

Gia Lai Agricultural Production and a Plan to Change its Structure

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1. Gia Lai agricultural structure

Gia Lai Province, in the north of Western Highlands, has 338,203 hectares of farming land and 757,675 hectares of forest. Supply of water is abundant with various rivers (Ba, Se San, Srepok...), lakes and hydropower dams (Ialy, Lower Ayun...) generally, natural conditions in Gia Lai are favorable enough for the province to develop a diversified agriculture. The agriculture is still the key business in Gia Lai and it has made good progress with various program at national and provincial programs (135, 327, resettlement for nomadic tribes, etc.). The average yield and output have risen well and the agricultural structure has changed positively. These results, however, are not large enough to help Gia Lai get rid of the poverty and backwardness. The following table shows the place of Gia Lai in Vietnam.

Gia Lai structure of industry is still backward and the agriculture still plays the most important role. This mean that Gia Lai will keep on being a purely agricultural province for a long time to come.

The structure has experienced some positive changes but they are too

Table 1: Gia Lai and the national averages

Indicator	Unit	Gia Lai	Western Highland	National average
Per capita GDP	VND1 million	5.14	5.36	10,080
Per capita export value	US\$/person	33.1	118.7	375.3
Food output in rice	Kg/ person	374.0	349.0	475.8
Payment to budger/GDP	%	13.5	11.26	22
Telephone per 100 people	Piece	6.9	9.6	19.01
Doctor per 10,000 people	doctor	3.6	4.4	49.5

Source: General Bureau of Statistics and Gia Lai Statistical Bureau 2005

small and slow to turn Gia Lai into an industrial province while the target set by the provincial government is to reduce the share of the agriculture to some 38% by 2010. It's worth noting that the shares of manufacturing and service

Statistics show that the crop farming rises by some 7.3%; forestry 5.4% and fishery 12.2%, much lower than national averages. Regarding the structure, the crop farming tends to rise and accounts for a big share in the total

authorities to control unruly development and work out long-term strategies to change the agricultural structure.

a. Farming

This business comprises crop growing and animal husbandry. In the farming business, the crop growing is dominant while the animal husbandry account for only a very small share.

In ten years from 1996 to 2006, the crop growing developed faster than the animal husbandry. The slow development of the latter is unreasonable because Gia Lai is rich in pastures and raw materials for making feed and this means that local authorities failed to recognize importance of this busi-

Table 2: Gia Lai's structure of industry in 1996-2005

Sector	1996	2001	2005	2006
Agriculture	54.4	56.4	48.5	49.5
Manufacturing	21.2	17.1	23.9	23.2
Service	24.3	26.5	27.6	27.3

Source: Gia Lai Statistical Yearbook

sector have increased slowly and unsteadily. This means that most districts are still operate as self-sufficient units. The following table shows the structure of agricultural production in Gia Lai.

output value while the share of forestry falls reamarkably. The main cause of this situation is the fast increase in the coffee growing area carried out by destroying forests and the second one is failure by local

Table 3: Gia Lai agricultural output (VND million)

	2001	2005	2006			
	Output value	As % of the total	Output value	As % of the total	Output value	As % of the total
Total	3,761,921	100	4,832,644	100	5,358,396	100
Farming	3,640,947	96.7	4,678,684	96.80	5,199,440	97.0
Forestry	118,498	3.1	150,470	3.1	154,550	2.8
Fishery	2,476	0.06	3,490	0.07	4,406	0.08

Source: Gia Lai Statistical Yearbook

ness and make plan to develop it.

In this period, the crop growing area grew by 4.46% a year and reached 394,793 hectares in 2006. Structure of plants has changed positively: the share of annuals in plant growing area increased from 50.7% in 2001 to 55.6%

in order to diversify the products and help them improve their income from crop growing. However, prices of these crops are not stable enough to encourage increases in the areas for these crops. Up to now, the area of cotton only reaches some 3,300 hectares; tobacco 2,500

grown with robusta coffee whose price is not high. Local authorities should make plan to improve the situation.

Rubber has been grown in the west of Gia Lai and has become a reliable source of income for planters in recent years. Its area rose from 56,644 hectares in

same period. This crop is suitable to small-scale production.

The cashew tree is grown in the southwest of the province, such as Krong Pa and Kong Chro districts. In the years 2001 -05, its area rose from 8,324 to 19,858 hectares; and its output from 2,750 to 7,168 tonnes. Cashew plantations have been developed without application of technical advances with the result that its average yield is still low.

