



Food and Agriculture
Organization of the
United Nations

**TCP/VIE/3503 “Review of Food Safety and Quality Control
under MARD”**

**Assessment and Recommendations for Enhancements to
Vietnam’s Legislative Framework, Structural and Institutional
Arrangements, National Management Arrangements and Related
Implementation Strategies**

Final Report

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Vietnam

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TABLE OF CONTENTS

ACRONYMS	3
A: EXECUTIVE SUMMARY	4
B: INTRODUCTION	10
C: BACKGROUND AND CONTEXT	12
D: PRINCIPLES AND BASIC TENETS	17
E: REVIEW OF LEGISLATIVE AND REGULATORY FRAMEWORK.	22
F: STRUCTURE AND INSTITUTIONAL ARRANGEMENTS (MARD)	29
G: NATIONAL MANAGEMENT OF FOOD SAFETY IN VIETNAM.	37
H: IMPLEMENTATION AND OPERATIONAL ISSUES (MARD)	44
I: A PLAN OF ACTION FOR IMPLEMENTATION OF RECOMMENDATIONS	53
J. ATTACHMENT	55
1. Project Terms of Reference.....	56
2. Program of Consultations.....	57
3. Meetings and Consultations Undertaken During the Mission.....	59
4. Brief CV of Mission members.....	61
5. Matrix of Laws, Decrees, Circulars, Decisions Related to Food Safety.....	63
6. Primary Functions of the Divisions in the Department of Food Safety Services, Policy and Legislation.....	73
7. Recommended Terms of Reference for Vietnam’s National Inter-sectoral Committee on Food Safety.....	76
8. Model for “The Principles and Objectives of Vietnam’s Food Safety System”.....	80

ACCRONYMS

AFIQAD – Sub NAFIQAD at Province level.
AFSD – Agriculture Food Safety Department
AG-VET – Agriculture Veterinary
CFIA – Canadian Food Safety Inspection Agency
CODEX – CODEX Alimentarius Commission
CPD – Crop Protection Department
DARD – Department of Agriculture and Rural Development
ECTAD – Emergency Center for Transboundary Animal Diseases
FAO – Food and Agriculture Organization, United Nations
FAOR – Food and Agriculture Organization Representative
GAP – Good Agricultural Practises
GHP – Good Hygiene Practices
GMO’S – Genetically Modified Organisms
GMP – Good Manufacturing Practices
GVP – Good Veterinary Practises
HACCP – Hazard Analysis Critical Control Point
HCMC – Ho Chi Minh City
IPSARD – Institute for Agricultural Policy and Strategy Development
ISO – International Standards Organization
MARD – Ministry of Agriculture and Rural Development
MOH – Ministry of Health
MOIT – Ministry of Industry and Trade
NAFIQAD – National Agro Forestry Fisheries Quality Assurance Department
PPD – Plant Protection Department
RAP – Representative Asian Pacific Region
VietGAP – Vietnam Good Agricultural Practises
VN – Vietnam

A: EXECUTIVE SUMMARY

The Terms of Reference for the project aimed to review streamlining and management of food safety in Vietnam with particular reference to management within the Ministry of Agriculture and Rural Development (MARD).

Accountabilities for delivery of food safety under the Law on Food Safety 2010 are complex. There are three Ministries at the national level with responsibilities for food safety, and there is a decentralisation to the Provincial Governments (and to District and Commune levels of government) for domestic food safety management. The frameworks for such decentralisation may vary between Ministries.

The Ministry of Health is identified as having primary responsibility for food safety, but has direct responsibility for only a small array of commodities and foods. In addition, the Ministry of Health is first among equals with the other Ministries having independent capacity to identify their priorities and approaches to managing food safety.

There appears to be no overarching direction and responsibility for food safety that all the responsible agencies are accountable to. The accountabilities of agencies, whilst having to manage within the requirements of the Law on Food Safety 2010, are primarily to their Minister and/or the heads of Government at their respective level.

The Law on Food Safety 2010 and the subordinate regulatory framework is highly prescriptive for standards, structures and operations, and less focussed on the outcomes. At each level of Government, accountabilities are shared by independent agencies at the equivalent level of public administration and who are accountable horizontally to their respective heads of Government.

Similar issues are apparent within MARD with several Departments responsible for food safety all of which are at an equivalent level within the MARD structure, and the 63 Provincial DARDs which report through to their respective Provincial governments.

Frameworks have been put in place for coordination and reporting, but vertical accountabilities through the network appear fragmented. When questioned, the stakeholder response was inevitably a reference to the detail of the law and regulations as a reason why some things were done and others were not possible. The prescription also varied between Ministries. The result is a food safety framework that appears as a series of parallel and somewhat independently managed systems under one law rather than a single national food safety system.

It was identified that Vietnam's complex and prescriptive legal and regulatory framework (which covered obligations, standards, and administrative structures / operations) has had a positive impact on food safety through providing a national focus and setting standards and frameworks that aligned well with international approaches. However, the rigidities and difficulties in amending these prescriptive regulations introduced a degree of inflexibility into management systems. This had a negative impact on administrative management's capacity to adjust programs to increase efficiency and effectiveness of food safety management. The prescriptive requirements were well understood in public administration at the national and provincial level, and fostered management and performance measures that reported against the

mandated process and prescribed responsibilities rather than the outcome of improved food safety.

Whilst responsibility and accountability frameworks were broadly identified in regulations, there was no equivalent delegation of authority, particularly to the lead Ministry managing at the national level. Those with responsibility had little authority to direct the management by the other Ministries / Departments involved in food safety management. Their roles became one of advising, coordinating and collating regular reports, many of which reported against different standards and processes embedded in the separate Ministries. Similar disjunctions occurred between national and provincial levels.

