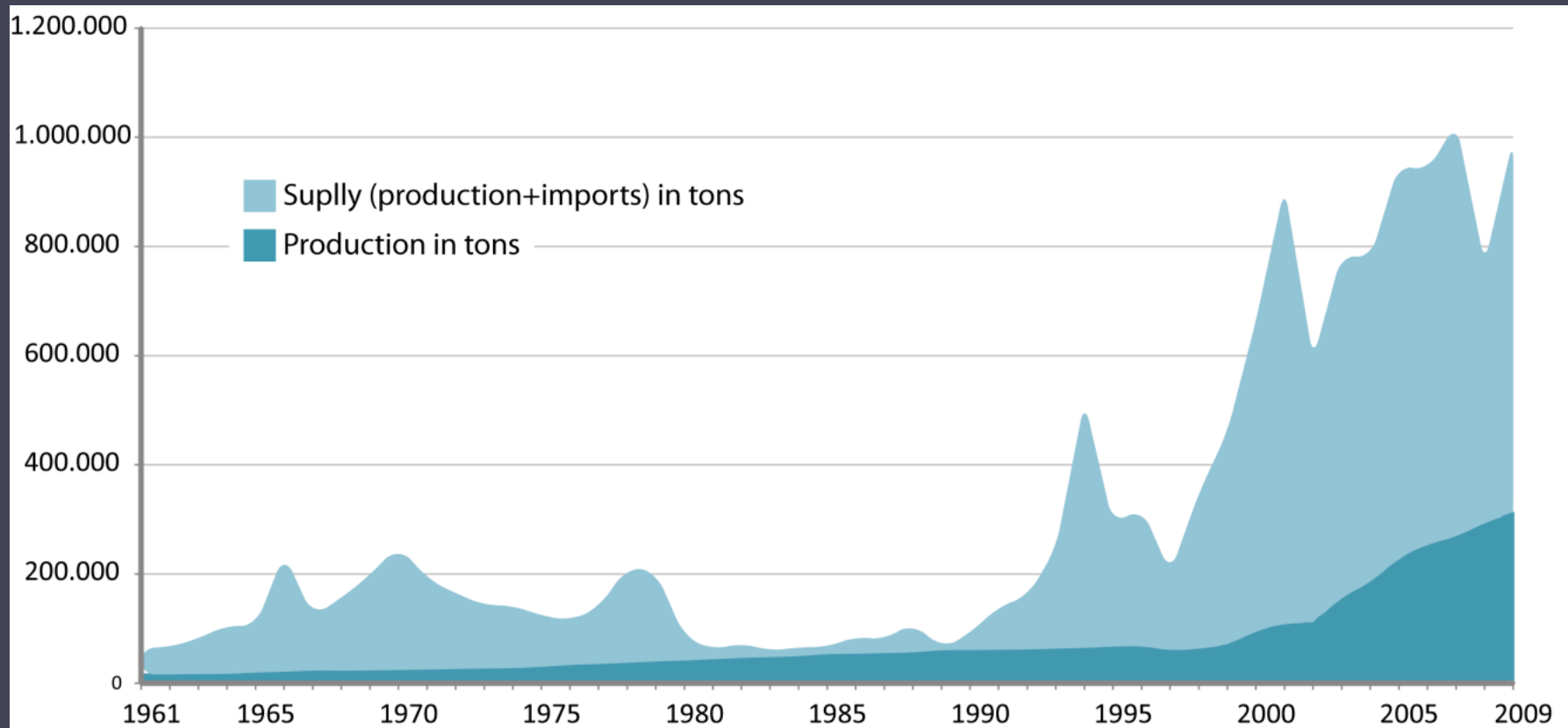
- Growth of milk consumption
- A « white revolution » in Vietnam ?
- Importance of policy programmes

Tableau : Consommation apparente de lait (kg/capita.an)

countries	1961	1971	1981	1991	2001	2007
France	219,5	235,2	281,6	287,2	272,9	260,5
China	2,5	2,3	3,2	6,5	11,1	28,7
Thailand	2,4	7,3	9,3	15,0	20,2	22,5
Viet Nam	1,9	4,3	1,1	2,1	11,2	11,9

