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“Bridging the gap between increasing knowledge and decreasing resources”

Impact of Access to Agricultural Extension Services on Tea Households' Income in the Northern Region of Vietnam

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Abstract

The Northern Upland of Vietnam is one of the poorest regions of Vietnam where local people are highly dependent on agriculture to earn income. In the region, tea plants play an important role in generating employment and improving income for farmers. Agriculture extension services for tea production such as pest and disease control, fertiliser application, new varieties application are available to support tea farming activities and help farmers to overcome poverty. However, the impact of these extension services on improving tea productivity and farmer's income still remains questionable.

In this context, this study tested the hypothesis that accessing to agricultural extension services can improve tea household's income. Tea households which received agricultural extension services are assumed to obtain higher tea productivity and therefore better income compared to others. Data were obtained from a household survey of 120 accessed households and 180 non-accessed households in three provinces namely Thai Nguyen, Phu Tho and Tuyen Quang in the Northern Upland Region of Vietnam. To control for the problem of selection bias, we used the approach of Propensity Score Matching. This is a robust estimator because it is less sensitive to minor changes in specification of regressions and is adequate for removing the bias associated with the differences in covariates. The results showed that tea households with membership of local mass organisations (Women, Farmer and Youth Union), more experience in tea production, and cultivating a larger area of tea are more likely to receive agricultural extension services. Results also revealed that extension services have positive impact on tea farmers' income. Accessed households earn an average monthly income of 30.43 percentage points higher than that of non-accessed households.

Keywords: Agricultural extension, impact, northern Vietnam, propensity score matching, tea farms