

Report of the Workshop Day 3 in Vietnam

Date: 4th May 2013

Place: Authority and Management Center of Hiep Hoa District

Stakeholders: 2 bankers from Agribank, the manager of the Center of Hiep Hoa District, 3 scientists of Institute of Fertilizer and Soil – Hanoi.

1. Questions from the science team to the bankers

- In Kenya, the farmers go to the bank and ask for a micro credit to buy fertilizer. Do the Vietnamese farmers do the same?
 - As the size of the farms in this district is very small, they mostly lend the money from their relatives or friends.
 - Most of the farmers ask for a credit from the bank if they want to be traders.
- Is there a bigger farm (more than 2 ha) in this district?
 - No, there is not such a big farm in this district.
- Why do the traders go to the Agribank to ask for a credit?
 - They want to trade fertilizer, seeds, herbicides/pesticides and many other livestock products. Otherwise, they have the support of the government and have a low loan. To get the contract with the whole seller, they need the deposit to buy the products.
- How many traders need the credits for fertilizer?
 - It is difficult to know how many percentage they invest for fertilizer, because they do not need to declare this. It should be a small part for fertilizer. The big part they invest mainly for feeding products for livestock.
- What are the conditions to get the credit?
 - They need a business plan, a guaranty from the commune and a business permission.
- In Kenya, the farmers have to show the bank the result of their soil testing to get the credit. It is also possible to do the same way here?
 - It is difficult as they have to follow the rules of the government.

2. Feedback and inputs from the stakeholders

- The manager of the Center of Hiep Hoa district:

We have actually a complete agriculture systems: we have the members of the agriculture extensions, who give recommendations to the farmers; the traders, who are also farmers; the agriculture banks, who should help the farmers; the representative of the government and the scientists, who give recommendations to the agriculture extensions. Unfortunately, all these stakeholders have not work intensively together for a better sustainable solutions. He is willing to be the practice leader of the case study Vietnam as he know all these stakeholders and he has the management competence, especially he has good experience in agriculture activities.
- The banker:
 - The traders should go to the training class organized by the Agriculture Extensions to have the knowledge on how to use their selling products. They should only get the credit, if they show the bank the certification of the training class.
 - The bank gave an idea on what components could be changed in the future.