

Food and Nutrition Security: Transformative Partnerships, Local Leadership and Co-Design

📅 12-13 August 2024

📍 Parliament House, Canberra, Australia, and online



TRANSFORMATIVE PARTNERSHIPS

for Transforming Rice Value Chain for Climate Resilient & Sustainable Development of the Mekong Delta of Viet Nam

Presented by:

Tran Thu Ha - Team Leader

Date:

August 13, 2024



Overview of the Rice Cultivation in Viet Nam's Mekong River Delta region

The roles of RICE CULTIVATION in Viet Nam

Country profile: 3rd Rice Exporter; 2023: export 8 mil tons of rice; 4.7 billion USD export turnover

Livelihood, Food security & Social Stability: Grows >50% cropland account >30% Agri outputs

The Mekong Delta produces >50% rice production of VN; 90% of rice for export

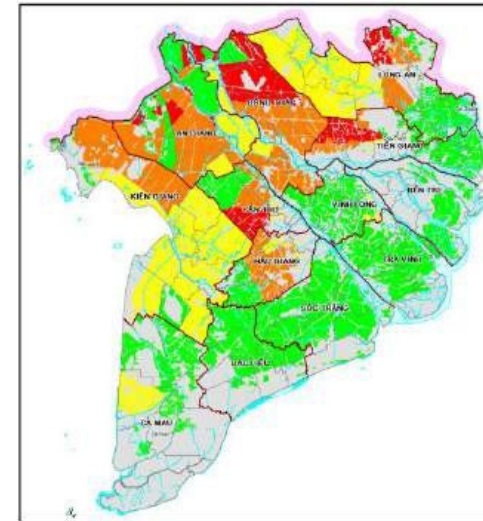


Account for 50% of GHG emissions in agriculture sector

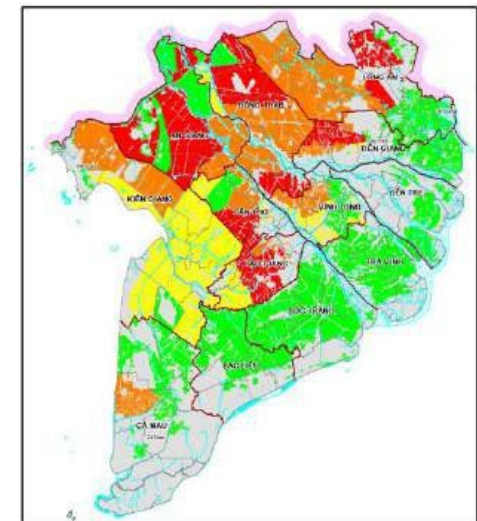
Intensive rice areas => intensive inputs => chemical run-off

Vulnerability: Water scarcity + CC/advert weather phenomena - drought severe in 2016, 2020, 2024

The impact of CLIMATE CHANGE ON RICE CULTIVATION In The Mekong River Delta Region



Average year



Extreme year

High risk area Medium risk area Low risk area Unaffected area Other

*Source: MARD's Report on the One Million Hectares of High-quality Rice Project 2023

Key Government Policy Framework

Design Phase

Implementation Phase

	Policy Framework	Issued	Signed by	Alignment with DFAT's Foreign and Development Policy
Central level	<p>Prime Minister of Vietnam commits to reduce methane emissions by 30% by 2030 and net emissions to zero by 2050 at COP26 Decree No. 06/2022/ND-CP of the Government Regulations to reduce greenhouse gas emissions and protect the ozone layer</p>	7 th January 2022	Deputy Prime Minister	
	<p>Decision No. 1055/QD-TTg Promulgating National Climate Change Adaptation plan for 2021 - 2030 Period with a vision by 2050</p>	20 th July 2020	Prime Minister	2023 : Australia's International Development Policy (dfat.gov.au)
	<p>National Adaptation Plan (NAP) 2021 - 2030 period with a vision by 2050</p>			
Ministerial level	<p>Decision No. 555/QD-BNN-TT Approving the Initiative on Restructuring Vietnam's rice industry to 2025 and 2030</p>	26 th January 2021	Deputy Minister, MARD	2017 <i>Foreign Policy White Paper</i> 2018: Strategic Partnership with Vietnam 2024: Comprehensive Strategic Partnership with Vietnam
	<p>Circular No. 01/2022/TT-BTNMT Detailed guidelines for Implementation of Law on Environmental Protection in Responses to Climate Change</p>	7 th January 2022	Deputy Minister, MoNRE	The Climate Change Action Strategy for 2020-2025 <ul style="list-style-type: none"> - To promote the shift to lower-emissions development in the Indo-Pacific region - To support partner countries to adapt to climate change - To support innovative solutions to climate change, including those that encourage private sector investment
	<p>Initiative of 1 million hectares of high-quality rice</p>			
Policy framework in the Mekong Delta	<p>Directive No. 10/CT-TTg on a number of tasks to promote sustainable agricultural and rural development in the Mekong Delta, proactively adapting to climate change</p>	18 th June 2022	Prime Minister	
	<p>Decree No. 98/2018/ND-CP on policies to encourage the development of cooperation and association in the production and consumption of agricultural products</p>	5 th July 2020	Prime Minister	
	<p>Resolution No. 120/NQ-CP on sustainable development of the Mekong Delta in response to climate change</p>	17 th November 2017	Prime Minister	