Source : FAOSTAT, 2011 Supply of milk products - except butter

Supply versus production between 1961 and 2009



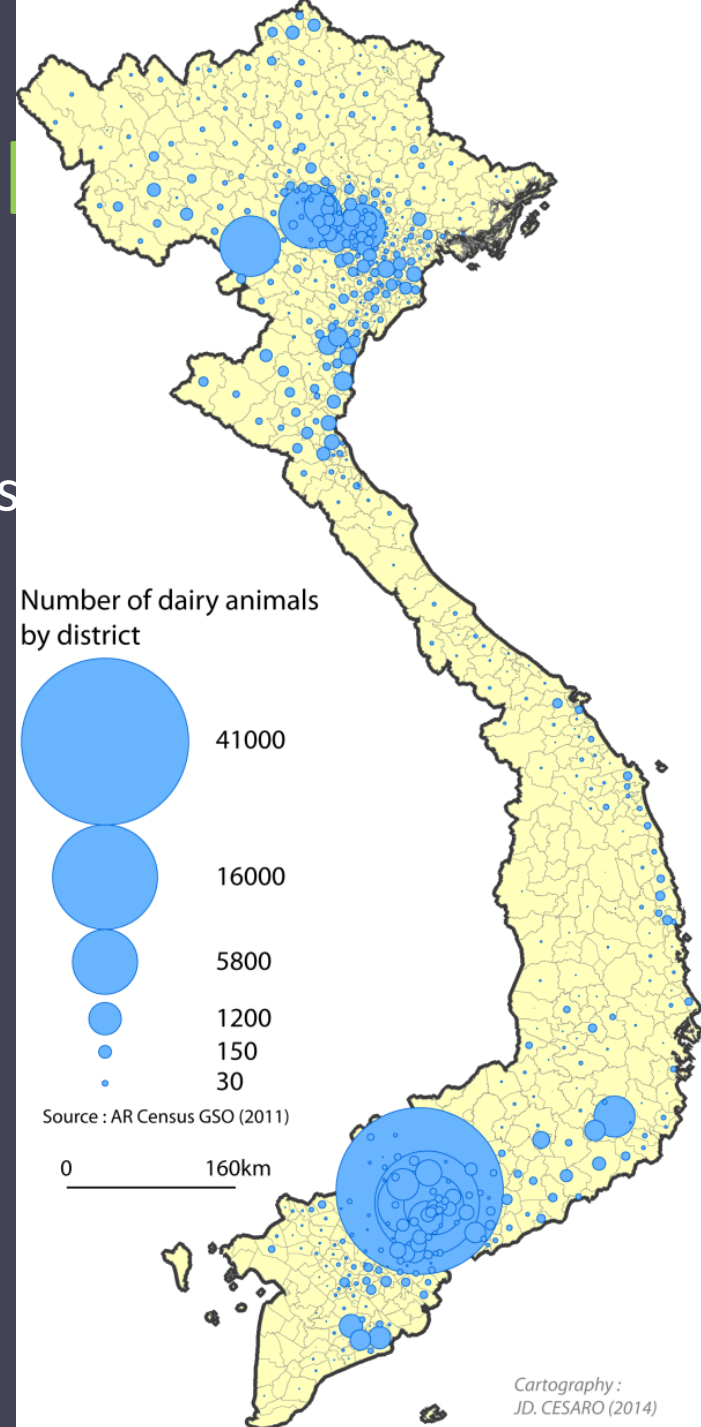
Source : FAOSTAT, 2011 Supply of milk products - except butter

The Scaling up of t

- Small Scale Dairy Territories
 - In a limited number of districts
 - Based on smallholder farms