Options for changes to structures and accountability for food safety to rationalise and streamline national management have been suggested.

Cross membership between the National and Provincial Inter-sectoral Coordinating Committees on Food Safety is proposed as a mechanism to foster greater understanding and alignment of outcomes and performance at national and provincial levels have also been suggested.

It has been proposed that Vietnam consider the further consolidation of food safety management at the national level into two ministries, one responsible for primary production and primary processing; and the other for food manufacture, wholesale and retail and the ready to eat sector. Existing resources may need to be reallocated between Ministries to achieve this outcome.

The Food safety Law 2010 is a modern legal framework for management of food safety that aligns well with international standards. However, simplification of the subordinate regulatory framework to assist industry and consumer stakeholders understanding of food safety and their obligations under the Law has been recommended. This is necessary to improve active outreach and training for food business operators and consumers on food safety. Simplified guides for small business to assist in raising basic food hygiene and food safety standards have also been recommended. Raising knowledge and the expectations of industry and consumers are key to improving food safety outcomes.

Within MARD, the need for a high level food safety Department to focus and drive food safety management (the proposed Agriculture Food Safety Department) has been identified. This Department should have authority over food safety management by other operational MARD Departments. This could be achieved by changing the name as well as responsibilities of NAFIQAD, or by developing a separate Department with appropriate skills, authority and accountabilities for food safety within MARD. The functions and responsibilities of the proposed Department are detailed in the report. The mission recognised that this approach is at odds with the current culture and conventions for public administration in Vietnam, but this approach is critical to give focus and impetus to improving food safety in Vietnam.

It is recognised that the greatest gains in food safety are dependent on government, industry and consumers working in concert to improve food safety and food safety outcomes. Whilst there is a growing trend for larger food distribution chains (large farms supplying supermarkets), this is yet to have a major impact in Vietnam.

High level standards, regulations and operational frameworks are well aligned to international benchmarks and are readily met by advanced and sophisticated sectors such as exports. These form the bedrock for regulation. However, many of the operational frameworks (e.g. VietGAP) have little direct applicability to small and micro scale agricultural production and marketing that is a traditional and still the dominant feature of primary production in Vietnam. The development of advice suitable for implementation at local level throughout Vietnam is yet to be developed in many areas. It was recognised that MARD needs to work with the Provinces to develop national training and education programs for primary producers and consumers that are sensitive to local custom, relevant to the level of sophistication and understanding, and implementable at local level. The same is true for nationally consistent procedures and protocols that can be applied consistently by all Provinces, Districts and communes.

A number of areas where MARD could rationalise and streamline services to improve performance and outcomes including laboratory services, residue management, inspector training, protocols, procedures, education and extension services / consumer education have been identified and strengthened coordination and alignment with other Ministries involved in food safety management recommended.

A list of recommendations follows. The detailed arguments and justifications are in the body of the report.

Recommendation 1: Simplify language of the law and regulations and consolidate regulations under the three Ministries into a single coherent regulatory framework.

Recommendation 2: Move away from issuances that are prescriptive and focused on administrative procedures such as those that compel the number, names, and roles of departments. Such prescription is a feature of the legal framework in Vietnam, but can work against flexibility and responsiveness, and lead to a focus on process and legally defined responsibilities rather than the desired outcome of food safety.

Recommendation 3: Ensure transparency and ownership throughout the process of law-making as the strength and integrity of the law will be defined by the respect and confidence of the private sector, especially the food business operators, in its provisions and requirements.

Recommendation 4: Strengthen impact and integrity of the law by translating it into outcome-based programs and activities. These must be supported by training to strengthen understanding of the requirements of regulations by all stakeholders and by research designed to answer the needs of agencies for risk analysis and of technologies for compliance.

Recommendation 5: That the Minister for MARD create a new Department for Agriculture Food Safety¹ in MARD or rename NAFIQAD with specific responsibilities of Food Safety Management Control for all product sectors.

¹ Note: There could be different names for this department such as *Agriculture Food safety, Food Safety Policy and Services* or *Food Safety Policy, Services and Legislation*. At present, in the report

Recommendation 6: *That the Minister consider consolidation of existing MARD Departments. Livestock Production and Animal Health should be combined into a new Animals Department, Crop Production and Plant Health combined into a new Plant Department. This has been done at Provincial level with significant synergies and improvements in service delivery. The residual NAFIQAD functions be combined into the Fisheries/ other Departments.*

Recommendation 7: *That the Minister consider a revised terms of reference for the National Steering Committee to strengthen its role in coordinating and managing food safety.*

Recommendation 8: *That the National Steering Committee have a revised membership in order to effectively inform and coordinate the activities between National and Provincial steering committees by including cross membership between committees.*

The National Steering Committee should have the following provincial representatives in the National committee.

- *One representative from Ho Chi Minh City*
- *One representative from Hanoi*
- *On a rotating basis, three representatives from smaller provinces (appointed by respective provincial committee on the basis that such membership should have representation from both urban and rural provinces)*

Food safety representatives from the MOH, MARD and MOIT should be invited to participate on a representative number of corresponding provincial steering committees.