Multi-stakeholders Co-design process for TRVC Project

Design Phase

Implementation Phase

SNV in partnership with
MARD/DCP; MONRE/DCC; DARDs', Deloitte Inc.; University, Institutes, and
Private Sector Enterprises implemented the co-design process

July 2022

Jun - Oct 2022

Oct 2022

Nov 2022 –
Feb 2023

Feb 2023

Mar 2023

Jun 2023

**NATIONAL
KICK-OFF
WORKSHOP**

BASELINES

**PROVINCIAL
CONSULTATION
WORKSHOP**

**FIELD VALIDATION
&
PRIZE DESIGN**

**NATIONAL
CONSULTATION
WORKSHOP**

**COMPLETED THE
DESIGN & SUBMIT
THE PROPOSAL**

**SECURED DFAT APPROVAL
REPORTED
TRVC PROJECT TO MINISTE
OF MARD**



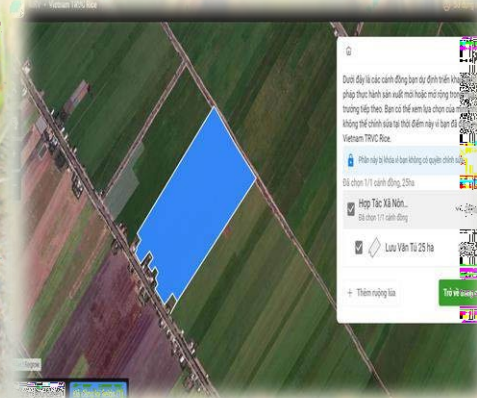


TRVC
Climate Resilience
Sustainable Development

Project

“Transforming the Rice Value chain for Climate Resilient and Sustainable Development in the Mekong Delta (TRVC)”

PROJECT IMPLEMENTATION PHASE



Team Leader: **Tran Thu Ha**

Period: **2023 - 2027**

Project at a Glance

Design Phase

Implementation Phase

Project name

Transforming the Rice Value Chain for Climate Resilient and Sustainable Development in the Mekong Delta (TRVC)

Duration

2023-2027
(5 years)

Budget

AUD 17
millions

Sector



Agriculture (Rice)



Climate change



Private Sector Engagement



3 provinces in the Upper Mekong River Delta
An Giang, Dong Thap, Kien Giang

Overarching goals

To support a **transition to low carbon and climate-resilient agricultural landscapes and livelihoods** in Vietnam's Mekong Delta

Overall objectives

To **promote a transformation to low carbon and climate resilient rice production practices** through sustainable and inclusive value chain development in the upper Mekong Delta.

