Institutions and Institutional Change in Value Chain Development

Case-Study on Access to Pastures for Cattle Producers in Son La

Guillaume DUTEURTRE
Value chain as a social construction

The institutional environment of the value chain

Input supplier
- Land tenure
- Genetic resources
- Know-how
- Technical recommendations
- Credit schemes …

Primary producer

Processor

Wholesaler
- Contracts
- Cooperatives
- Market places
- Sanitary regulation
- Price governance …

Retailer

(From Bonney and Collins)
Case-Study: Institutions for Accessing Pastures

• “To develop cattle production, we must associate natural pastures and cultivated forages. We cannot rely only on one of them. The level of association depends on each region, and on each individual”.
  (DARD Mai Son, June 2012)

• “In our village, the number of cattle is decreasing because availability of pastures has been reduced”.
  (Mr Diêm, Hoc village, Ta Hoc commune)
Institutions for Accessing Pastures

• **Historical Background (1)**
  
  – Before the collectivization period
    • Rice cultivation in the lowland (1 crop / year)
    • Shifting cultivation in the highlands (long fallow period)
  
  – Collectivization period (1960-86)
    • Intensification of rice cropping (cooperatives)
    • Migration to the valleys bottom
    • Restriction of shifting cultivation in the hillsides
Institutions for Accessing Pastures

• Historical Background (2)
  — Reforms in the Đổi mới (1986-1990s)
    • Allocation of low land rice fields to farmers
    • Legal status of the hillside was not clearly defined
      (Return to shifting cultivation + rush to clear and appropriate as much land as possible)

  — Reform of Forest land use (1993-2000s)
    • Allocation of uplands to individual households (Land use certif.)
    • Clarification of forest land:
      • Protected Forest
      • Special Use Forest
      • Production Forest

    + Land use planning in each commune
Case-Study: Institutions for Accessing Pastures

- Current issues for pastures management

**Evolution of Planted Area in Son La Province (Thousand ha)**

(source: DARD Son La)
Institutions for Accessing Pastures

• Current issues for pastures management
  – Management at the village level
    • Local regulations / arrangements on pastures
      – Ex: prohibition of free grazing in Hoc village during cropping season
  – Management at the Commune/District level
    • Development of forages cultivation (seeds)
    • Identification of pastoral lands?
  – Management at the value-chain level
    • Contract farming (cattle)
      – Ex: Thanh Tung Company in Son La
    • Cattle collection networks
    • Interest groups?
Conclusion

• Institutional change as an historical process
  – Path dependency
  – Long term transformations
  – In relation with global transformation of agrarian systems

• Institutional change as a negotiation process
  – Learning by doing
  – Lots of uncertainties / contingent situation
  – Power relationships
  – Governance process at different levels
Conclusion

• Institutional change as an historical process
  – Literature review (published and unpublished)
  – Personal interviews (history of places and of individuals)
  – Policy regulation (and enforcement mechanisms)

• Institutional change as a negotiation process
  – Households strategies (livelyhood / assets / pluriactivity)
  – Monographs of public bodies (and ext. services)
  – Monographs or private companies (trade, industries)
  – Governance mechanisms (local / national)