Short supply chains and governance: case of safe vegetables in Hanoi

Dao The Anh, CASRAD
Nguyen Ngoc Mai, CASRAD
Nguyen Thi Ha, CASRAD

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### Agriculture in Hanoi, before and after enlargement in 2008

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2006</th>
<th>2008</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total area (ha)</td>
<td>92 098</td>
<td>92 200</td>
<td>334 470</td>
<td>334 470</td>
</tr>
<tr>
<td>Agricultural area (%)</td>
<td>48,5</td>
<td>41,4</td>
<td>57,6</td>
<td>56,4</td>
</tr>
<tr>
<td>Total population</td>
<td>2 736 400</td>
<td>3 216 700</td>
<td>6 232 940</td>
<td>6 451 909</td>
</tr>
<tr>
<td>Rural Pop (%)</td>
<td>42,2</td>
<td></td>
<td></td>
<td>59,0</td>
</tr>
<tr>
<td>GDP of Hanoi (Billion VnD)</td>
<td>39 944</td>
<td>110 736</td>
<td>178 535</td>
<td></td>
</tr>
<tr>
<td>Agricultural part in GDP of Hanoi (%)</td>
<td>10,1</td>
<td>6,12</td>
<td>6,22</td>
<td></td>
</tr>
</tbody>
</table>
1. Suburban agriculture in Hanoi: important but be menaced
### Evolution of crop areas and livestock numbers in the new Hanoi

<table>
<thead>
<tr>
<th>Crop area (ha)</th>
<th>2000</th>
<th>2009</th>
<th>Annual variation(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000-2009</td>
<td>2009-15</td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td>236 689</td>
<td>206 890</td>
<td>-1.5</td>
</tr>
<tr>
<td></td>
<td>-3.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maize</td>
<td>34 927</td>
<td>18 411</td>
<td>-6.9</td>
</tr>
<tr>
<td></td>
<td>+5.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soybean</td>
<td>15 148</td>
<td>7 278</td>
<td>-7.8</td>
</tr>
<tr>
<td></td>
<td>+29.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td>29 333</td>
<td>26 936</td>
<td>-0.9</td>
</tr>
<tr>
<td></td>
<td>+1.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fruits</td>
<td>9 139</td>
<td>13 530</td>
<td>+4.5</td>
</tr>
<tr>
<td></td>
<td>+1.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flowers and ornamental</td>
<td>3 552 (*)</td>
<td>4 288</td>
<td>+4.5 (**)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Livestock (Head)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pigs</td>
<td>1 286 000</td>
<td>1 682 000</td>
<td>+3.0</td>
</tr>
<tr>
<td></td>
<td>+0.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cattles</td>
<td>139 758</td>
<td>198 752</td>
<td>+4.0</td>
</tr>
<tr>
<td></td>
<td>+2.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poultries</td>
<td>14 729 000</td>
<td>16 509 000</td>
<td>+2.9</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>+0.1</td>
<td></td>
</tr>
</tbody>
</table>
Urban growth and peri-urban agricultural

- In the proximity of the city, agriculture is reactive and intensify.
- But urban growth poses limits to their development:
  - Insecurity of land tenure for vegetables production
  - Distribution is not yet requesting quality
  - Livestock is pushed away from the city
  - Irrigation systems were destroyed
Diversity of agricultural peri-urban: New typology of farming systems in Hanoi

- T1: The old « green belt » of Hanoi
- T2: Dense areas of craft villages, with a "degraded agriculture"
- T3: Diverse farming villages and new « green belt » (vegetables, fruit orchards and agro-tourism)
- T4: Rice intensification
- T5: Strong agricultural diversification to high value (vegetables, flowers) or toward non-agricultural jobs
- T6: Diversified into livestock, tourism and diversified crops (tea)
Rice vs other annual crops in 2010 (% of agricultural area)
Vegetable is the most sensible for food safety

Supporting programs began in 1995, but struggle along

In 2008, VietGAP, the voluntary standard, is launched, but upto 2010 only 115 ha

The high cost of VietGAP is best suited for large farms, while 70% of farmers in the peri-urban have less than 1000 m2.
Planned Areas for the production of safe vegetables in 2011