Dairy production by district in 2011

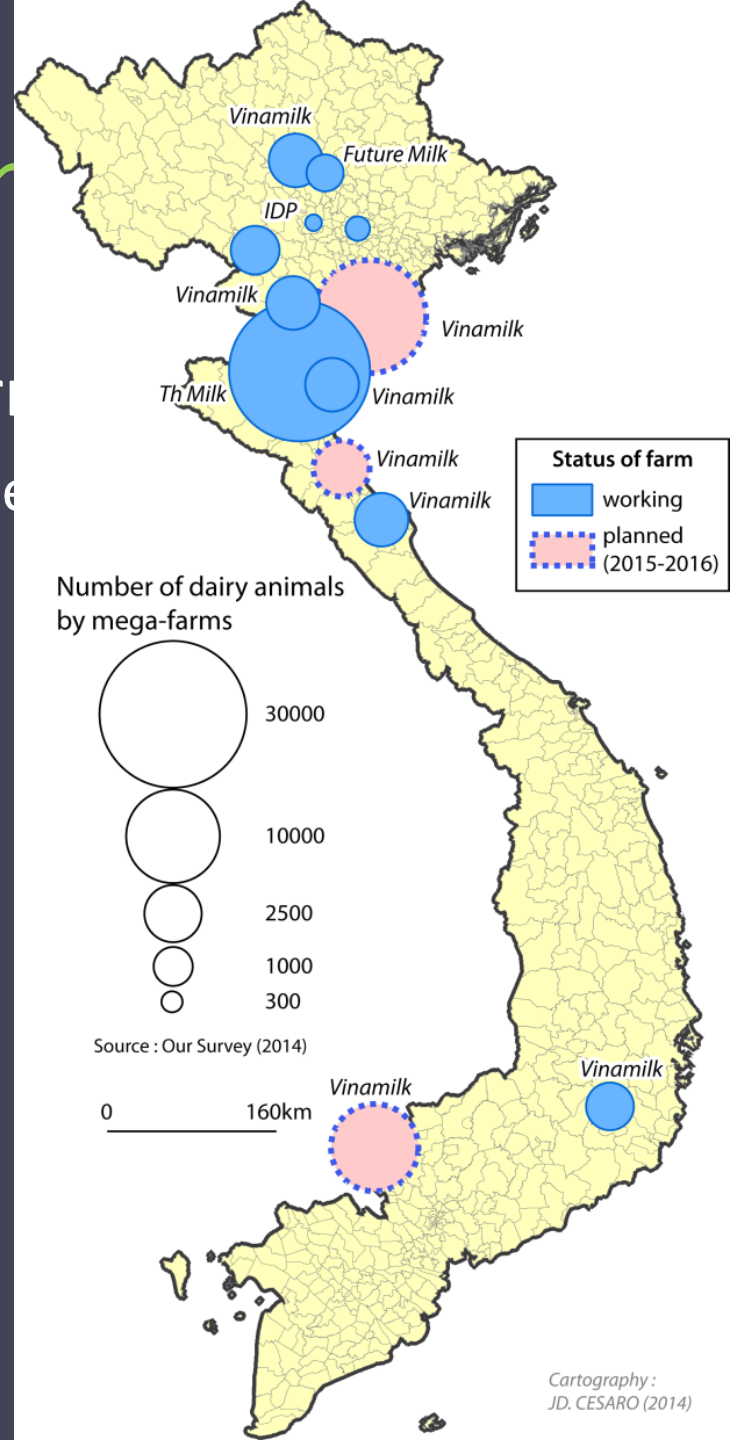


The Scaling up of the

- New investments in mega-farms
 - Where investments are possible
 - A new national strategy ?

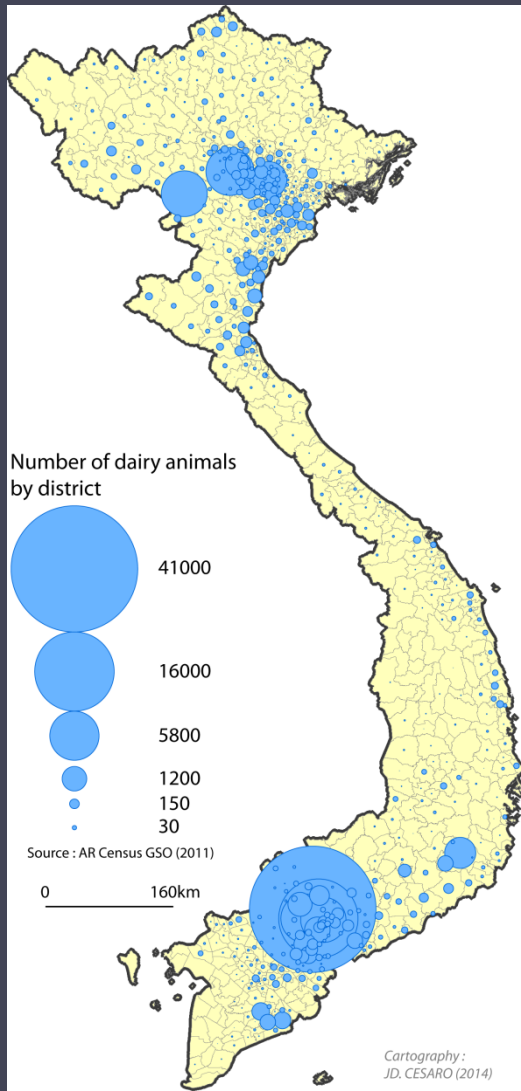


Large scale farms by district in 2014

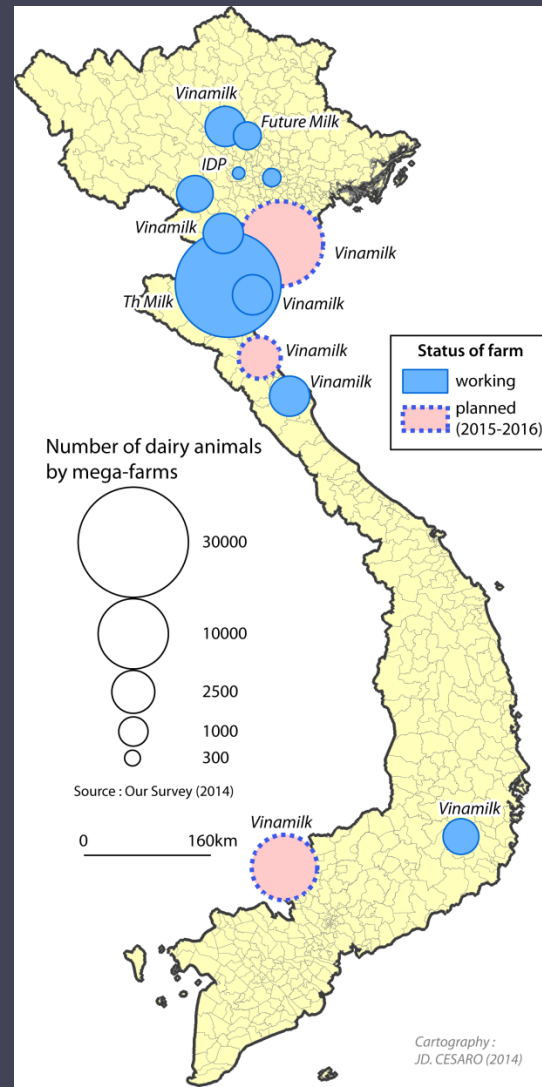


The Scaling up of the production

Dairy production by district in 2011



Large scale farms by district in 2014



Question on the sustainability of dairy farms

- Economic Efficiency
 - Dependency from Outside : a Rational Economic Model?
- Social Equity
 - The Peasant question in Vietnam dairy sector
 - Who wins? Who loses?
- Environmental justice
 - When dairy production has to cope with local territories

PART 2

CASE-STUDY :

