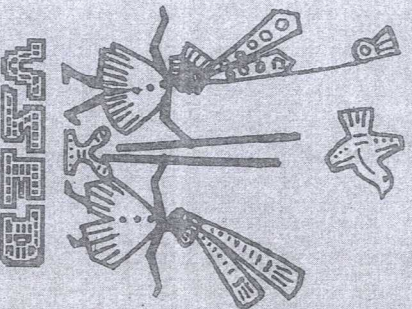


ISSN 0868-359X

VIETNAM'S SOCIO-ECONOMIC DEVELOPMENT

A SOCIAL SCIENCE REVIEW - No.71, SEPTEMBER 2012

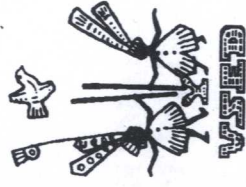


In this issue:

- * Human development in the last ten years
- * Social protection system
- * Economic development in the Mekong River Delta
- * Milk production in small farms
- * Development of the longgan value chain

VIỆN KINH TẾ VIỆT NAM - VIỆN KHOA HỌC XÃ HỘI VIỆT NAM
VIETNAM INSTITUTE OF ECONOMICS - VIETNAMESE ACADEMY OF SOCIAL SCIENCES

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DEVELOPMENT**



A QUARTERLY REVIEW - No. 71, SEPTEMBER 2012

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MILK PRODUCTION AND MARKETING IN SMALL HOLDER DAIRY IN THE NORTHERN AREA OF VIETNAM: A CASE STUDY IN PHU DONG

BUI THI NGA, TRAN HUU CUONG,
LUONG THI THU HA, PHILIPPE LEBAILLY *

1. INTRODUCTION

The potential advantage of dairy in small holders in Vietnam is improving the welfare of farm households. It generates income for them, which can be used for different purposes, e.g. purchases of goods for household consumption, school fees and medical expenses, or productive investment in other farm or non-farm sectors. Milk from dairy production provides a highly nutritious food for people of all age groups and particularly for infants and lactating mothers thus reducing the problem of malnutrition among rural households. The value adding activities such as the processing, marketing and distribution of milk and milk products create employment opportunities in the society. It is argued that in situations where the arable land is shrinking and where there is high population density, the dairy farming may be one of the few agricultural activities that can support viable smallholder farming (Asfaw Negassa, 2007). In general, there are also several other functions attached to the dairy farming production such as manure production, store of wealth, risk mitigation and display of social status (Asfaw Negassa, 2007).

This paper studies on the situation of milk production and marketing in small holders in Phu Dong commune. Milk production focuses mainly on milk productivity, milk yield, lactation period of pure Holstein Friesian (HF) and cross breed in different farm sizes. Then socio-economic characteristics of the market participating and non-participating dairy households will be analyzed such as: age and education level of household head, family size, experience in dairy production, income from non-dairy source, distance from market, numbers of dairy cow, etc. The research uses the Heckman two-step procedure to estimate which factors affecting the decision of market participation and milk marketed volume of dairy households.

* Bui Thi Nga, Tran Huu Cuong, Luong Thi Thu Ha, Lecturers of the Faculty of Accounting and Business Management, Hanoi University of Agriculture, Vietnam.

Philippe Lebailly, Professor of the Gembloux Agro Bio Tech, University of Liege, Belgium.
Email: ngabt@hua.edu.vn, trancuong@hua.edu.vn.