Objectives

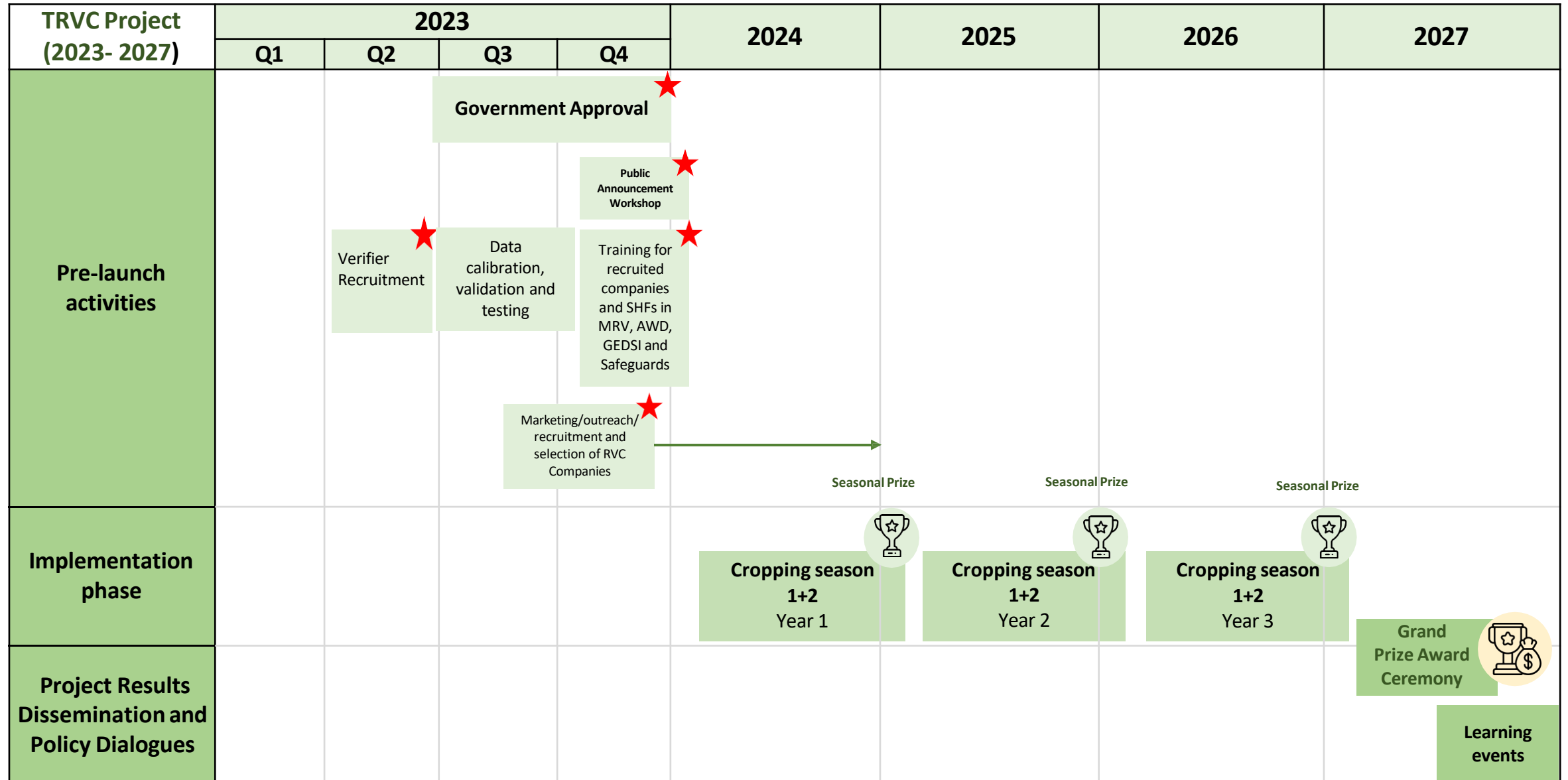
1. Improve livelihood for smallholder rice farmers in the upper Mekong Delta
2. Reduce greenhouse-gas emissions from rice production
3. Improve rice value chain linkages
4. Support the development of the low-carbon rice brand
5. Support the enhancement of policy framework to promote low-carbon rice production