Source: Departement d’agriculture de Hanoi
2. The peri-urban in supplying Hanoi

Restructuring of wholesale markets

- In 2002, Hanoi had 6 wholesale markets for vegetables, but only 2 (Dich Vong et Phia Nam) were planned markets.
- In 2011, markets merged. There are 4 wholesale markets in city: Long Bien, South of the city, Nga Tu So, Dich Vong and 2 wholesale markets in peri-urban areas.
- The number of wholesalers has increased.
- The quantity marketed by wholesalers increased from 180 to 200%.
Vegetable wholesale markets in Hanoi
The peri-urban plays an important role for the supply of winter vegetables, but production is moving away from the peri-urban areas to other provinces.

For the summer, the origin was diverse:

- Tropical leaf-vegetables come from peri-urban districts and neighboring provinces of Hanoi.
- Subtropical vegetables are imported from China and mountain regions of Vietnam.
Vegetables retail practices in Hanoi
3. Innovative examples: between urban demand and production of proximity areas – “from farm to table”

- **Huong canh Company** (Van duc, Gia lam district)
  - Vegetables VietGAP certified since 2010: 2,5 ha of safe vegetables production and 7 groups of 30 producers under contract.
  - Modern packaging unit with strong investment
  - Network of 37 supermarkets and quality shops: 50-70 ton/day in 2011.

- **Organic vegetables groups** (Thanh Xuan, Soc Son):
  - Land security of 3 ha, technical support in the long run, PGS quality control system, private service to coordinate production with the market.
Value chain vegetables certified VietGAP Huong canh
4. Governance action initiatives in Hanoi

MAPPING ON RETAILERS AND DISTRIBUTORS OF SAFE & ORGANIC VEGETABLES IN HANOI

Improving the knowledge of consumers on safe vegetables by

VECO - CASRAD – VINASTAS
Objectives of collective actions

- Safe vegetable becomes an burning concern of the society in recent years because of the alarmed situation of toxicity and negative impacts of unsafe vegetable on consumers’ health
- In spite of many efforts of government but the supply chain of safe vegetable in Hanoi is not worked → consumers cannot find safe in shops: lack of coordination
- To promulgate and improve the knowledge on safe vegetable and organic we establish: Map of Retailers and Distributors of Safe and Organic Vegetable in Hanoi.
Method of data collection

- Step 1: Survey 180 shops on the distributing situation and the origin of safe vegetable ü 60 shops/areas
- Step 2: 8 districts in sub-urban of Hanoi are surveyed for production areas
- Shop: encode the information, position in Google Map,
- Production zone: Geographical Information system, Mapinfo.
Shops’ information:
- Web site
- position: Google Map
  Informations: number of shops by districts, vegetables sorts, telephone, vegetables sources from production areas, quality controls…
Production zones in dots with their characteristics

II.2.1. production units:
- cooperative
- production group
- production company

II.2.2. Certificate
- VietGAP
- Organic vegetable
- Safe vegetable

II.2.3. Quality control: associations, protection vegetal officers, certifications…
Production areas in Internet
New tendency: Sale online, home and office deliveries, direct supply to collective restaurants, canteens
FOOD SAFETY ADVOCACY FOR SMALL HOUSEHOLDERS PROGRAMME
Which food safety institutions suit with small farmers?

And Communicate with consumers!
Conclusions

- Safe vegetables plays a crucial role in peri-urban, it supplies from proximity regions to urban.
- The production is under urban governance. So it requires an alliance between the urban demand and a multifunctional approach.
- Respect agricultural zoning for land security
- The approach by the 'value chain', investments and support integrated logistics are needed to strengthen the distribution of vegetables safety.
- Need to define clear food supply policy for the city
3 key – points to success between peri-urban agriculture and urban needs

Planning by integrating urban needs & peri-urban agriculture
- Declination of Agricultural Masterplan: Land security
- Integrated support for new villages specialized
- Logistics platforms appropriated
- Managing irrigation and flood risk

Develop products of quality
- Stimulate less costly standards than Vietgap
- Transfert information to consumer

Take into consideration new urban requirements
- Services related to rural tourism
- Stimulating direct sales and processed products.
Thanks for your attention!