THE BAVI MILK VALUE CHAIN





Ba Vi, a case study

























The Milk Value Chain in Bavi

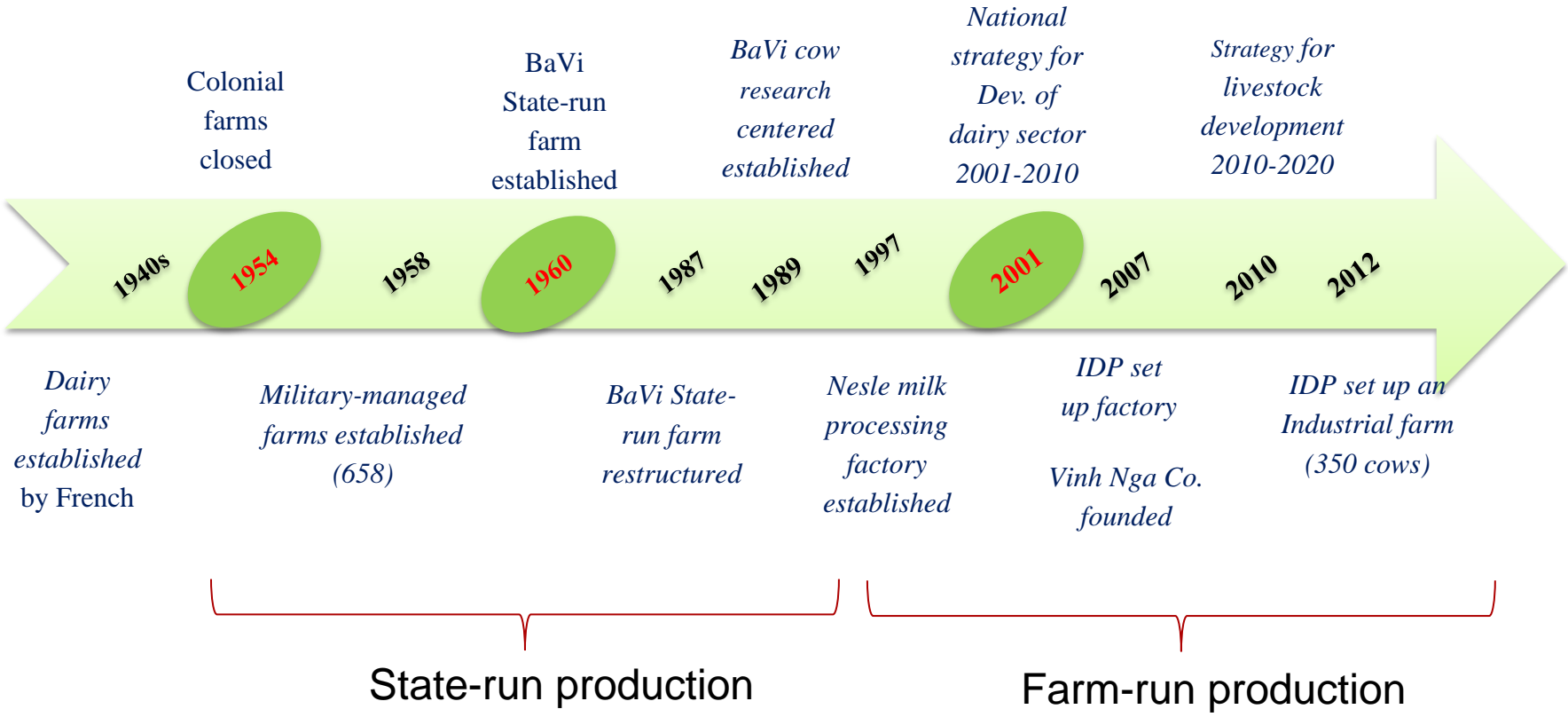
First results on the role of smallholders



NGUYEN MAI HUONG, N.T. DUNG, CESARO JD., PHAM DUY
KHANH, DUTEURTRE G.

Cow and dairy production in Ba Vi:

Key milestones

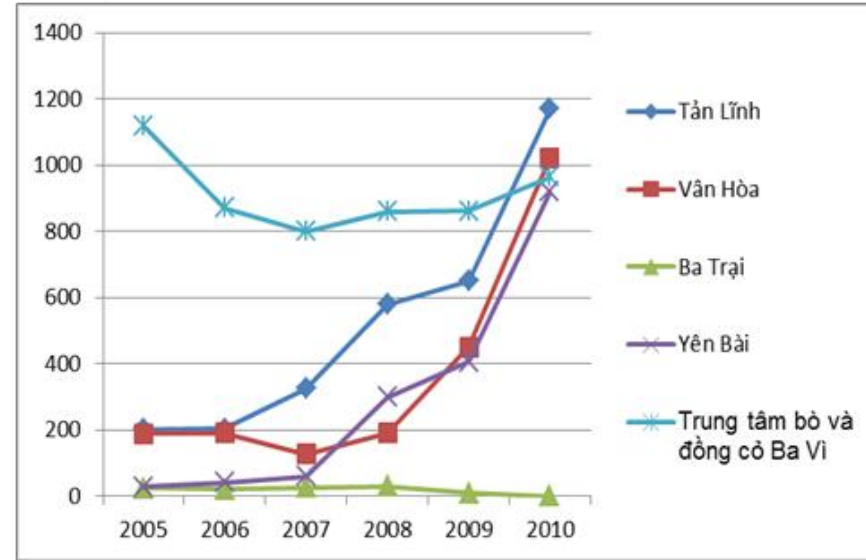


Cow and dairy production in Ba Vi:

