


# Policy**brief**

## Agroforestry - a policy imperative for Vietnam



Agroforestry has the potential to address environmental degradation, poverty and food insecurity. Numerous “agroforestry models” have been tested by extension workers and farmers. Despite this, the uptake of agroforestry in Vietnam is limited.

Photo: ICRAF Viet Nam

### Overview of Agroforestry Practices in Vietnam

Agroforestry has been traditionally practiced, although it does not go under the name ‘agroforestry’. The VAC-R-systems (vuon-ao-chuong-rung or garden-pond-livestock-forest) expanded largely in the 1960-90s. Taungya is often practiced to introduce reforestation by intercropping annual crops with tree seedlings during the first 1-3 years until the tree canopy has closed.

‘Integrated agroforestry’ is originally used to denote the integration of trees and crops (in one field), such as intercropping, alley cropping, parkland - sometimes including livestock. Agroforestry in the northern uplands of Viet Nam can at best be described as temporarily integrated in transition from segregated mosaic monocultures of maize or cassava to timber-tree mono-plantation (typically *Acacia*, *Eucalypts*, *Manglietia*, *Melia*).

### Key messages

- 1 The primary enabling condition for agroforestry adoption is secured land tenure.
- 2 Many agriculture and forestry policies tend to support segregated rather than integrated agroforestry. Policies enabling agroforestry adoption require cross-departmental collaboration and updated legislation on land use and incentive mechanisms.
- 3 Agroforestry adoption can be directly incentivised by recognising farmers’ variable investment capacities, e.g. regulated caps on input costs and ensured minimum farmgate prices to farmers of agroforestry products.
- 4 Agroforestry adoption can be promoted through (i) ear-marked budget for identifying and upscaling locally suitable agroforestry systems; (ii) training programmes and capacity development for extension staff and local land-use planners; and (iii) investments aimed at improving production technologies and developing new market opportunities, e.g. through producer groups, certification.



# Key Challenges for Agroforestry Adoption in Vietnam

## 1. Lack of agroforestry policies

For agroforestry to be adopted by farmers, policies are needed. Agriculture and forestry ('nong-lam') appear together in the segregated sense, but none of the reviewed policies specifically stated agroforestry ('nong lam ket hop') in its integrated sense. For example, there are no guidelines for designated land use or what crops can be included in agroforestry. Agroforestry is also hampered by land use planning and land allocation processes. The Ministry of Natural Resources and Environment (MoNRE), divides farmland into agricultural and forest land. The Ministry of Agriculture and Rural Development (MARD) has two separate departments for agriculture and forestry, which is also reflected in the extension system. Both policies and implementation therefore are tailored for monoculture landscapes while agroforestry thus falls in the crack between agricultural and forestry policies.



## 2. Poor incentives for farmers

Farmers without secure land tenure will not make longer-term investments. Farmers, eligible for receiving tree seedlings as a part of poverty reduction programmes will plant what is available. Although provincial policies may admit a greater variety, the locally available selection of seedlings is typically a few fast-growing timber species. The assortment was not

consulted with farmers.

There is no opportunity for farmers to phase or mix subsidised species. Once the seedlings have been distributed and planted, the support is considered 'used up' and new or other subsidised species cannot be received for that field.

While many policies are oriented towards poor farmers, they may not be the main target for agroforestry. Better-off farmers are often able and willing to take higher risks, investing in self-selected species and farming systems, which could serve as inspiration.

## 3. Low awareness and capacity in the extension network

Thousands of agroforestry models have been tested by the extension centers in the Northwestern provinces, but none of them were upscaled. One reason was that no funding was set aside for this purpose.

Extension officers are typically specialised in a few common crops/trees rather than combining those. This will influence their recommendations.

## 4. Variable product quality and poorly developed market links

Few farmers will invest without first being sure there is a market for their produce. Those who grow cash crops typically have contracts with a factory or middlemen. The route from farm to markets is currently managed by a few private traders, leading to asymmetric information on prices and markets.

Farmers sell most of their products individually and as mixed quality and varieties, which generates lower prices. Few farmers have post-harvest processing equipment that could enable them to add value to the product.