Recommendation 9: *That the National Steering Committee handles the task of drafting of “The Principles and Objectives of Vietnam’s Food Safety System”.*

Recommendation 10: *That MoH be given authority and accountability to ensure all Ministries with responsibilities for food safety are accountable for food safety outcomes and improving the efficiency and effectiveness of food safety management in their control.*

Recommendation 11: *That MoH be given authority to coordinate outcomes and collection of consistent national data on food safety outcomes by responsible Ministries in order to objectively monitor and document improvements in food safety management. Such data can allow refinement of programs and procedures to improve effectiveness and impact.*

Recommendation 12: *Vietnam should consider establishment of a Food Safety Authority to coordinate food safety across Ministries and reallocate the responsibilities for food safety based on their key strengths with simplified accountabilities and interfaces.*

the Department is referred to as Agriculture Food safety Department (AFSD) however, MARD could select a name as appropriate.

Recommendation 13: National government should work with the Provinces and lower levels of government to develop nationally consistent procedures and protocols, training, primary producer and business support, and consumer education programs that are relevant to the local needs and that can be delivered locally. These need to be reviewed and updated regularly as needs change.

Recommendation 14: MARD should review MARD laboratories with a view to consolidation in order to:

- ***gain efficiencies, cost savings and improve performance. Savings from administrative overheads should be applied to increasing technical staff and operational funding.***
- ***review proficiency testing programs and evaluate the performance of laboratories in order to determine which laboratories may be accredited for the performance of testing for regulatory management.***
- ***establish a national network of laboratories that can be used for routine testing as well as for national residue and contaminant monitoring programmes. These laboratories should routinely and automatically report data on residue and chemical testing in primary produce and such trend data should be analysed and reported regularly.***

Recommendation 15: That MARD review and strengthen residue and contaminant management programs nationally and ensure that these are implemented at national and local level on small farms for both export and domestic purposes.

Recommendation 16: That MARD review training and protocols / procedures for inspection to ensure harmonization to reduce duplication so that inspection services by any single Department can meet the needs of all. Currently NAFIQAD is charged to coordinate such an approach.

Recommendation 17: That MARD work with Provincial government to ensure that the same protocols/ procedures are used and capacity development for harmonization across provinces and with national level.

Recommendation 18: MARD should adopt a risk and performance based approach to regulating industry in order to maximise efficiency in addressing higher food safety risk enterprises and poorer performance.

Recommendation 19: MARD should develop policies that can recognise effective industry based food safety management schemes with reduced regulatory intervention.

Recommendation 20: MARD should work with Provinces to develop appropriate guidance for best practice in food safety management in small and medium food enterprises. Such guidance needs to be sensitive to cultural and other factors in order to enhance prospects for successful implementation. This should be made available readily to FBOs through various communication channels.

Recommendation 21: MARD work with MOIT on standards and infrastructure for transport, storage and sale of foods to, and in, local markets to enhance food safety outcomes. This includes attention to temperature controls (refrigeration) and hygiene requirements.

Recommendation 22: MARD to work with MOIT on standards and infrastructure requirements for primary food processing operations to ensure facilities promote safe handling, storage and management of high food safety risk primary produce.

Recommendation 23: MARD to work with the Provinces and subordinate levels of government administration to develop agreed national criteria and national reporting framework on food safety management and outcomes.

Recommendation 24: MARD should support and enhance the adoption of inter-Provincial agreements on food safety and food trade.

Recommendation 25: MARD should develop a 'single window' for industry to access relevant information, training and guidance on farm management and meeting regulatory requirements and standards. Such information should be appropriate to the commodity, size of the production and processing facility.

Recommendation 26: MARD should work with the Provinces in developing nationally consistent information, training manuals and guidance documents for each industry sector and for large, medium and small producers. These should be in direct and unambiguous language.

Recommendation 27: The most basic of such guidance materials should address the basic requirements for hygiene, safe chemical use (both agricultural and veterinary) and residue management along with relevant record keeping. The intermediate level guidance should build on these with additional requirements to develop simple GAP guidelines for each commodity / industry. Finally, the more advanced guidance should address requirements for certification schemes such as VietGAP and HACCP.

Recommendation 28: MARD should work with the Provinces to foster the development of District cooperatives between small and micro-producers as a way of getting economies of scale and increasing the profitability of their farming activity. This will assist farms capacity to invest in food safety management and certification programs.

Recommendation 29: MARD should work with the Provinces and consumer organisations to develop educational materials for consumers regarding food safety and food supply chains in Vietnam.

Recommendation 30: MARD should ensure that simple plain language explanations of food safety and breaches in food safety are made public to assist in consumer education and to enhance consumer confidence.