Current Facts and Figures



Cow heads in mountainous communes

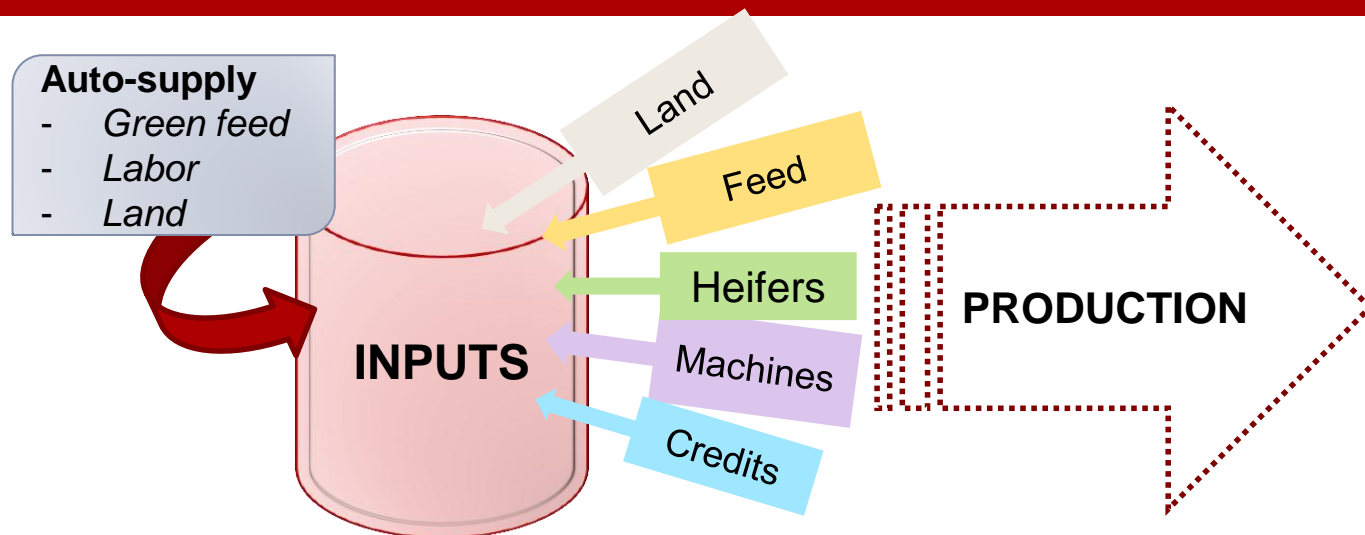


Source: Phạm Duy Khánh, study on monitoring cow production, 2011

Chú thích



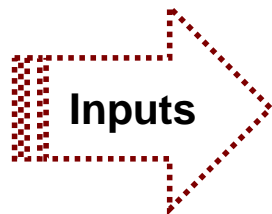
INPUT SUPPLY



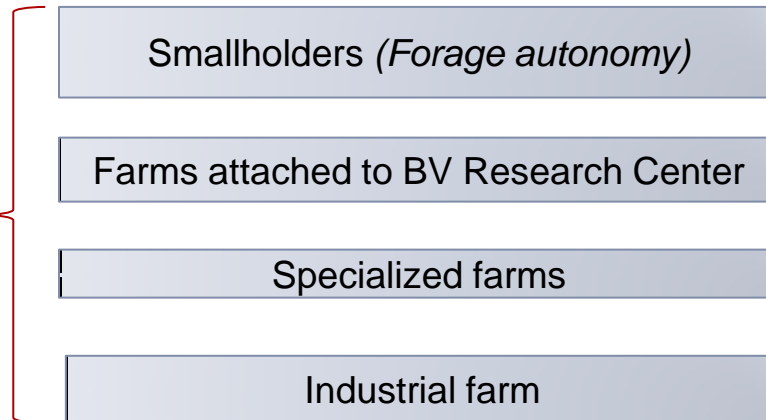
	Unit	Communes		
		Tản Lĩnh	Vân Hòa	Yên Bái
Surface/farm	m2	4.610	5.204	5.070
Including forage land	m2	3.300	3.457	2.983
Family members	Pax	4	4,3	4,2
Farm labour (active)	Pax	1,8	2,2	2
Farmers owing biogas	% HH	62,5	58,6	50,2