Timelines for TRVC Project Implementation in MKD

Design Phase

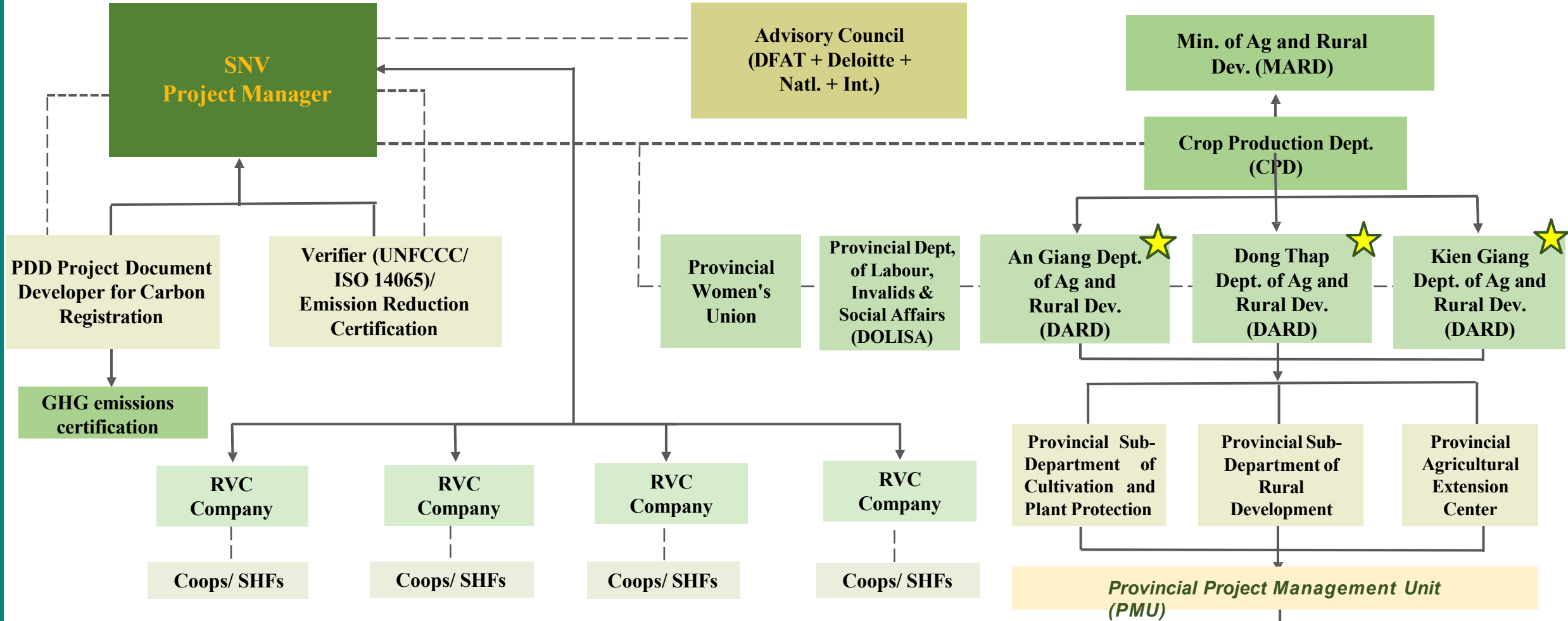
Implementation Phase



TRVC Project Governing Structure

Design Phase

Implementation Phase



- - - - Subcontract relationship/ ODA
 ← Information and support relations
 ★ Governmental Approval Completed
 VERs: Verified Emissions Reductions

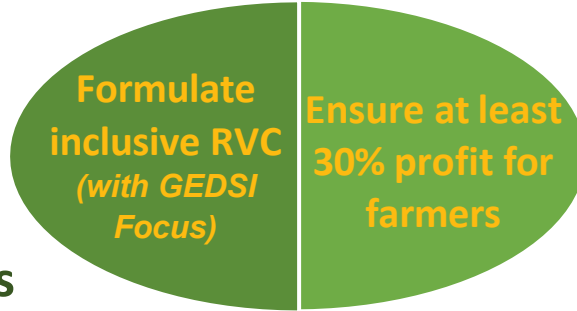


TRVC Prize Structure



2024 - 2027

Eligibility Criteria



Prize Metric



1

Seasonal Prize

6 crop seasons
2 crop seasons per calendar year

Seasonal Prizes

AUD	Year 1, Crop 1	Year 1, Crop 2	Year 2, Crop 3	Year 2, Crop 4	Year 3, Crop 5	Year 3, Crop 16	Total
Total prize value by season	200.000	350.000	550.000	550.000	550.000	550.000	2.750.000



TOP 5

2

End-of-Competition Grand Prizes

Grand Prize

Prize for top 5 competitors with the most cumulative CO₂e emissions reductions across all six crop seasons



Non-monetary for RVC enterprises participating in the TRVC Project

Design Phase

Implementation Phase



Verification and Certification of GHG emissions reductions by an International Verifier meeting the standard of UNFCCC/ ISO14065



Opportunities for companies to enhance branding value to take advantage of marketing, improve the ability to create low-carbon rice brands and get into high-value export markets



Facilitated opportunities for engaging with more coops/ SHFs



Preparing companies to be ready for carbon neutral operations and/ or potential future carbon taxes in 2027

