

#### + Nước Trong State Farm at present

Established in 1976, Nước Trong Sugar Cane State Farm has been one of Tây Ninh's state enterprises who experienced the greatest deal of ups and downs. This state farm of 4,500 hectares is located at Tân Hội village, Tân Châu district of Tây Ninh province.

In 1976, the Nước Trong state farm started its business with an area of 100 hectares and 600 heads of cattle. In 1987, its land was allotted to private persons who worked as tenant-farmers. In 1989, these tenant-farmers became workers of the state farm working in planting, attending and harvesting crops while the state farm supplied fertilizer and tractors. It's the early period the state farm worked under the market mechanism. In

1991, the state farm possessed 1,800 hectares of sugar cane, 300 of rubber and 200 of other plants in addition to 8 sugar mills which consumed 200 tonnes of sugar cane per day.

But the business isn't always in smooth waters. In 1993, the sugar cane planting business suffered a great disaster: the purchasing price of sugar cane went down below its prime cost and the sugar cane almost died through neglect in the fields. Both the state farm and related organizations were on the brink of ruin. But fortunately, in the last minute, the Government gave the price support and the situation was saved. The state farm could develop well from then on.

Vương Văn Lén, Director of the Nước Trong state farm, was a student of Saigon Agriculture University 30 years before. He's a practical man and so he prefers practicalities to ideas. He has stuck to the sugar cane business regardless of the "bitterness of sugar".

In May, 1995, the Conference for developing sugar business was held in Hà Nội by the Ministry of Agriculture and Food Industry, he was invited to give a talk at the conference as a

representative of sugar planters in Eastern South Vietnam. On this occasion, Mr. Vương gave his opinion about organizing zones supplying raw materials to sugar industry, or zones of sugar plantations.

His speech was appreciated by the attendance and the Ministry because of its exactness and feasibility.

## THE FUTURE OF SUGAR CANE AT NƯỚC TRONG

by PHẠM HỒNG VÂN



According to Mr. Vương, by 2000, Eastern South Vietnam should realize 50% of the target set for the sugar business (planting 200,000 ha of sugar cane and producing one million tonnes of sugar). Tây Ninh, as a province specializing in sugar production, should process 11 or 12 thousand tonnes of sugar cane (twice as many as the capacity of Eastern South Vietnam). The following are his suggestions about forming zones of sugar plantations:

1. In carrying out plans to build new sugar refineries, various measures should be taken to help owners of old sugar mills start new trades instead of leaving them eliminated from competition. In doing so, their capital could be used effectively. Otherwise, it will take a long time to force old sugar mills to put up the shutters and a lot of raw materials will be wasted. In addition, these owners could launch into unhealthy competition with new sugar refineries.

2. Time and money should be invested in forming zones of sugar plantations before plans to build new sugar refineries are realized. Building new factories without stable source of raw materials is a damaging mistake.

As for sugar planters, they need appropriate investment. The production control should be established and the output should be transported to refineries on time. Output of sugar cane produced by private persons should be also put under control in order to reduce waste.

3. The Government should give priority to forming zones of sugar plantations. Besides using the public treasury to improve infrastructure, loans of low interest should be supplied to both private planters and state farms.

Bank for Agriculture should supply long-term loans (at least 3-year term, equivalent to the life-span of sugar cane) with interest rate of under 12% a year. The sugar planters can't make profits from loans of interest rate of 2.8% a month (that is, over 33% a year) supplied by banks at present.

4. Along with Association of Sugar Manufacturers, we had better form the Association of Sugar Planters (for both private persons

and state farms).

5. The Government should take measures to keep prices of sugar stable for at least one year, and form the Vietnam Sugar Corporation who will control the sugar business of the country.

#### + The future of the sugar cane at Nước Trong

In 1995, with its experience of producing and managing, the Nước Trong state farm had a new area of 400 hectares planted, 200 of which are of summer-autumn crop and other 200 winter-spring crop. The state farm expects an output of 77,500 tonnes this year. However, the state farm are facing many difficulties which need to be solved with helps from both the Central Government and Tây Ninh authorities.

- The provincial finance service should help the state farm increase its working capital.

- The provincial authorities should grant it the land use rights as soon as possible.

- The Government had better ban the importation of sugar. If we have to import it, the importation should be well-timed and well under control ■