

On Consumption of Farm Products in Trà Vinh

by Ass. Prof. Dr. PHƯỚC MINH HIỆP

Trà Vinh – a poor province in the Mekong Delta where 87% of its population is in rural areas - lives on agriculture which accounts for 58.7% of its gross product, and has three distinct eco-zones: salt, brackish and fresh water areas. This ecological diversity leads to various local products and ways of consuming them. In this article, I want to discuss the market for farm products by zones in the province.

1. Main farm products from Trà Vinh

a. From crop growing business: Surveys of all districts in the province show that its main products are rice, vegetables and fruits. The rice occupies the biggest area. Each peasant grows 1.035 hectare of rice with two crops a year on average. They also grow vegetables after the rice crop. Each peasant family grows about 0.3 hectare of vegetables, 3.8 crops a year.

Fruit growing area is second only to the rice's: each peasant family has some 0.46 hectare of fruits on average and main products are longan, grapefruit, Java apple, mango, rambutan and sapodilla.

b. From animal husbandry: Free-range chicken keeping is done by almost families in rural areas. Duck keeping in large quantities are common in Trà Cú District.

Pig keeping is highly commercialized. Each peasant family keeps from five to six head a year on average. Those who have capital and technical knowledge could keep up to 35 head a year. Some others consider this business as a way of saving some money and making use of leftover.

In recent years, the cow keeping for its meat has started developing and some cow farms have made their appearance in Càng Long and Trà Cú Districts. The free-range goat keeping at family level has developed well in Duyên Hải District.

2. Some observations

a. Sale of farm products: Most peasants sell rice (90.1%) at home or right on their rice fields to wandering traders. The army of traders is present in all communes and villages and ready to buy rice at peasants' convenience. This practice is very popular because it helps peasants save some transport expenses.

Vegetables are hard to store and easy to decay, so most peasants have to exchange

contracts before harvest: 36.5% of them sell their vegetables at district and town marketplaces; and 63.5% of them sell at commune markets. Many traders in farm materials also purchase vegetables in order to bring and sell them in town market. This practice becomes a two-way transaction that helps promote the production.

As for fruits, Trà Vinh has no fruit processing concern, and as a result, fruit growers have to sell their produce right after harvest because the fruits are easy to decay. Peasants who do sea farming have to preserve their output and transport it quickly to state-owned processing factories.

Trade authorities must make plan to organize purchasing network and cooperate with local processing concerns with a view to reducing intermediary expenses and decay of products.

b. Traders in farm products:

Table 1: Origin of farm product traders (%)

Trader	Rice	Vegetable	Fruit	Animal	Seafood
- From the same village	15.4	11.0	20.8	14.5	15.5
- From the same commune	30.3	37.3	25.4	30.4	26.0
- From the same district	19.3	35.7	38.2	30.5	25.2
- From others	35.0	16.0	15.6	24.6	33.3

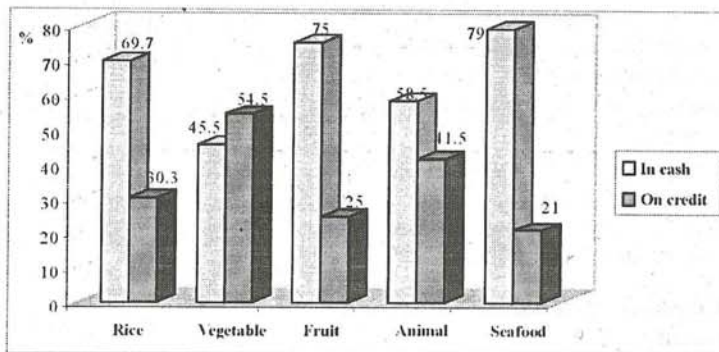
Source: Direct interviews

My survey shows that some 45% of buyers come from the same commune, which facilitates the transaction between two parties.

c. Payment terms by traders:

It's apparent that peasants are badly in need of capital for which they could depend on the sale of their produce. The following figure shows what payment terms they have to agree on with local traders.

Figure 1: Payment terms offered by traders in farm products



The figure and my survey show that traders usually pay from 70% to 80% of the value of such products as rice, seafood and fruit; and the rest is paid in some 15 days on average. As for vegetables and animals, they pay 50% on the spot and pay the rest in about a week. This is also a difficult, although it doesn't seem important, to peasants.

d. Ways of entering contract to sell:

When peasants want to sell their produce, they make contact with local traders. My survey shows that they usually invite traders to buy, pay and carry away products from their home. As for seafood, they have to transport to purchasing stations. In other words, they have no proactive way of entering contracts to sell. Upon, or after, the harvest, they send for traders when they have no facilities for preserving or storing their produce. And as a result, the selling price is usually cut by traders.

e. Reasons for selecting traders:

Table 2: Reasons for selecting traders (%)

Reason	Rice	Vegetable	Fruit	Animal	Sea-food
Acquaintanceship	45.0	46.9	45.0	53.7	57.8
High purchasing price	46.1	35.2	49.2	44.0	44.0
Accurate measurement	15.1	5.5	7.5	12.9	25.9
Convenience	29.9	28.3	30.8	23.3	19.8
Cash payment	47.7	43.4	62.5	36.8	44.8
Chatty conversation	4.7	9.7	11.7	6.0	4.3
Others	3.6	3.4	1.7	0.3	0.9

When selling rice and fruit, peasants like to do business with traders who pay in cash (47.7% when selling rice and 62.5% when selling fruit). As for vegetable, animal and seafood, 46.9%; 53.7% and 57.8% of peasants respectively like to sell to their acquaintances.

Besides those two reasons, peasants also pay attention to traders who offer high buying prices and carry produce from their homes. However, they don't care much about measurement.

f. Difficulties in selling farm products:

Interviews with peasants show that they usually meet with the following difficulties.

Table 3: Difficulties in selling farm products (%)

Difficulty	Rice	Vegetable	Fruit	Animal	Sea-food
Delayed payment	3.8	2.1	2.5	7.8	12.1
Cut selling price	35.2	22.8	35.0	15.8	29.3
Lack of market information	13.8	7.6	20.0	14.7	9.5
Poor transportation	10.7	10.4	35.0	8.7	1.7
Bad weather when transporting products	9.6	7.6	18.3	17.8	-
Appointment with traders delayed	4.9	6.2	15.0	4.0	3.4

Generally, the biggest difficulty for most peasants is the cut price offered by traders. It is usually much lower than the market price, especially after the harvests. Some 30% of peasants thought the selling price was cut



too much when they sold rice, fruit and seafood; and 28% of ones who sold vegetables agreed with this opinion. The reason why traders offered low prices is the fact that peasants have no facility for preserving fruits and vegetables after harvest or keep animals from diseases.

3. Measures to help peasants sell their produce

- Developing a system of rural marketplaces: These marketplaces will help distribute farm products, and create some new jobs.

- Introducing new strains of plants and animals: These strains will help improve quality of farm products, thereby allowing higher incomes for peasants.

- Connecting production with processing: Processing had better develop a purchasing network to ensure supplies of raw materials for themselves and reasonable buying prices for peasants.

- Upgrading communication networks: Road networks connecting communes and villages are needed for distribution of goods and services and they could be built with local budgets or grants-in-aid.

- Building information services: At provincial level, an information service could be built in order to supply market information and training courses to peasants and farmers.

- Establishing trade associations: These associations could be developed from cooperatives in order to protect interests of peasants when they sell their produce ■