In spite of its potentials, the share of animal husbandry in the agricultural output showed a downward tendency. From 1996 on, attention has been paid to poultry instead of cattle: herd of buffaloes fell by 10.9%; horses by 83% while one of cow rose by 12.2%; pig by 43%; poultry by 59% and goat and sheep by 41%. This situation comes from the fact that the mechanization of

Table 4: Values of crop growing and animal husbandry

	1996	2001	2005	2006
Farming output (VNDmn.)	1,147,473	3,640,947	4,678,684	5,199,440
Crop growing (%)	84.80	94.5	94.00	94.3
Animal husbandry (%)	15.20	5.5	6.00	5.7

Source: Gia Lai Statistical Yearbook

in 2005 while the share of perennials fell from 49.3% to 44.4% in the same period.

Of the annuals, corn, manioc and rice account for 41.8% of the plant growing area. It's worth noting that Gia Lai has little potential for growing water rice and it's better to stop growing this crop. From 1996 on, some 1,700 hectares of rice was used for other crops every year. Introduction of new strains and techniques has helped improve the crop yield: in 2005 the rice yield rose by 66.5% and rice output by 97.6%; corn yield by 13.3% and corn output 134% as compared with 2001.

The main industrial annual in the past was sugarcane with an area of 13,932 hectares making a four-fold increase in comparison with 1996. Some new industrial crops, such as tobacco, cotton and pineapple, have been introduced to planters

hectares and pineapple 180 hectares.

Of the perennials, coffee is the staple product from Gia Lai. The coffee area increased from 8,295 hectares in 1994 to 107,488 hectares in 2001. From then on its growth slowed down: its area fell to some 75,910 hectares with an average output of 100,000 tonnes a year. Some 95% of this area, however, was

2001 to 61,939 hectares in 2006 equaling 17% of the area of farming land. Its yield is rather high: from 1.5 to 1.7 tonnes of dried latex per hectare per year. It seems to have a bright future in Gia Lai.

Black pepper area in Gia Lai rose from 2,073 hectares on 2001 to 3,201 hectares in 2005 and its output went from 1,805 tonnes to 8,481 tonnes in the



Photo by Huỳnh Thọ

agricultural production has reduced the demand for buffaloes used as pulling force while the demand for meat rises, and as a result, the herd of cow, pig and poultry becomes larger. At present, the cow raising business is profitable but its development is slow because it requires big investments compared with personal income in Gia Lai. Local authorities have tried to support this business by providing technical assistance but results are still limited.

b. Forestry

Local authorities have paid more attention to planting caring and protecting forests. The coverage level increased from 47.7% in 1996 to 49.3% in 2006

The Table 5 shows that the share of the forestry in the GDP is small in comparison with its potentials (forests represent 53.6% of the Gia Lai area. The only encouraging sign is the increase in the value from planting and caring the forests while income from exploitation of wood and other forest products decreases.

c. Fishery

This industry accounts for a very small share in the agricultural

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output. It produces some 100 tonnes of fish from some 109 hectares of fish farms and its output is worth some VND4,400 million. With its network of rivers and streams, the area of fish farms could increase to meet the local demand.

2. Some measures to improve the agricultural structure

Some targets set by the provincial government for the years 2006-2010 are: a growth rate of 7.7% for the agriculture; a share of 38% for the agriculture in the GDP; a workforce equaling 63.5% of the

working population; and a personal income of VND6,385,000 a year.

- Zoning task must be based on long-term predictions and suggest plans divided into specific stages to implement modernization and industrialization.

- Local government must accept the process of accumulating the farming land as inevitable and work out plans to help peasants who lose their farming land under effect of the market economy. In zoning land for development, full attention must be paid to three zones: (1) outskirts of towns for farms of various kinds;

(2) settlements of Vietnamese residents where land could be accumulated; and (3) settlements for ethnic minorities where policies to develop farms of various kinds are introduced to help nomadic tribes settle down and start a commercial farming business.

- General and technical education must be developed to get rid of backward ways of doing farming and improve the productivity of laborers, especially ones from minority groups who are not good at the Vietnamese language.

- Introduction of new farming techniques, strains and processing facilities is necessary to efforts to improve competitiveness of Gia Lai products. Technical assistance and technology transfer must be accelerated in order to develop the organic agriculture.

- Many products from Gia Lai are exports. Local authorities must supply free information to help peasants adjust their businesses to the market demand and encourage the supply of farming materials and services. More investment must be put in the infrastructure in order to develop the farm product processing industry and its large-scale sources of raw materials. State-owned farms and plantations must be beefed up to play a leading role in changes in the structure of agricultural production. ■

Table 5: Structure of output from forestry

	1996	2001	2005	2006
Share of forestry in the GDP	7.4%	5.3%	4.2%	3.8%
Forestry output value (VNDmn.)	121,955	118,498	150,470	154,550
As % of the value:	100	100	100	100
- Planting and caring	13.5	14.5	25.3	40.1
- Wood and other products	80.7	80.4	55.4	29.8
- Services	5.6	5.1	19.2	30.1

Source: Gia Lai Statistical Yearbook