



Thesis Abstract

Swine Commodity Systems Study in Cantho Province, Vietnam

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The study of swine commodity system was conducted to present and analyze the status of the swine commodity system in Cantho Province, Vietnam, with the end view of identifying investment and development entry points which could serve as inputs to policymakers, economic planners, and local authorities in coming up with alternative ways to develop and improve the existing swine commodity system. A total of 187 respondents composed of breeders, assemblers, slaughterhouses and processing company were selected using convenient sampling method.

Results showed that most of the breeders were backyard raisers and produced small and medium numbers of swine. They were rarely trained on breeding techniques. The activities of breeders, assemblers, and slaughterhouses were strongly affected by internal and external environment such as insufficiency of capital, seasonality factor, competition, instability of input and output prices, and risks caused by epidemic diseases. Breeders also had many difficulties in expanding their operations. They sell their swine based on friendship, cash-basis transaction, and by sending message to the buyers.

Low quality of the products, small processing capacity, obsolete machines and equipment are the main problems of the processing sector. Therefore, there is a need for more investment in modern technologies for processing, in adequate storage facilities and in the means of transportation.

The study also looked into the retailers and wholesalers, who also incurred much risk secondarily from breeders. Most risks are the availability of substitute products, and seasonality of factor.

Agriculture Bank plays an important role in financing and supporting swine industry. However, the farmers still have many difficulties to loan from the bank because of complexity and strictly loan policies and requirements. As a result, many farmers and middlemen opted to look for credit from informal sources with the high interest rate.

In public sector, breeders are strongly supporting and getting benefits from Cantho Agriculture Department, Encourage Agriculture Center, center and local government policies to develop swine industry such as breeding policies and commercialization polices in the livestock sector. In general, the most problematic subsystem is distribution and marketing sector. These problems

are market access problem, market information constraint. It is hard for swine producers to collect market information that may result in low market power of swine producers.

This research finally finds out some solutions to increase production effectively and develop swine industry in Cantho province. These are: (1) Develop domestic markets; (2) Promote veterinary network, hybridize high productivity piglet and modernize pork-processing technology and (3) Call for foreign investment in breeding, processing.