THE PRIME MINISTER	THE SOCIALIST REPUBLIC OF VIETNAM
	Independence - Freedom - Happiness
No. 1490/QD-TTg	*Hanoi, November 27, 2023*

DECISION

Approving the Scheme for "Sustainable development of one million hectares of low-emission, high-quality rice associated with green growth in the Mekong Delta through 2030"

THE PRIME MINISTER

Pursuant to the Law on Organization of the Government dated June 19, 2015; the Law Amending and Supplementing a Number of Articles of the Law on Organization of the Government and the Law on Organization of Local Administration dated November 22, 2019;

Pursuant to the Government's Resolution No. 26/NQ-CP dated February 27, 2023, promulgating the Action Program to implement Resolution No. 19-NQ/TW dated June 16, 2022 of the 13th Central Committee of Communist Party of Vietnam, on agriculture, farmers, rural areas to 2030, vision to 2045

Pursuant to the Government's Resolution No. 120/NQ-CP dated November 17, 2017, on sustainable and climate-resilient development of the Mekong River delta;

Pursuant to the Prime Minister's Decision No. 150/QD-TTg dated January 28, 2022, approving the Sustainable Agriculture and Rural Development Strategy for the 2021-2030 period, with a vision to 2050;

Pursuant to the Prime Minister's Decision No. 896/QD-TTg dated July 26, 2022, approving the National Climate Change Strategy through 2050;

Pursuant to the Prime Minister's Decision No. 287/QD-TTg dated February 28, 2022, approving the Mekong Delta region planning for the 2021-2030 period, with a vision to 2050;

Pursuant to the Prime Minister's Decision No. 942/QD-TTg dated August 5, 2022, approving the Action Plan to reduce methane emissions until 2030;

At the request of the Minister of Agriculture and Rural Development in Report No. 8383/TTr-BNN-TT dated November 17, 2023.

DECIDES

Article 1. Approving the Scheme for "Sustainable development of one million hectares of low-emission, high-quality rice associated with green growth in the Mekong Delta through 2030", with the following main contents:

LuatVietnam
Tiện ích văn bản luật

I. VIEWPOINTS

1. Rice production in the Mekong Delta is an advantage of the region which plays a pivotal role in ensuring national food security, making an important contribution to economic development, social stability, and improving the position Vietnam's international position.

2. Realizing the guidelines and policies of the Party Central Committee, the National Assembly and the Government on developing agriculture in the Mekong Delta in the direction of sustainability and convenience, increasing income for rice growers and ensuring national food security, promoting exports; mobilizing all resources and all participating economic sectors.

3. Building a region of low-emission, high-quality rice in the Mekong Delta with a breakthrough in reorganizing rice production, increasing added value throughout the chain, ensuring sustainable development in the increasing climate change, contributing to green growth, and implementing the Government's commitments in the 26th United Nations Climate Change Conference (COP26) in order to reach net zero emissions by 2050.

II. OBJECTIVES

1. General objectives

Forming one million hectares of low-emission, high-quality rice associated with reorganizing the production system along the value chain, applying sustainable farming practices to increase value and sustainable development of the rice industry, improving production and business efficiency, income and life of rice growers, protecting the environment, adapting to climate change and reducing greenhouse gas emissions to contribute to implementing Vietnam's international commitments.

2. Specific objectives

a) By 2025

- Regarding scale: The cultivated area of low-emission, high-quality rice will reach 180,000 hectares.

- Regarding sustainable farming: In regions of low-emission, high-quality rice, the amount of tossing rice seeds will be reduced to 80 - 100 kg/hectare, the amount of chemical fertilizers and chemical pesticides will be reduced by 20%, the amount of irrigation water will be reduced by 20% compared to traditional farming, 100% of the area will apply at least one sustainable farming process such as “1 must, 5 reduction”, alternate wet and dry irrigation, Sustainable Rice Platform –(SRP), Good Agricultural Practices that will be certified and given growing area codes.

- Regarding reorganization of production:

LuatVietnam.vn
LuatVietnam
Tiện ích văn bản luật

+ 100% of production area of low-emission, high-quality rice will have links between enterprises and cooperative groups, cooperatives or farmer organizations in production and consumption of products.

+ The rate of synchronous mechanization will reach over 50% of the area.

+ Over 200,000 households will apply sustainable farming practices.

- Regarding environmental protection and green growth:

+ The rate of post-harvest loss will be less than 10%.

+ 70% of straws in specialized farming regions will be collected from the fields and processed for reuse.

+ Greenhouse gas emissions will be reduced by over 10% compared to traditional rice farming.