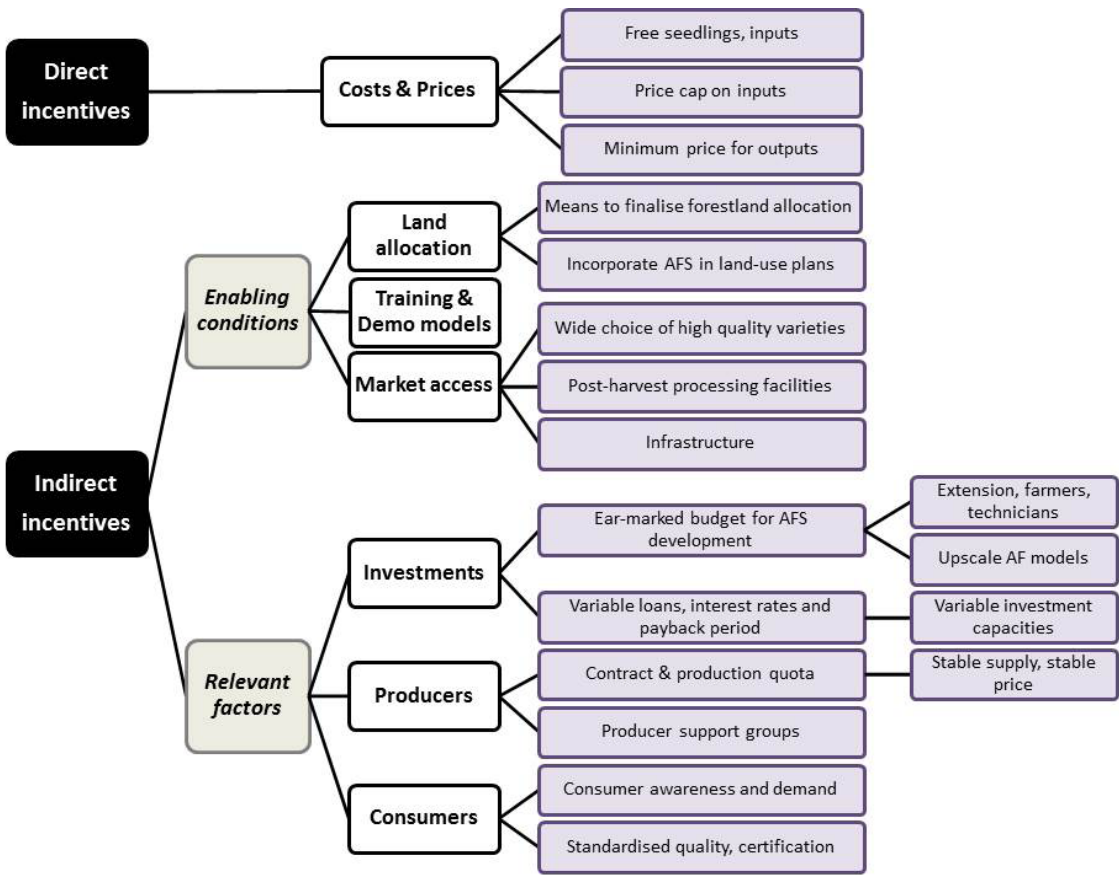


Figure 1. Direct and indirect incentives that enable the adoption of agroforestry

## Key Recommendations

Figure 1 illustrates some key incentives that enable the adoption of agroforestry, identified during participatory policy review workshops conducted at commune to province levels in Son La, Dien Bien and Yen Bai and at the national level in 2012.

### Adopting an agroforestry systems approach in policy

- Wider adoption of agroforestry requires an integrated policy. This means:
  - Building on existing policies - spelling out 'agroforestry', i.e. 'nong-lam ket hop' in addition to agriculture and forestry in land-use plans and rural support programs such as 135 targeting poor communes, Program 61 for targeting poor districts, New Rural Development Program (Nong Thon Moi), and provincial policies supporting seedlings;
  - Formulating new policies - specifically supporting agroforestry;
  - Cross-ministerial/departmental collaboration on policies for land allocation and planning (MoNRE), investments in economic incentives (MPI), market development (MoI), improved production technologies (MARD/DptSTE), support for agroforestry establishment and capacity development of extension staff (MARD) and education (MoET);
- Guidelines for agroforestry at local levels should be flexible enough to permit a range of suitable species, specifying what land use and species that can be included; and
- Ear-marked budget for outscaling locally suitable agroforestry systems.

### Incentives for all type of farmers

- Tailored and flexible support programs for farmers with different investment capacities and needs, based on geographic advantages.
  - Less endowed households need support to transition from annual crops and subsidy dependence into longer-term options;





Photo: ICRAF / La Nguyen

- Households in economic transition may need access to higher quality seedlings and post-harvest technologies; and
- Better-off households with capacity to self-invest in agroforestry may need different risk reduction mechanisms, such as low-interest rate loans, insurance.

### Capacity development programs

- Invest in soft skills. Support for
  - Universities under MOET, and provincial technical/vocational schools under MARD and/or Peoples' Committee to update training material on agroforestry for students, extension workers, practitioners and planners; and
  - National and provincial extension centers to organize refresher courses for commune-district extension staff on integrated agroforestry (nong-lam-ket-hop).

### Improving market-value chain opportunities

- The entire agroforestry value-chain needs improvements from the supply of seedlings to farmer, via post-harvest processing to the consumer. Policies that reduce bottlenecks in the value-chain include:
  - Quality planting material. Local access to good quality seeds and seedlings can be enhanced by responding to farmers' demand of indigenous species, developing germplasm and geographical indicator - encouraging a diversity of crops and reforestation species;
  - Nursery and seed banks with standardised quality control;
  - Safe-guarding agroforestry producers through e.g. production contracts and quota, price cap or cost-free seedlings and inputs, minimum price guaranteed;
  - Strengthening producers. Allowing farmers to organise producer groups with access to market information would strengthen farmers' voice on markets and price-negotiation capacity;
  - Post-harvest technologies for high-quality products;
  - Increasing the demand for agroforestry products through awareness raising activities, such as market information and educational programs in media and schools; and

**Promote agroforestry options** that link with external payment schemes, such as Payments for Environmental Services (PES) and carbon funds.

### Method

This brief is derived from policy review and analysis conducted during the autumn of 2013. The recommendations are based on a review of over 50 national and provincial policies and ten workshops with stakeholders representing farmers, extension, planners and policy makers, and the private sector at district, province and national levels.

### References

Simelton, E., Catacutan, D.C., Dao, T.C., Dam, B.V., Le, T.D., (submitted) Factors constraining and enabling agroforestry adoption in Viet Nam - A multi-level policy analysis.

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