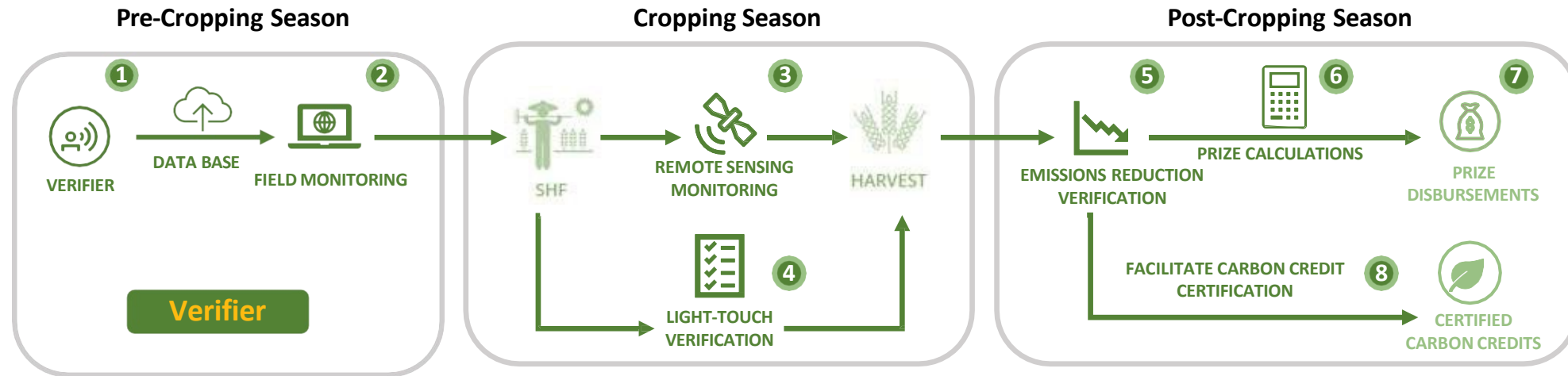


Receive capacity building and pre-contest support training held by the Project Manager on Sustainable Rice Farming Technology; MRV tool in rice cultivation; Gender Equality, Disabilities and Social inclusion; and Labor, Environment and Social Safeguarding

Verification Approach

Design Phase

Implementation Phase



Step Verification Activity

- 1 Verifier obtains required data from Competitors prior to the start of each competition year. This data includes but is not limited to field locations (GPS), management practices (i.e., IM5R, AWD, etc.) and input details (i.e., amounts of organic matter, seed variety, fertilizer, etc.) as required by the Verifier.
- 2 Verifier aggregates data and uses geolocation to identify each competitor's fields and uses historical remote sensing data (if possible) to create baseline GHG scenarios
- 3 SHFs implement technology and the Verifier monitors the fields throughout each cropping season, using remote sensing, to verify water management and soil moisture.
- 4 Verifier uses appropriate, light-touch, methodology to conduct field-level spot-checks (e.g., surveys, farmer diaries) to increase certainty of adherence to proposed practices.
- 5 At the end of each cropping season, Verifier tabulates GHG reductions based on provided growing practices and measured water levels, as well as GIS data on weather and soils, to calculate GHG emissions using a pre-approved modeling process. The emissions outputs from the model are then compared to the emissions estimated by the baseline scenario and the reductions are calculated accordingly.
- 6 Verifier calculates prizes based on GHG emissions reductions.
- 7 Prizes awarded to competitors.
- 8 Verifier facilitates certification of GHG reductions by partnering with an international certification body (e.g., Verra, Gold Standard), allowing for the credits to be used for NDCs, external sale, or internal Scope3. **The goal will be for this step to begin in Competition Year 2, and to enable competitors to continue to generate credits post-project.**

