

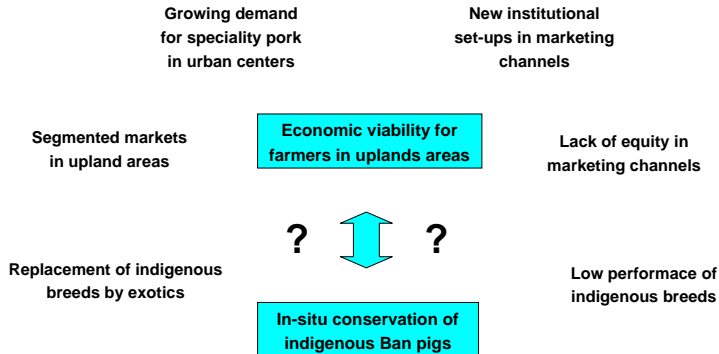
Production and Marketing of Indigenous Pig Breeds in the Uplands of Vietnam

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Introduction



Objectives

- to study the marketing channels for Ban pigs and quantify net marketing margins of supply chain actors
- to analyse production economics of Ban pigs in comparison to improved Mong Cai breeds (MC)
- to identify the role of indigenous pigs and trading relations to overall pig production and household incomes

Methodology

- 20 Mong Cai pig keepers and 50 Ban pig keepers were surveyed to collect information about economics of pig production and marketing characteristics.
- Data on general household characteristics.
- Downstream supply chain actors to quantify the net marketing margins and to identify final markets.
- Standardized questionnaire and PRA-tools.

Results

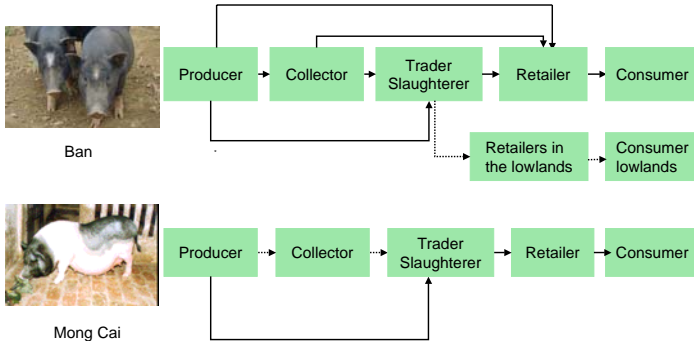
Marketing margins

	Producer	Collector	Trader	Retailer
Net marketing margin (VND) (Ban)		400	1,972	2,150
Share in VND 1,000 (%) (Ban)	65	5	14	16
Net marketing margin (VND) (LWxMC)		na	1,529	1,750
Share in VND 1,000 (%) (LWxMC)	71		15	14

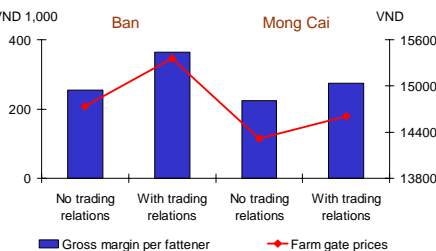
Notes: n.a = no answers

- Ban fatteners yielded a higher net marketing margin than LWxMC fatteners.
 - an indicator for lower marketing efficiency on Ban pigs.
- The share of producer's price in retailer price is lower than in the lowlands
 - the less integrated market in the uplands

Marketing channels



Gross margin fattener¹ Farm gate prices



Household income capita¹ year¹



Determinants of gross margin fattener¹

	Coef.	S.E.
MC, trading relations	5.49	55.57
Ban, trading relations	131.34**	51.73
Ban, no trading relations	57.57	56.32
No of fattener raised (unit)	11.50**	5.17
Quantity maize fattener ¹ (kg)	.56	.47
Quantity concentrate fattener ¹ (kg)	1.97	1.69
Hours fattener ¹	1.05**	.39
Education of HH head (years)	2.09	7.2
Constant	-122.43	137.77
F_value = 3.41 R ² = 0.31		

Notes: Dependent variable is gross margin per fattener in VND 1,000. Table reports coefficients and standard errors. For treatments, MC keepers without trading relations serves as the reference group. *** significant at 1%, ** significant at 5%

Determinants of household income capita¹ year¹

	Coef.	S.E.
MC, trading relations	1139.90*	614.81
Ban, trading relations	654.15	588.59
Ban, no trading relations	918.59	632.23
HH heads (1=male, 0=female)	-687.30	642.38
Education of HH head (years)	191.77**	84.78
Household size (labour)	-590.19**	177.12
Dependent ratio (times)	-1111.4***	286.92
Land area member ¹ (m2)	1.26***	.27
Age of HH heads (years)	72.71***	19.46
Quantity concentrate fattener ¹ (kg)	31.17*	18.07
No of fattener raised (unit)	70.03	47.63
Constant	170.10	1756.71
F_value = 14.81 R ² = 0.67		

Notes: Dependent variable is household income per capita per year in VND 1,000. Table reports coefficients and standard errors. For treatments, MC keepers without trading relations serves as the reference group. *** significant at 1%, ** significant at 5%, * significant at 10%

Currency Equivalents 1 Euro = VND 22,510 (5th October 2007)

Conclusions

- Lower efficiency in marketing of Ban pigs and low degree of integration.
- Benefits from long-term trading relations: higher prices, reliable information, on time payment, and lower transaction costs.
- Ban keeping is economically viable compared to Mong Cai keeping
- Ban pig keeping with trading relations has positive effects on economics of pig production, but not per capita household income
- Supporting and promoting trading relations and formalization of marketing arrangements could help Ban keepers and contribute to in-situ breed conservation

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