B: INTRODUCTION

1. Vietnam, through adoption of the Food Safety Law 2010 and the subordinate instruments, has framed the mechanisms and structures for modern food safety management in Vietnam. These subordinate instruments set out requirements for participants in the food chain, and the requirements for food safety in a framework that reflects international standards and benchmarks. The Law recognises three Ministries as having direct responsibility for food safety management at the national level: (Ministry of Health (MoH); Ministry of Industry and Trade (MOIT); Ministry of Agriculture and Rural Development (MARD)).
2. Of these, the MoH through the Vietnam Food Authority (VFA) has overarching responsibility for food safety in Vietnam and responsibility for a number of commodities and food ingredients. MARD has the broadest responsibility for food safety in agricultural production and in agro-forestry products in the food supply. MOIT has responsibility for some commodities and for retail marketing of food.
3. This report outlines options for strengthening and streamlining food safety management in Vietnam and specifically within MARD. It was initiated by FAO with MARD following consultations with the Minister for Agriculture and Rural Development. The Terms of Reference for the project are set out in Attachment 1, the program of consultations in Attachment 2 and the list of key individuals consulted in Attachment 3.
4. The mission consisted of four consultants who worked under the overall guidance of Ms Shashi Sareen, Senior Food safety and Nutrition Officer, FAO Regional Office for Asia and the Pacific, three with relevant expertise in food safety management in a number of developed and developing countries, supported by a National Consultant from Vietnam with extensive experience in MARD. The team comprised of Mr Peter Liehne (Consultant, Australia); Ms Maribel Marges (Consultant, Philippines); Mr Larry Copeland (Consultant, Canada); and supported by Ms Tran Bich Nga (National Consultant, Vietnam). A brief CV for the panel members is appended in Attachment 4.
5. The methodology essentially involved direct interviews with stakeholders from the government and the industry, as identified and endorsed by NAFIQAD/MARD to FAOVN and the mission. Those interviewed include officials from MARD and its seven (7) Departments having a role in food safety; DARDs in Hanoi, HCM, Vin Phuc, and Dong Nai; officials from VFA/MOH, MOIT and IPSARD. Industry people met were from the livestock, animal feed, fruits and vegetables and seafood export associations. Visits to vegetable and poultry farms, a common service slaughterhouse facility, and a wet market were also done. The program and list of key consultations (attachments 2 and 3) outline the process used in the review. The mission is greatly indebted to the individuals who shared their time, knowledge and frank advice during consultations.
6. The report is presented in six main sections: background and context (Section C); principles and basic tenets (Section D); review of legislative and regulatory framework (Section E); structural and institutional arrangements in MARD (Section F); national management of food safety in Vietnam (Section G); and implementation and operational issues (Section H). A road map for implementation of proposed changes in MARD is presented in Section I.

C: BACKGROUND AND CONTEXT

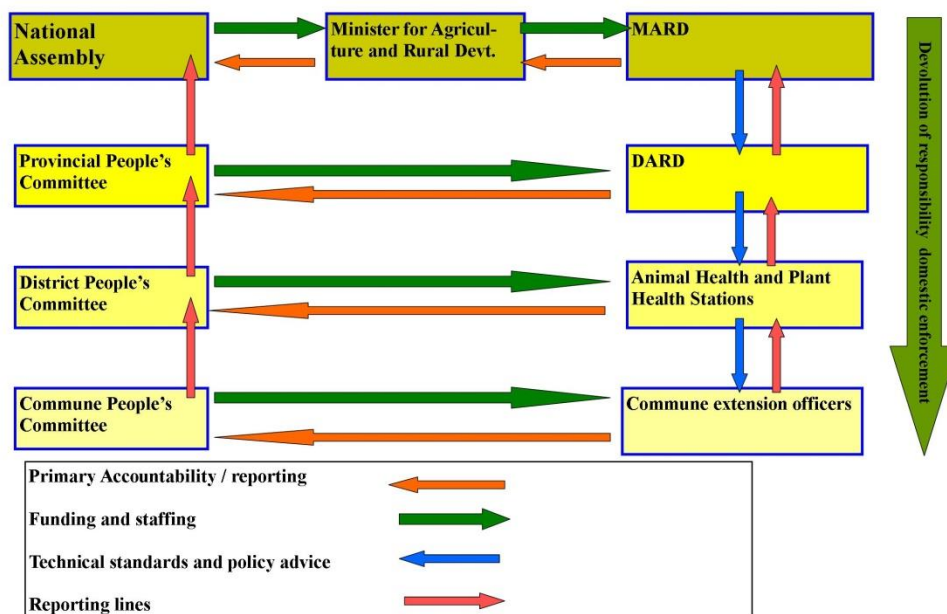
2. Comprehensive laws on food safety are one of the foundations of good food safety management. Vietnam has developed a strong, comprehensive and modern set of laws and regulations for food safety.
3. These are framed within Vietnam's legal and public administration context. This context reflects a top down and prescriptive approach to laws and enforcement (including prescriptive regulation of the structures, functions and procedures of public institutions), a legacy from a state managed economy. These impose rigidities that restrict managers capacity for rapid changes and adjustments to structures, roles and accountabilities which can reduce their capacity to affect efficiencies and improve effectiveness of programs in achieving food safety outcomes.
4. The strong law and technical regulations are a key part of the array of programs that form the modern systems approach to food safety management applicable in market driven economies such as is rapidly emerging in Vietnam. Businesses in market driven economies are innovative, flexible and responsive to consumer demand and expectations. Government must also be flexible, innovative and responsive if it is to keep pace with industry and consumers in such economies. Vietnam is facing significant challenges in adapting its structures and approaches to deal with the rise of the market based economy including in food production and trade.
5. The Law on Food Safety 2010 and its subordinate Ministerial Decisions, decrees and Circulars under the three responsible Ministers, have:
 - Provided a comprehensive regulatory framework (standards, structures/accountabilities, procedures) that is comparable with international approaches.
 - Consolidated responsibilities into three main Ministries (MoH, MOIT and MARD) based on historical mandates for commodity/ food category.
 - Provided a high level national focus to food safety.
 - Strengthened enforcement framework for food safety.
 - Enhanced resources linked to food safety management.
 - Set comprehensive National standards aligned to international benchmarks.
 - Greatly improved clarity and management of food safety at the national level by responsible Ministries at the national level.
 - Focussed and increased resources in this key area.
6. However, there are problems with the implementation of the law and regulations apparent to industry and provincial stakeholders, including:
 - The extension of this framework through the levels of local government down to the commune level is less clear. Structures are largely reflected in the Provincial level, but vertical integration of accountability for management and outcomes at the Province, District and Commune levels of government through to responsible Ministries are less clear. Often, staff resources at lower levels do

not have relevant professional qualifications and training, and are also tasked with many functions in addition to food safety

