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## The Contribution of the Livestock Production on the Growth of the Vietnamese Economy and their Challenge in the Next 10 Years

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### Abstract

Even though Vietnam's economy has grown considerably during the 1990s, its GDP per capita is still low at Dong 5.2 million/person in 1999 (about \$ 374) (according to ADB JA 3223 – VIE report). Structural transformation of the economy has reduced the share of agriculture in the economy, declining from 38% in 1990 to 24% in 1999, but still employs 70% of the labour force. One of the main production of agriculture is livestock production. Over the past ten years. Vietnam's livestock GDP has grow at an average of about 4.4%. The survey of MARD (Ministry of Agriculture and Rural Development) suggested that for livestock producers, the return to labour in livestock is higher than the return on other agricultural activities. For small producers, with 59% of labour engaged in livestock, they can produce 75% of their agricultural income. That suggests that for these producers, livestock activities are 1.27 times more productive than other agricultural activities. Among livestock producers in the MARD survey, average profits in livestock activities were about 24.8 million with large variation across species and size of the enterprise. The population of livestock is increasing with a growth rate of pig from 4.22% in 1997 to 6.93% in 2000, cattle population is slightly decreasing: from 2,76% to 2,50%, buffaloes from -0.35% in 1997 to 0.30% in the year 2000, poultry 6.04% to 9.4%. The Government has given some priorities to develop the livestock production to reach 30% of value added in agricultural GDP in the year 2010. Pig production must be developed in order to meet the demand of the domestic market and for exporting. Dairy cattle must be developed to reach 100,000 heads with the yield of 300,000 tons fresh milk. Beef cattle: more than 300 kg liveweight at 24. month of age. Broiler chicken must reach the liveweight of 2.5 kg at 7 weeks of age and the feed conversion is lower than 2.5 kg/weight gain. Laying chicken with the yield of 280 eggs/hen/year ...

The Government also will reduce the tax upon imported feeding material ...

**Keywords:** Economic growth, livestock production, Vietnam