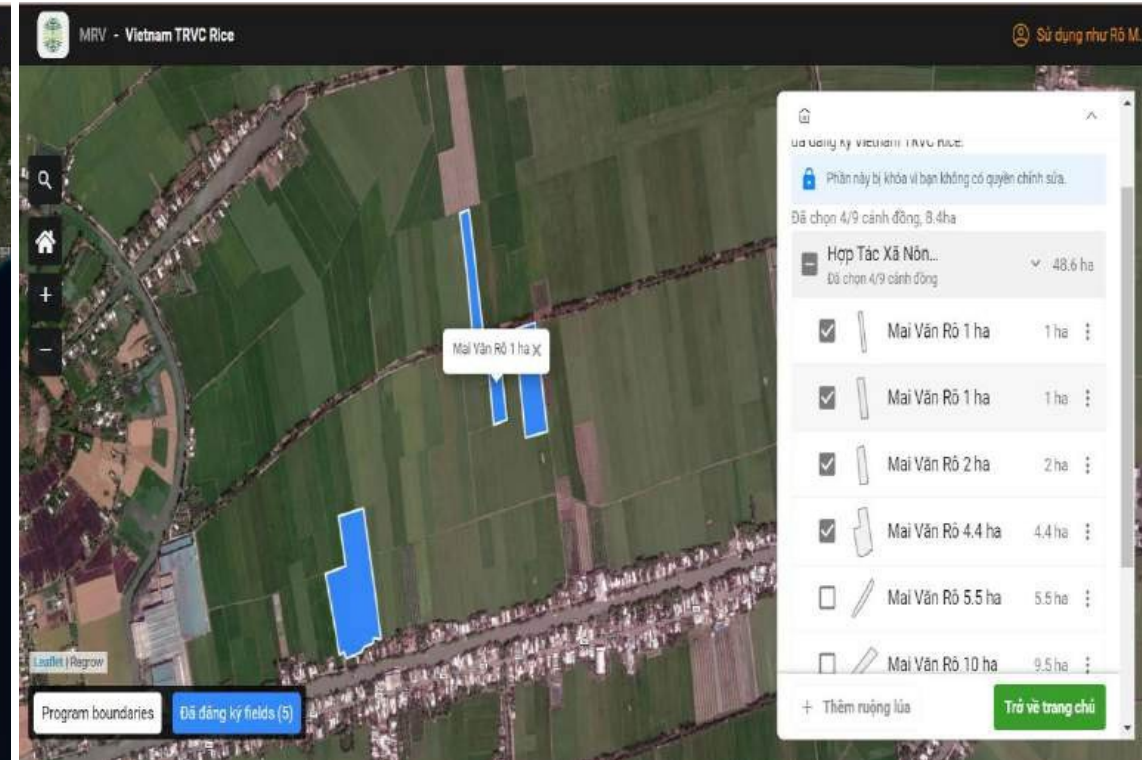
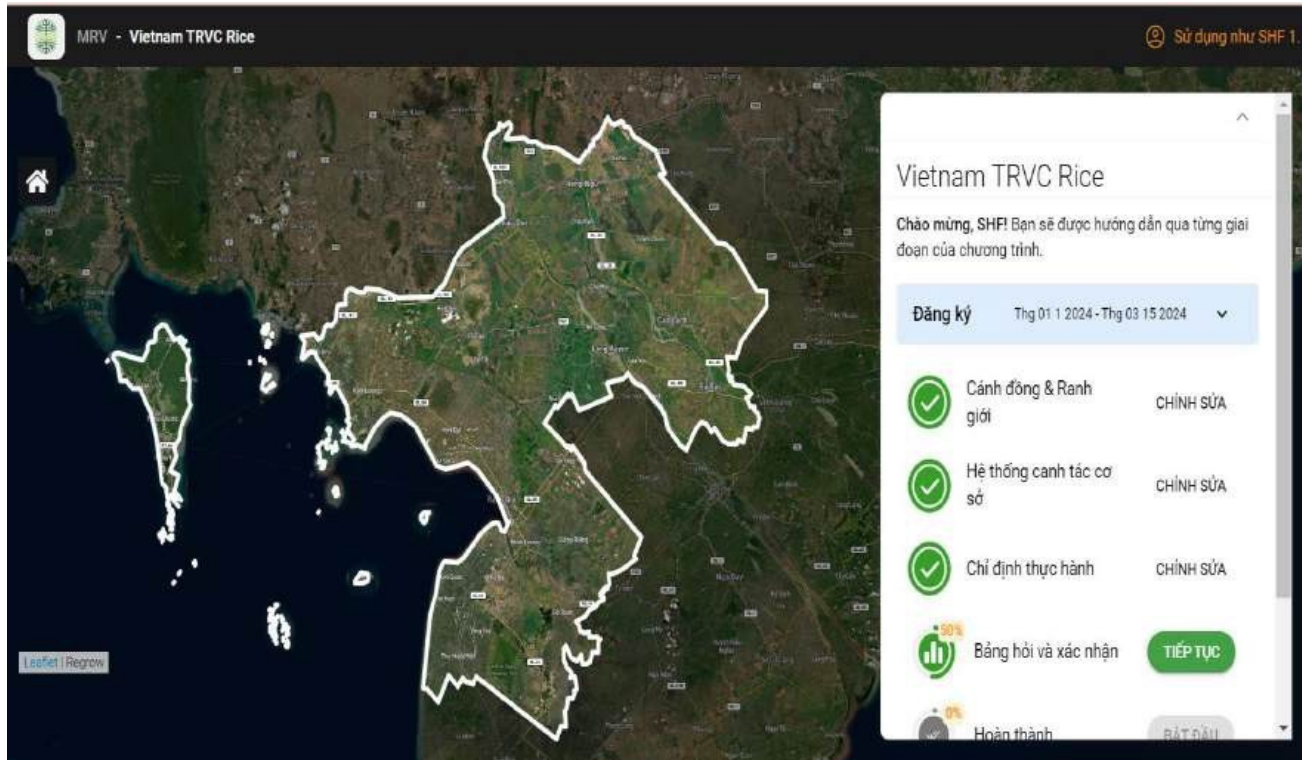
TRVC's Measurement, Reporting and Verification (MRV) System