- Regarding rice growers' income, added value: Added value in the rice chain will increase by 30% where the profit margin of rice growers will increase over 40%;

- Brand building and export: The amount of high-quality and low-emission exported rice will account for over 20% of the total amount of exported rice of the entire specialized farming region.

b) By 2030

- Regarding scale: The cultivated area of regions of low-emission, high-quality rice will reach one million hectares.

- Regarding sustainable farming: the amount of tossing rice seeds will be reduced under 70 kg/hectare, the amount of chemical fertilizers and chemical pesticides will be reduced by 30%, the amount of irrigation water will be reduced by 20% compared to traditional farming. 100% of the area will apply at least one sustainable farming process such as “1 must, 5 reduction”, SRP, alternate wet and dry irrigation and Good Agricultural Practices that will be certified and given growing area codes.

- Regarding organization of production:

+ 100% of production area of low-emission, high-quality rice will have links between enterprises and cooperative groups, cooperatives or farmer organizations in production and consumption of products.

+ The rate of synchronous mechanization will reach over 70% of the area.

+ Over 1,000,000 households will apply sustainable farming practices.

- Regarding environmental protection and green growth:

+ The rate of post-harvest loss will be less than 8%.

LuatVietnam
Tiện ích văn bản luật

+ 100% of straws will be collected from the fields and processed for reuse.

+ Greenhouse gas emissions will be reduced by over 10% compared to traditional rice farming.

- Regarding rice growers' income, added value: Added value in the rice chain will increase by 40% where the profit margin of rice growers will increase over 50%.

- Brand building and export: The amount of exported rice of high-quality and low-emission brands will account for over 20% of the total amount of exported rice of the entire specialized farming region.

III. IMPLEMENTATION AREAS

1. Areas: In 12 localities in the Mekong Delta: An Giang, Kien Giang, Dong Thap, Long An, Soc Trang, Can Tho, Bac Lieu, Tra Vinh, Hau Giang, Ca Mau, Tien Giang and Vinh Long with an area of one million hectares.

2. The Scheme will be implemented in 2 periods:

Period 1 (2024-2025): Focusing on consolidating the existing areas of the Sustainable Agriculture Transformation Project for Vietnam (VnSAT), which are180,000 hectares, including training, building plans, building a Measurement - Reporting - Verification (MRV) system, counting and piloting to grant carbon credits for qualified rice areas, strengthening cooperatives, maintaining a number of works and preparing plans for the 2026-2030 period.

Period 2 (2026-2030): Specifically identifying the focus area to establish a development investment project of high-quality, new low-emission regions outside the VnSAT Project area and expand regions by 820,000 hectares. This period will focus on main activities such as investing in completing infrastructure for new regions, reorganizing production, building value chains, perfecting the MRV system, and maintaining sustainable production at the same time in the Scheme's regions in the 2024-2025 period.

IV. CRITERIA FOR SELECTING REGIONS TO PARTICIPATE IN THE SCHEME

1. Criteria for planning and infrastructures

- Being planned as land used only for rice farming in the land use planning in 2021-2030 period, consistent with the provincial planning and the Mekong Delta regional planning, with a minimum continuous area of 50 hectares.

- Having basic invested irrigation infrastructure; infrastructure of electricity, telecommunications and logistics to ensure good support for rice production, processing and business.

LuatVietnam
Tiện ích văn bản luật

2. Criteria for sustainable farming and green growth

- The proposed regions currently have over 20% of the rice cultivation area that has applied one of the sustainable farming practices such as “1 must, 5 reduction”, alternate wet and dry irrigation according to SRP standards, or certified Good Agricultural Practices.

- Over 70% of rice area cultivating certified rice varieties or equivalent.

- 100% households in the regions commit to collecting straws from the fields for processing and reuse.

3. Criteria for organization of production:

- The linked area reaches over 30% of the total area where 50% of households in the region participate in linkages through cooperatives, cooperative groups and enterprises.

- Over 40% of households in the region have been trained in sustainable farming practices such as “1 must, 5 reduction”, alternate wet and dry irrigation, sustainable rice production standards or certified Good Agricultural Practices.

- Having agricultural extension organizations that provide technical support to farmers.

4. Criteria for enterprises participating in linkages

- Enterprises participating in the Scheme must have linkages with cooperatives or farmer organizations at least in terms of product consumption.

- Enterprises commit to participating in the Scheme and have the capacity to organize and monitor the rice production process in the linkage region.