Source: Nguyen Nhu Hoa, 2010; Ta Van Tuong, 2011,

PRODUCTION

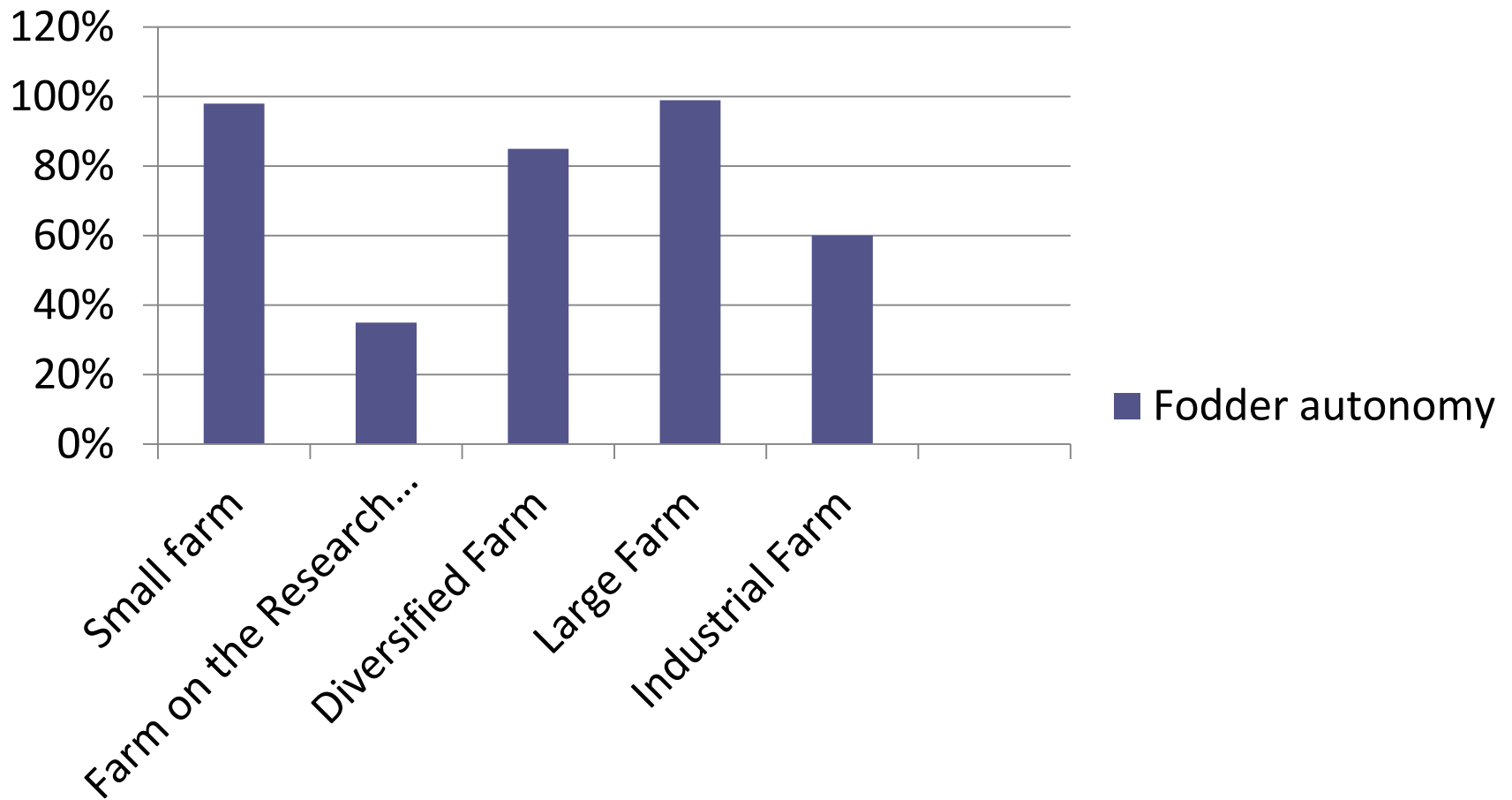


(2010):
- 15 communes,
- 1.484 HH



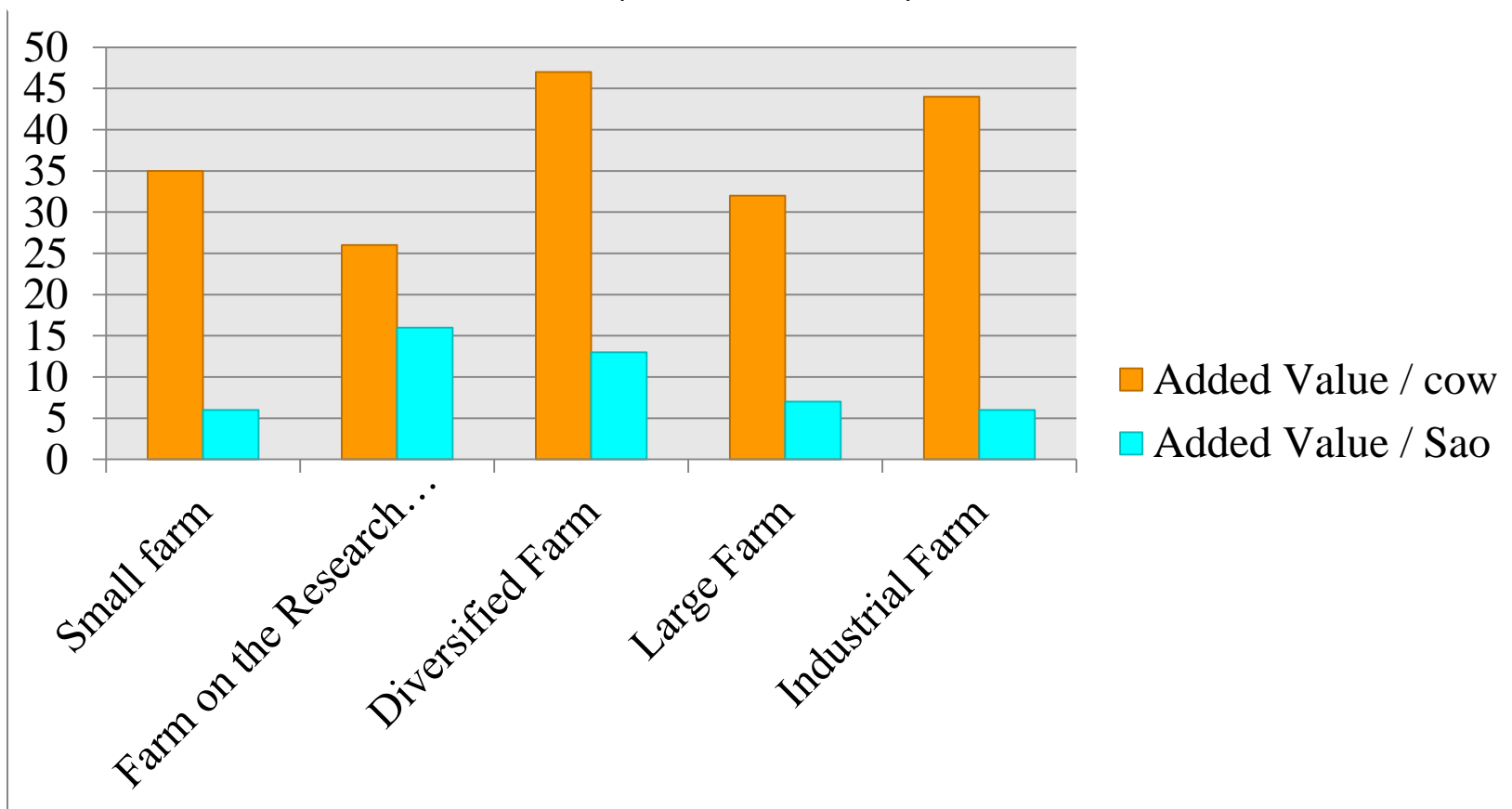
Environmental sustainability