- Rigidly defined responsibilities, structures and processes that limit flexibility and capacity for responsive management and adaptation necessary to improve efficiency and effectiveness.
- Continuing problems of coordination between Ministries and within the three Ministries.
- Lack of timeliness in completing and synchronising the subordinate decrees, decisions and circulars across the three Ministries.
- Duplication of services and overlaps between Ministries and between Departments within Ministries, and transfer of responsibility between Ministries based on commodity, processing and possible fortification. For example, raw milk comes under MARD, but processed milk products are under MOIT and, if micro-nutrient fortified, under MoH. However, food safety management require consistent through chain attention and this fragmentation can cause difficulty.
- Inconsistent benchmarks for performance and outcomes due, in part, to food safety being overlayed onto existing higher priority regulatory and management tasks within Ministries and Departments.
- The prescriptive framework leads to an over-reliance on the law and sanctions and for regulators and public officials to focus on process rather than the outcome of improved food safety. For example, the consultant team were advised of the numbers of business certificates issued, but that some of the conditions for certification (e.g. ingredient traceability) were not possible. This raises the question of the effectiveness of such certification in improving food safety.
- Lack of aligned accountability through the levels of national and local government administration. Accountability is largely horizontal through to the relevant government level Peoples Committee, with some reporting lines vertically through to the responsible Ministry. This needs clarification and strengthening.
- Resource limitations are apparent at all levels of public administration.
- Lack of transparency in requirements and the limited support for industry to improve compliance and performance.
- A one size fits all framework that is often inflexible and unable to respond to issues with agility. In many cases, problems are managed by adding new layers of regulation. Options raised by the mission in discussions were, on several occasions, dismissed because the “law” would not allow it. On other occasions, the mission were advised that structural alignment for efficiency and streamlining was not possible because this required a formal decision of Government and the Prime Minister, and to be reflected in amended Decisions or Decrees.
- Few of the 2015 targets set out in the National Strategy for Food Safety for 2011-2020 and a Vision toward 2030 (PM DECISION No.: 20/QĐ-TTg issued January 04, 2012) have been met, due in part to the late completion of many subordinate regulations in Directives and Circulars, but also because of unrealistic expectations of driving food safety operational management down to local production and trading.

7. Technical support, such as laboratory services are patchy, lacking in capacity, equipment and highly trained staff. Most are not accredited against national or international benchmarks and are not covered by proficiency testing. Variability in performance undermines confidence in the laboratory services in supporting effective regulation.
8. Data and evidence on food safety is patchy at best and often qualitative rather than quantitative. It is hard to know whether the available data represent a true picture. The evidence base for food safety is poor, and so improvements are hard to measure and quantify. Statistics on process (e.g. number of certificates issued) can be provided, but there is no measure of the impact of this on the outcome of improving food safety.
9. Consumer understanding of food safety is quite low. Traditionally, fresh produce and meat were bought in local markets and street markets. Whilst there is a growing trend for supermarkets particularly in larger urban centres, the majority of product in supermarkets is processed pre-packaged food and the quality and quantity of fresh produce is patchy. Traditionally consumers have greater confidence and prefer to get fresh produce from street markets. Consumers do not have confidence in the GAP or clean food certification schemes and are not willing to pay a greater price for the same.
10. Consumers are price driven and are currently unwilling to pay sufficient premium for certified foods to cover the producers' added costs. Larger agricultural production enterprises, where the economies of scale can allow absorption of such added costs are a tiny proportion of farms in Vietnam. These are best developed in those sectors servicing high value export trade. Consumer education can change the attitude and willingness to pay.
11. Accountabilities are largely horizontal reflecting the funding, staffing and priorities set by the People's Committees at the Regional, District and Commune level (Figure 1). The adequacy of resourcing of the activity remains a critical issue at each level. The responsible People's Committees at each level will allocate resources and priorities according to their local requirements.
12. The agricultural sector is a major contributor to the economy of Vietnam, and improvement in food safety is a key factor in raising the reputation and economic development/expansion of this sector both for domestic trade and for exports.
13. Agricultural production faces significant challenges in the globalisation of food trade and impact of free trade agreements (both bilateral and multilateral) on competition within the Vietnam market.