Design Phase

Implementation Phase

Enterprises do crop enrolment and evidence uploads on the TRVC Project's MRV System

- The Verifier - Regrow conducts:
 - Verification sampling and schedule defined based on enrolment data
 - In-season verification activities
 - Eligibility screening: GEDSI and Profit Margin
 - Calculate prize and produce Crop Outcomes Report



Map and border of An Giang - Dong Thap - Kien Giang on the MRV system

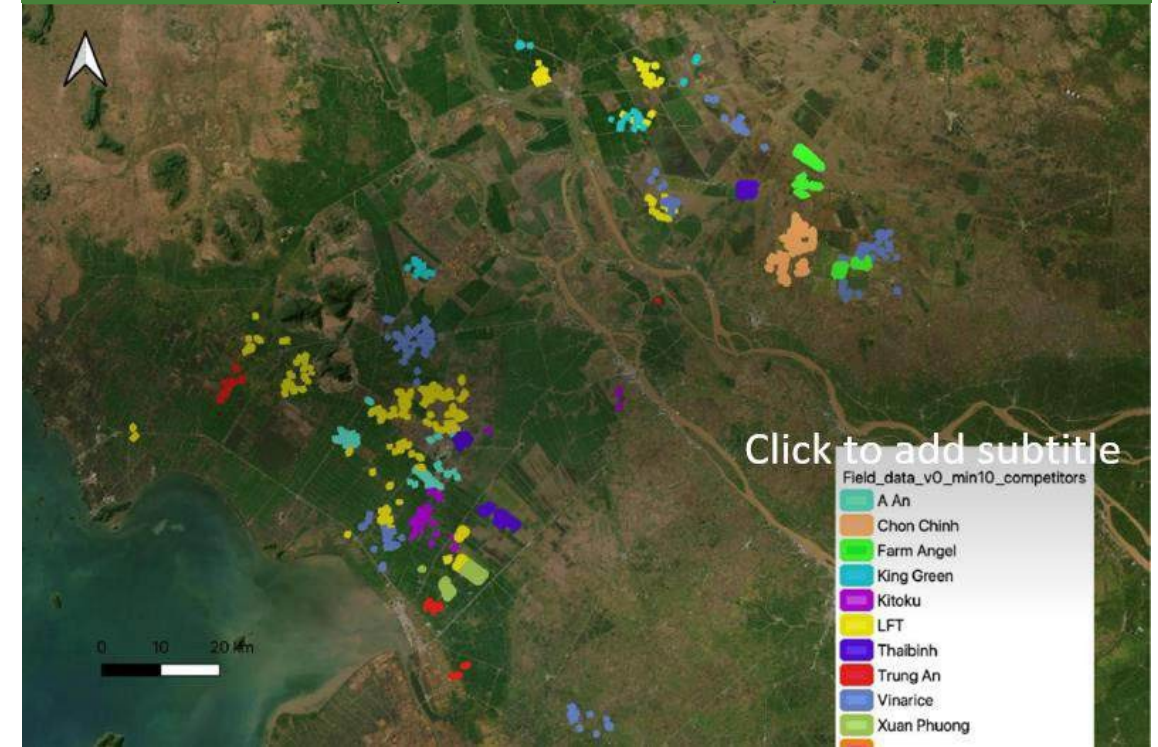
Milestones in the TRVC Project's Implementation for period Feb – May 2024

TRVC Project's first selected Competitors

1	Trung An High-tech Farming JSC	
2	Angimex - Kitoku Co. Ltd	
3	A An Food JSC	
4	Chon Chinh Export - Import Co. Ltd	
5	Vietnam Rice Co. Ltd	
6	Loc Troi Agricultural Service Co. Ltd	
7	Thai Binh Seed Joint Stock Corporation	
8	Co May Co. Ltd	
9	Xuan Phuong Kien Giang Co. Ltd	
10	Farm Angel Agro Innovation Co. Ltd	
11	King Green Natural Foods Joint Stock Company	