V. MAIN TASKS AND SOLUTIONS FOR IMPLEMENTING THE SCHEME

1. Selection and building of regions to participate in the Scheme

- Provinces and cities shall review, consolidate the area of 180,000 hectares under the VnSAT Scheme to implement in the winter-spring crop for 2023-2024 and the following crops in 2025.

- Based on the criteria for registering to participate in the Scheme, provinces and cities shall proactively coordinate with the Ministry of Agriculture and Rural Development to review areas that have the criteria for expansion in the 2026-2030 period, towards the goal of one million hectares of low-emission, high-quality rice in the Mekong Delta by 2030.

2. Review, application and completion of technical packages to ensure sustainable development criteria

- Applying technical packages on rice cultivation to ensure sustainable production, emission reduction and adaption to climate change; completing the

LuatVietnam
Tiện ích văn bản luật

process of treatment and transfer of straws for farmers and cooperatives. Building demonstration and training models for farmer households, cooperatives, cooperative groups and farmer organizations.

- Building an MRV system serving as a basis for granting carbon credits for areas that have applied low-emission rice farming processes, aiming to the domestic and foreign carbon credit market.

3. Reorganization of production and provision of capacity building training

- Rice growing households, cooperatives, and enterprises shall participate in the registration Scheme and commit to implement sustainable and low-emission rice farming processes.

- Organizing rice growing households to cooperatives, cooperative groups or farmer organizations. Encouraging enterprises to participate in the Scheme to sign association contracts with cooperatives and production households to provide quality inputs, technical support, and ensure output products for rice growing households.

- Forming innovation centers and logistics centers associated with specialized farming regions with the participation of cooperatives and enterprises.

LuatVietnam.vn

- Training and transferring to rice growing households and cooperatives sustainable farming methods, straw treatment methods, knowledge on environmental protection and climate change response, knowledge on management, business, market, digital transformation.

- Building component of agricultural extension and training, and technology transfer for the development of low-emission rice production in the Mekong Delta, prioritizing capacity building for community agricultural extension organizations.

4. Investment in upgrading infrastructure in specialized farming regions

- Upgrading existing irrigation works and completing the canal system combined with in-field traffic to proactively irrigate, drain, manage saltwater intrusion, manage water and facilitate machinery operation and movement.

- Reviewing the network of warehouses, drying, and processing in specialized farming regions to create ground conditions for enterprises to link production and consumption to expand drying and processing facilities to improve efficiency and scale of cooperation.

- Forming logistics centers in regions of low-emission, high-quality rice to ensure good provision of technical services and post-harvest preservation.

LuatVietnam
Tiện ích văn bản luật

5. Mobilizing resources, technical and financial support from carbon finance funds and support funds around the world

- Mobilizing support from funds, international organizations, governments and non-governmental organizations, and embassies of countries to effectively implement the Scheme.

- Accessing non-refundable technical and financial support from the Transformative Carbon Asset Facility (TCAF) of the World Bank to support the construction of an MRV system as a basis for granting carbon credits for areas that have applied low-emission rice farming processes, towards the domestic and foreign carbon credit market to increase farmers' income and increase the added value of rice products. Forming and developing a workforce to perform the tasks of measuring, reporting, appraising and issuing carbon credits.

6. Effective application of current mechanisms and policies

- Reviewing, adjusting, supplementing and organizing the implementation of mechanisms and policies to support participants of the Scheme, farmer households, cooperatives, and enterprises of regions of low-emission, high-quality rice; supporting localities to maintain rice cultivation land to ensure effective implementation of the Scheme. Implementing well agricultural insurance policies and other policies for rice farmer households.

LuatVietnam.vn

- Prioritizing credit programs to support the implementation of links in production, processing and consumption of high-quality and low-emission rice products between cooperatives and cooperative groups with enterprises.

- Developing a results-based carbon credit payment mechanism for regions of low-emission, high-quality rice.

- Building brands and developing markets for low-emission, high-quality rice products for the Mekong Delta and the whole country. Having strong policies to support enterprises in developing low-emission rice brands in domestic and international markets.

- Localities shall prioritize implementing current policies to support rice growing households, cooperatives, and enterprises in the region to implement the Scheme. Rice growing households shall be given priority to participate in training, be entitled to preferential loans from the state's credit policies and benefits from selling carbon credits from rice production to reduce greenhouse gas emissions. Cooperatives and cooperative groups shall be supported in investing infrastructure and received financial and technical support to build pilot models. Enterprises shall access to medium- and long-term credit sources in linking production and consumption with cooperatives and cooperative groups in the implementation region, and shall be entitled to benefits from selling carbon credits and are given priority to access to international projects in this field.