Figure 1 – Major accountability directions for food safety in Vietnam



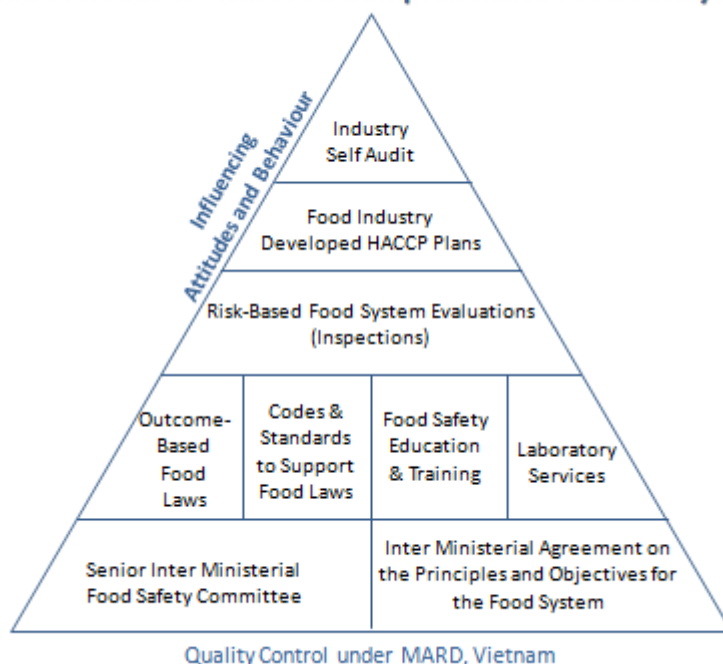
14. In Vietnam, agricultural production is still concentrated in smaller scale traditional farm enterprises. There are very few large scale commercial agricultural enterprises directly focussed on national domestic consumption, most are focussed on the high value export trade. The recognition of value chains and the through chain management of food safety highlights the need for effective and streamlined management and local engagement with relevant advice and guidance. There is a significant dichotomy between production and processing in larger more formalised food enterprises and the very large number of local micro-scale and largely unregulated enterprises that trade locally and service their immediate market.
15. International experience shows that as wealth and average incomes rise, so too the consumer demand for safe and high quality food will increase. There is evidence of this trend in Vietnam with the rise in supermarket sales of food products in the larger cities. Preparing for this trend requires active investment in the management of food safety and quality through the food supply chain, and raising the knowledge and commitment of producers, processors and of consumers.
16. In common with most countries, capacity constraints mean that risk assessment processes need to be applied to ensure that available resources are applied to those areas of the food supply recognised as having greater risk of food safety problems.
17. Adoption of performance based approaches that allow recognition of industry based systems that assess and audit food safety management, or where the history of inspection shows good compliance, will allow a reduced attention to high performing areas, and redirection of the scarce resources to the poorly managed areas.

18. The report focuses on streamlining and enhancing food safety management within MARD, but also reflects on the relationships between all Ministries with responsibilities for food safety under the Food Safety Law 2010. Some of the recommendations for improving performance within MARD are also applicable across the national management of food safety.
19. Many of the recommendations will be self evident. Many will recognise existing responsibilities and processes but will, through a realignment of structures and accountabilities, strengthen the focus of food safety management leading to better food safety outcomes.

D: PRINCIPLES AND BASIC TENETS

20. Figure 2 depicts the building blocks and essential elements of a food safety system. Using the figure (and Figure 3 below) as a measuring stick, evaluating Vietnam’s success in achieving progress in implementing the Law and enhancing food safety must be viewed from two perspectives: programs and services for the import/export sectors, and programs and services for foods intended for the domestic market. As will be discussed further in the report, attainment of the objectives portrayed in the figures varies substantively between the two sectors.

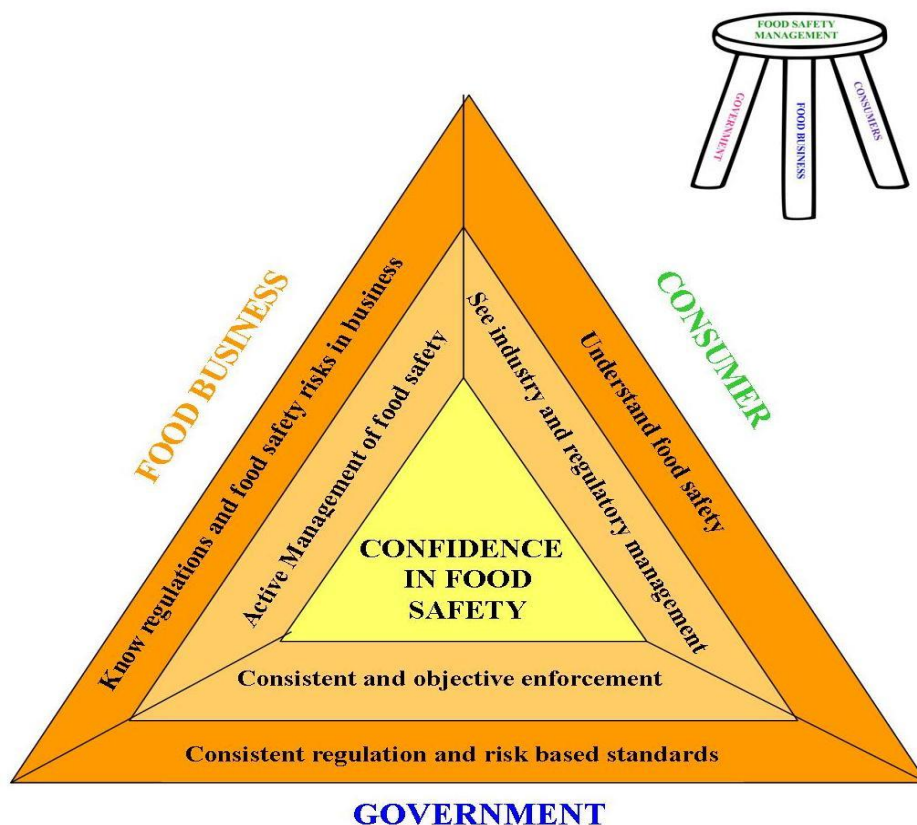
Figure 2:
Pyramid of Needs to Achieve a Comprehensive Food Safety System



21. Figure 2 shows the programs and structures necessary to support a comprehensive food safety system. Some of these are already in place in Vietnam, but need to be strengthened, focussed and expanded to ensure effective improvement in food safety outcomes. They are most well developed for the food enterprises in the export sectors accessing strict markets such as the European Union, but are yet to be realised to any great degree in production for the domestic food market. For the domestic market, the basic elements are present in a simplified form that needs to be enhanced and strengthened.
22. Figure 3 shows the relationship between government, food businesses and consumers in assuring confidence in food safety and the food supply. Each have a defined but interdependent role and the food safety system requires each to actively manage their roles to assure food safety. Under development or poor performance on any one of these

three sectors will hamper proactive management and the goal of food safety. Like a three legged stool with one short leg, it is both unstable and ineffective.