Enrolment updated 29th May 2024

Province/ Enrolment	Area	HH
Dong Thap	2,427 Ha	1,062 HH
An Giang	473 Ha	60 HH
Kien Giang	3,273 Ha	589 HH
Total	6,173 Ha	1,711 HH









Technology Insights – Summer 2024 Crop

Design Phase

Implementation Phase

Interventions Planned

INTERVENTION	Fertilizer reduction	Residue removal	Reduce planting density	Reduce Water for irrigation	Direct seeding (dry)	Fertilizer substitution
						
% OF FIELDS	99%	95%	95%	87%	24%	15%



THE MOST POPULAR COMBINATION OF INTERVENTIONS

(planned on 66% of fields)

Fertilizer reduction

Residue removal

Reduce planting density

Alternate Wet-Dry Irrigation



Monitoring Harvesting Process Report in Provinces

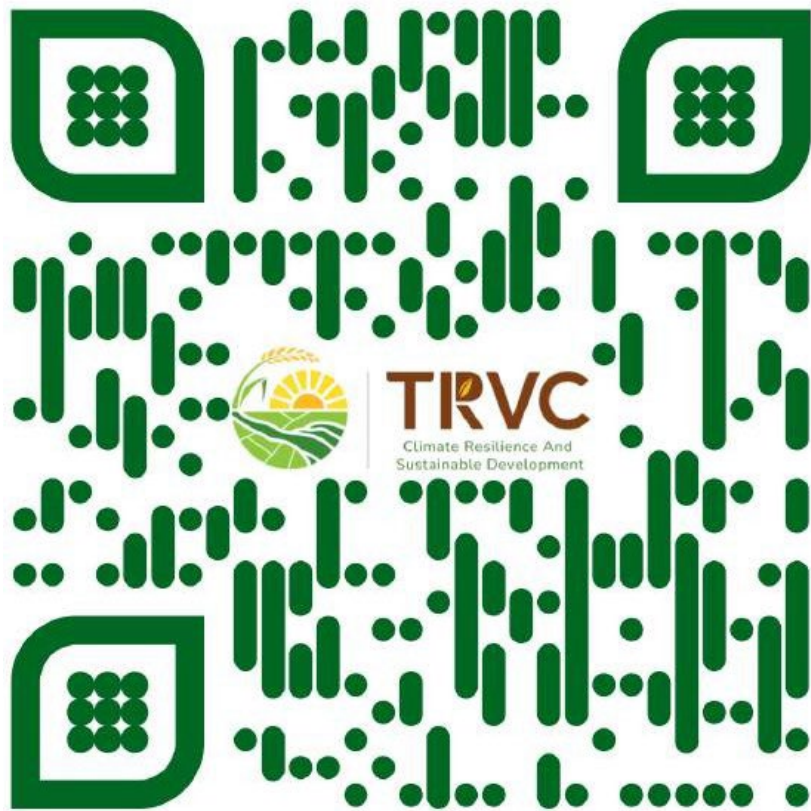
Updated by July 29, 2024

Province	Competitor Sites	Harvested Sites	Contract Farming Accomplishment	Rice Price Premium	Economic Outcome (Average Profit Margin)	GEDSI
Dong Thap	23	19	Fully/Partial purchased & Trader to purchase	100VND/kg & 1000 VND/kg	60%	Positively Progressing
An Giang	7	3	Fully purchased and Trader to purchase	200 – 300 VND/kg	46.8%	Positively Progressing
Kien Giang	21	8	Fully purchased and Trader to purchase	200-300 VND/kg & 1000 VND/kg	50%	Positively Progressing

Highlights

Dong Thap	For all production sites that were harvested, achieved very high Average Profit Margin of 60% . Competitors developed a premium price mechanism and applied it in this crop to encourage farmers to maintain existing business linkage.
An Giang	Delivering positive results with an Average Profit Margin of 46.8% . Competitors have developed a premium price mechanism and applied it in this crop to encourage farmers to maintain the existing business linkage. However, in the case of King Green Company, farmers and competitors could not agree on the purchasing price on the harvest day, then farmers decided to sell rice to the traders.
Kien Giang	Delivering positive results with an Average Profit Margin of 50% . Competitors have developed a "premium" price mechanism for farmer groups and individual farmers to promote a linkage business model. Several enterprises have already implemented this approach in Season 1.

THANK YOU FOR YOUR ATTENTION!



Scan for more information about
TRVC Project



Contact of TRVC Representative
Ms. Tran Thu Ha – TRVC Team Leader