Compared Efficiencies of Different Types of Dairy Farms in Bavi
(Fodder autonomy)

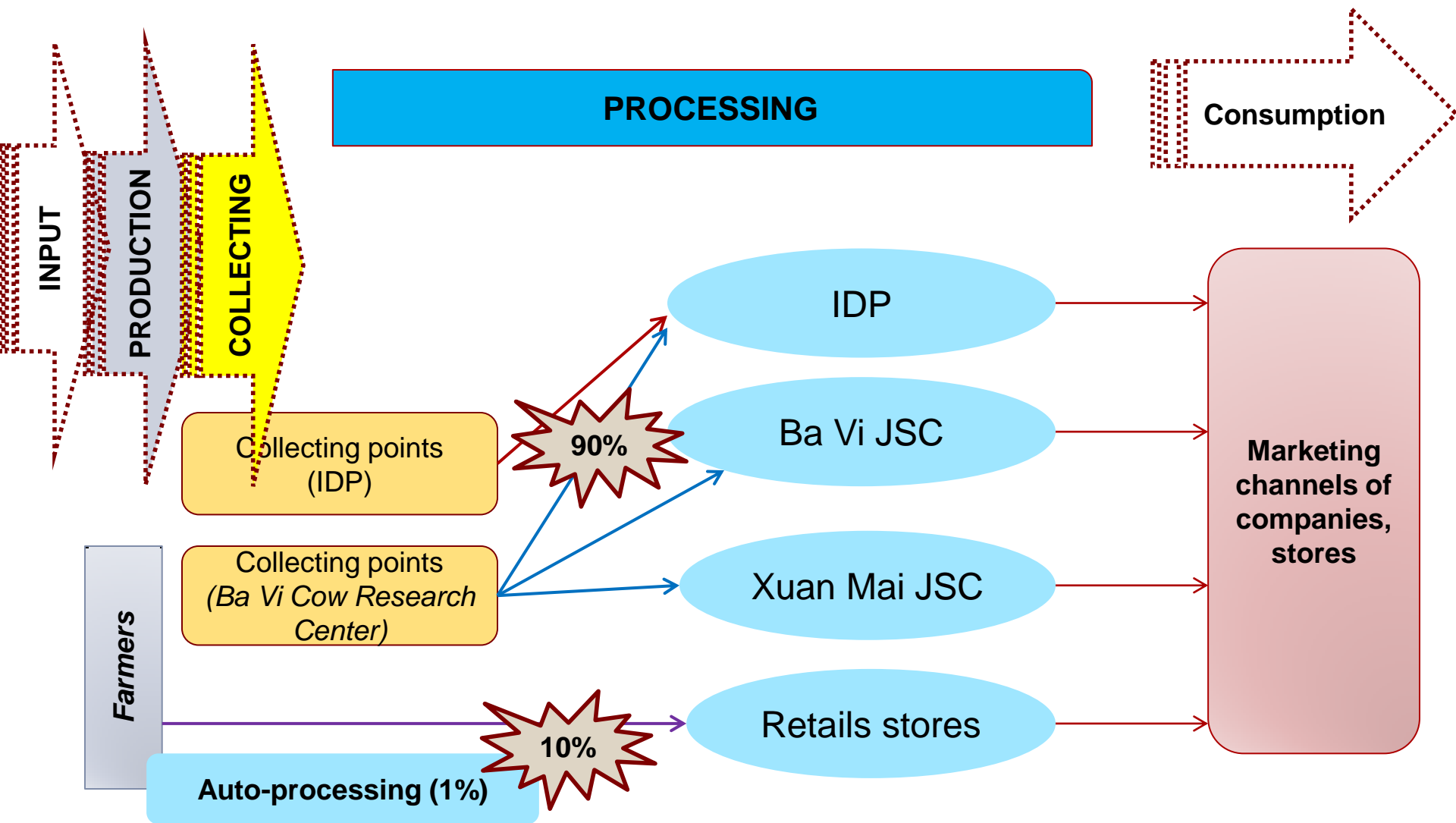


Economic sustainability

Compared Efficiencies of Different Types of Dairy Farms in Bavi
(in million VND)