Figure 3: Essential elements of a food safety system



23. The figures establish a hierarchy and continuum of interrelated needs which start with a foundation of government collaboration and communication. In Vietnam this foundation can be further strengthened both for export and domestic markets. Firstly, whilst the National Steering Committee exists at present, it could be strengthened by representation from provinces to reflect their interests, and to strengthen communication and coordination by all levels of government. Secondly, it is important to have an agreement on the principles and objectives for the country’s food safety system as an essential first step in securing a common vision. There was no evidence of such a high level statement of guiding principles.
24. The remaining parameters in both figures have been largely satisfied for the import/export sectors. The country has made significant strides in developing the programs and services necessary to support import and export markets including internationally accepted laws and regulations, inspection and verification systems (including laboratories) and industry implementation of recognized risk based monitoring programs such as GAP, Codex and HACCP. Hence as portrayed in Figure 3 a high level of both consumer and government confidence exists in the import and export food sectors.

25. Unfortunately the same level of confidence does not currently exist in the domestic food system. While it is supported by the same laws, regulations and standards as those for the import/export sectors, these laws and standards have not been well addressed for the domestic producers, processors and retailers. The special needs of the domestic sectors have not been adequately addressed in terms of the codes and standards, education and training, laboratories, risk based inspection systems and food safety programs that will reflect the needs and capacities of the small to medium food producers, processors and retail merchants although some efforts are being made on the same. Hence as depicted in Figure 3 the confidence in the domestic food supply is substantially lower than for imported food products.
26. Management towards food safety outcomes work best where there is a high level strategic objective for management of food safety that sets direction, and that activities can be measured against. For MARD, this could be the following:
- “MARD will have an integrated food safety inspection system which will protect the safety of the food supply and be responsive to both consumers and food businesses”***
27. Several key principles underpin the capacity to meet this strategic objective.

Principle 1: *Food safety is the responsibility of the food businesses.*

This is recognised in the Law on Food Safety 2010 (Article 3. Principles of food safety management). The regulator can set outcomes and verify that these are met, assist business to remedy problems and reach required standards, and to sanction and prosecute major failings. However, regulations and the actions of the regulator cannot ensure all food is safe through periodic inspections and end point testing at each food business enterprise.

Principle 2: *Food safety is a fundamental cost of being a food business.*

Food businesses must accept that the cost of managing food safety is a cost to be borne by the food business and not by the regulator or government.

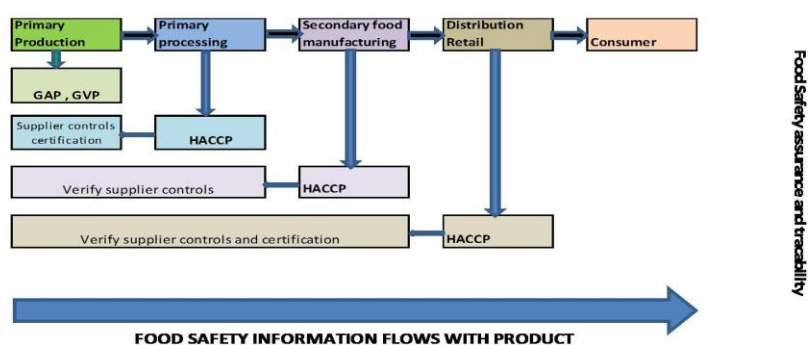
Principle 3: *Food safety management relies on a systematic understanding of food safety risks relevant to the food enterprise, and active management to prevent these from adversely affecting food safety.*

In its most simple representation, this means that the food business needs to understand the likely food safety hazards/risks relevant to their business, and the routine procedures that they can apply to prevent these from adversely affecting the food they produce. For very small scale and uncomplicated food businesses, this may simply be attention to staff, facility and equipment cleaning; maintaining proper temperature controls and ensuring there is no cross-contamination between raw and processed (cooked) foods. A simple procedure manual and some form of record keeping is all that is needed for a food safety plan at this level. However, the more complex the business and the more ingredients and inputs, the more complex the analysis and controls may need to be. At its most sophisticated, this is formalised as a HACCP (Hazard Analysis Critical Control Point) system with potential for independent audit and possibly accreditation under ISO22000.

Principle 4: Food safety considerations must be addressed at each step in the food chain through a preventive risk-based approach.

It is rare that a food business controls every step from primary production, through processing and manufacture to retail and consumption. The business must therefore rely on, and have confidence in, the fact that any foodstuff or ingredient they bring into their business has been managed to ensure food safety up to that point. It is the responsibility of each food business enterprise in the value chain, from farm to processor to manufacturer to wholesale and retail sales to actively manage food safety through a preventive risk-based approach so that the next downstream business can maintain food safety (Figure 4). Failures at any stage pass food safety risks to the downstream clients.

Figure 4: Food safety depends on upstream management of the food ingredients and on capacity to traceback and confirm safety



28. In Vietnam, as elsewhere, successful food safety management is recognised as having three main components – government, food businesses (through the food supply chain), and consumers. The three elements must work in collaboration to improve food safety management and outcomes. Government has a significant role in supporting and educating the non-government (food business and consumer) sectors to enhance their capacity and influence in food safety management.
29. Government can set standards and rules, but Government does not produce safe food – producers, processors, retail merchants, and consumers produce safe food. Government should ensure national standards are met, and assist both industry and consumers to improve food safety outcomes. Government needs to recognise that the greatest efficiencies, streamlining and improvements in food safety outcomes are achievable when industry, responding to consumer demand and expectation, raise their standard of management of food safety to a high level.
30. Government needs to ensure that its regulatory structures and procedures in enforcing food safety standards deliver effective and efficient management. Industry should have confidence that government enforcement is scientifically based, objective, consistently and fairly applied across all sectors of the food industry.