LuatVietnam
Tiện ích văn bản luật

7. Implementation of priority programs and tasks

(Details are provided in the attached Appendix).

VI. FUNDINGS FOR IMPLEMENTATION

1. Funding from central and local state budget.

2. Credit sources and socialization sources from domestic and foreign enterprises, cooperatives, organizations and individuals.

3. Non-refundable funding sources, official development assistance (ODA) and other international support sources.

4. Other legal sources as prescribed by law.

Article 2. Organization of implementation

1. The Ministry of Agriculture and Rural Development shall

- Assume the prime responsibility for, and coordinate with related ministries, sectors, People's Committees of provinces and centrally-run cities in the Mekong Delta in, guiding the implementation of the Scheme. Coordinate with localities and enterprises to develop specific plans to implement the Scheme. Summarize and report to the Prime Minister on an annual basis. Organize a preliminary review of the Scheme's implementation in 2025 and summarize the Scheme's implementation in 2030.

- Assume the prime responsibility for, and coordinate with related ministries, sectors in, developing and implementing regulations on measurement, reporting, and appraisal of greenhouse gas emission reduction to implement the Scheme in accordance with international regulations and specific conditions of Vietnam. Develop and propose pilot policies and results-based carbon credit payment mechanisms for specialized farming areas.

- Take responsibility for building a monitoring and evaluation system (M&E) based on the Scheme's output indicators and specific goals.

- Assume the prime responsibility for, and coordinate with related ministries, sectors to work and receive fundings from international organizations.

2. The Ministry of Planning and Investment shall

Assume the prime responsibility for reporting to competent agencies to determine investment capital from the state budget for development investment under industries and sectors in the medium-term and annual public investment plans to implement schemes according to the Law on Public Investment.

3. The Ministry of Finance

Based on the ability to balance the central budget and the proposals from the Ministry of Agriculture and Rural Development and relevant ministries and

LuatVietnam
Tiện ích văn bản luật

sectors, the Ministry of Finance shall assume the prime responsibility for submitting to competent authorities to allocate non-business funding from the central budget to implement regimes and policies promulgated by competent authorities under the State Budget Law and related laws.

4. The Ministry of Natural Resources and Environment shall

- Coordinate with the Ministry of Agriculture and Rural Development to develop and promulgate regulations on measurement, reporting, and appraisal of greenhouse gas emission reduction for regions of low-emission, high-quality rice in the Scheme.

- Coordinate with the Ministry of Agriculture and Rural Development to develop pilot policies and priority mechanisms to pay results-based carbon credits to regions of low-emission, high-quality rice.

5. The State Bank of Vietnam shall

Research and propose to competent authorities to promulgate a credit program to support the link of production, processing and consumption of high-quality and low-emission rice products in the Mekong Delta between cooperatives and enterprises; guide localities and enterprises participating in the Scheme to access relevant credit programs.

LuatVietnam.vn

6. Related ministries, sectors shall

Coordinate and support the Ministry of Agriculture and Rural Development to implement the Scheme according to assigned functions and tasks.

7. People’s Committees of provinces and centrally-run cities in the Mekong Delta shall

- Identify regions that attain the criteria, register and develop plans to implement the Scheme based on the Scheme's criteria for regions of low-emission, high-quality rice; allocate funding to complete initial conditions to implement the Scheme in 2024 and the following years.

- Promulgate local mechanisms and policies to attract investment from enterprises. Support and develop cooperatives, provide training course in cooperative management, upgrade infrastructure to participate in the sustainable rice production value chain.

- Develop specific plans to implement the Scheme; synthesize and report the Scheme implementation to the Ministry of Agriculture and Rural Development on an annual basis. Organize a preliminary review of the Scheme implementation in 2025 and summarize the Scheme implementation in 2030 according to the Ministry of Agriculture and Rural Development’s instructions.

8. Industry association related to rice production and trading shall

LuatVietnam
Tiện ích văn bản luật

Participate in linkage of production, business, advocacy, and support members to organize and link with cooperatives and enterprises participating in the Scheme to build a low-emission and high-quality rice value chain.

Article 3. This Decision takes effect on the date of its signing.

Ministers, heads of ministerial-level agencies, heads of government-attached agencies, chairpersons of provincial-level People's Committees in the Mekong Delta shall implement this Decision.

FOR. THE PRIME MINISTER
DEPUTY PRIME MINISTER

Tran Luu Quang

** All Appendices are not translated herein.*

LuatVietnam.vn

LuatVietnam
Tiện ích văn bản luật