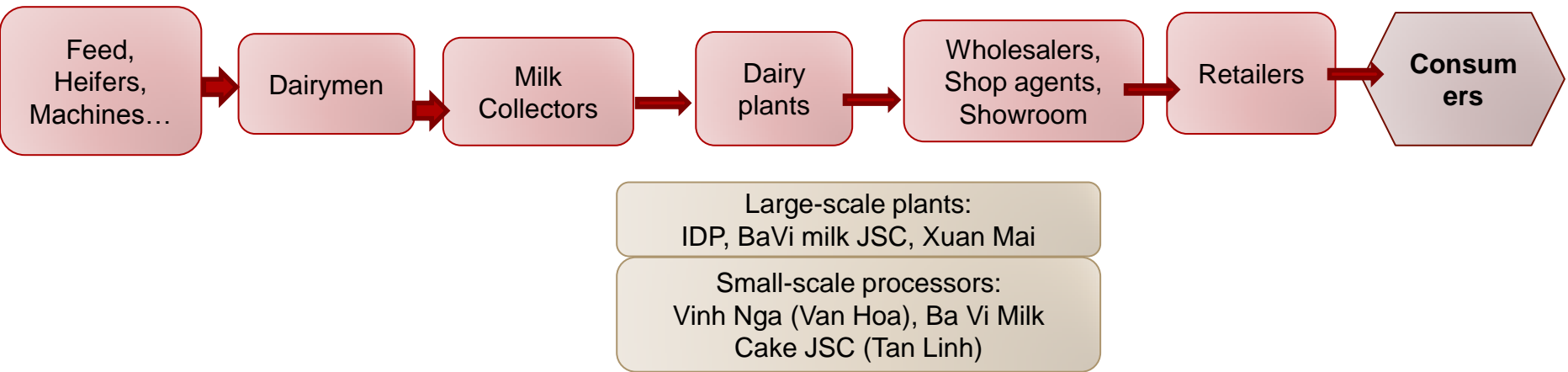


ORGANISATION OF THE VALUE CHAIN

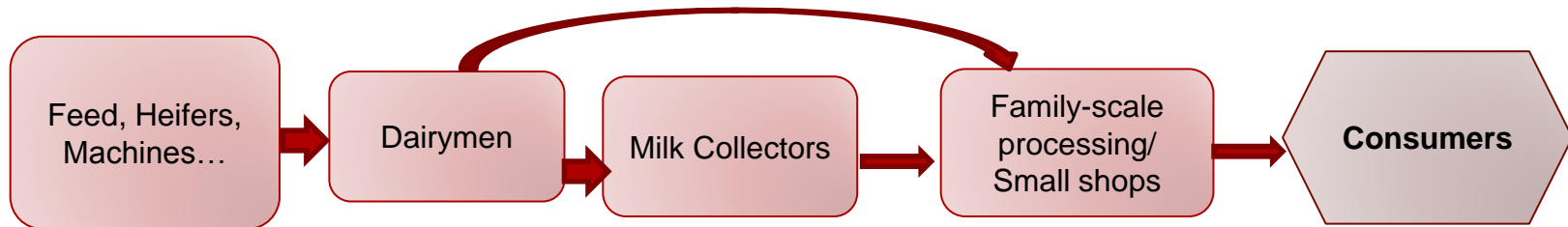


KEY CHANNELS

Channel 1



Channel 2



Difficulties and opportunities by VC function

Input	Production	Collection	Processing
Lack of green feed (5)	Late fertility (4.69)	Shortage of tanks and equipments (4.61)	Quality control at small-scale processors (4.69)
Inadequate local vet (4.31)	Credit access: high interest (3.38)	Absence of anti-biotic test tools (4.46)	Lack of sustainable linkage (4.38)
Increase price of concentrated feed (4.23)			

Input	Production	Collection	Processing
Increase in cow head (4.61)	Favorable weather conditions (5)	Presence of processing plants in the locality (4.85)	Big potentials for the markets (4.69)
Supports of companies (4.46)	Presence of processing plants in the locality (4.85)	Extended collecting network (4.38)	Collective mark granted by NOIP (4.54)
	Technical supports from local Gov (4.46)		

Participation of smallholders : What role in sustainability of the dairy sector?

- Sustainability at the farm level
 - Economic efficiency (forage autonomy, efficiency)
 - Social equity (rural employment)
 - Environment sustainability
- Sustainability at the country level
 - Capacity to reach self sufficiency in milk
 - Forage and feed dependency ?
- Sustainability at the value chains level
 - Needs to continue further research to understand equity, efficiency and environmental sustainability of current value chain governance
 - Who wins? Who loses?

THANK YOU
CẢM ƠN