31. Government needs to assist food businesses in understanding and managing food safety within their business and for the supply chain, both upstream and downstream. The focus should be on the outcome – safe food – rather than process of enforcing regulations. The key is changing industry understanding and management systems to ensure they consistently meet food safety outcomes.
32. Food businesses survive only if they meet consumer demands and expectations. Government (and industry) must educate consumers on food safety. Knowledgeable consumers are more discerning and demanding of safe food.
33. Government has a role in educating consumers to increase expectations and demand for safe food as this will drive industry to raise standards to meet this demand. This will also raise consumer expectations such that they will be more willing to pay for the costs incurred by producers and manufacturers in producing safe food.

E: review of legislative and regulatory framework.

The Law and Regulations

34. On June 17, 2010, the National Assembly of Vietnam promulgated Law No. 55/2010/QH 12, otherwise known as the Law on Food Safety 2010. Considered to be a big step from Ordinance No. 12/2003/PL-UBTVQH11 on Food Hygiene and Safety, the law aims to address the country's growing concern on food safety risks and problems that impact on trade and human health. This Law is a modern framework that aligns with international standards and approaches to food safety management.
35. The food safety regulatory framework in Vietnam is a product of a complex multi-level legislative process. After the Food Safety Law has taken effect in 2011, subordinate decrees were promulgated by the Government to provide details on how the law is to be implemented. Further elaborations on implementation, including how tasks are to be delineated and distributed across national agencies and decentralized to the local level were issued in the form of Ministerial and/or inter-Ministerial circulars and decisions. (Figure 5).
36. The matrix of laws, decrees, circulars and decisions related to food safety are listed in Attachment 5.

Figure 5: Hierarchy of Laws, Decrees, Circulars and Decisions



Scope and Responsibilities under the Food Safety Law 2010

37. The law requires that food safety management must be conducted throughout the course of food production and trading on the basis of food safety risk analysis, thus covering the entire food chain from “farm to table”. It sets out requirements for the national management of food safety in Vietnam and covers:
 - the rights and obligations of organizations and individuals in ensuring food safety;

- the conditions for ensuring safety of food in production, processing and trading;
- the conditions for ensuring safety of imported and exported food
- requirements on food advertisement and labelling;
- requirements for food testing and analysis of food safety risks;
- prevention and dealing with food safety incidents;
- information, education and communication on food safety; and
- State management responsibilities

38. The law assigns three Ministries with food safety responsibilities: the Ministry of Agriculture and Rural Development (MARD), the Ministry of Health (MOH), and the Ministry of Industry and Trade (MOIT). Each Ministry is assigned food safety control of specific products across the entire chain, i.e., from primary production, preparation, processing, storage, import-export, to wholesale and retail distribution of these products. Distribution of responsibilities is illustrated Figure 6 (from NAFIQAD, MARD).

Figure 6: Ministry responsibilities for food safety control in Vietnam

FOOD SAFETY CONTROL SYSTEM:
MOH (in blue), MARD (in green) and MOIT (in light green)

Primary production	Preparation, processing, storage, import-export	Distribution			
Primary production (crop, livestock, harvest, catching, capture)	Cereals	- Wholesalers			
	Meat and meat products				
	Fishery and fishery products				
	Horticulture and horticultural products				
	Egg and egg products				
	Raw fresh milk				
	Bee honey and bee honey products				
	GMOs				
	Salt				
	Other agricultural products (sugar, tea, coffee, cacao,...)				
	Liquor, beer, beverages	- Wholesalers			
	Processed milk				
	Vegetable oil				
	Flour and starch processed products (confectionery)				
	Food additives, Processing aids				
	Bottled drinking water, natural mineral water				
	Functional food and micronutrient-fortified food				

(From NAFIQAD presentation on food regulation, Inception Workshop, 22 Sep 2015)

39. Article 24 of the Food Safety Law 2010 provides for the coordination among MOH, MARD, and MOIT. MOH is responsible for the overall coordination in implementing the state management activities and is tasked to ensure unified and effective food safety management.
40. Between MARD and MOH, coordination on food safety management and control is provided for in MARD-MOH Joint Circular No.13/2014/TTLT-BYT-BNNPTNT-BCT

issued on April 09, 2014. This Circular allocates tasks and cooperation among the regulatory agencies in the two Ministries, including cooperation in food safety inspection and validation of knowledge on food safety.

41. In MOIT, the Department of Science and Technology serves as the contact point and coordinates with other departments within this Ministry in developing and issuing legal documents on food safety management, particularly on issuing certificate of food safety compliance in retail markets, supermarkets, and food shops which are under MOIT jurisdiction. MOH-MARD-MOIT Joint Circular No. 34/2014/TTLT-BYT-BNNPTNT-BCT guides the three Ministries on the labelling of goods for foods, food additives, and packaged food processing aids. However, MOIT reports that a key problem is the getting certificates of origin of farm produce which falls under MARD.
42. Specifically within MARD, Decision No. 670/QD-BNN-TCCB issued on April 4, 2015 assigns the National Agro-Forestry-Fisheries Quality Assurance Department (NAFIQAD) as the contact point in organizing the implementation of legislation on quality and safety of agro-forestry-fishery products within MARD's authority. MARD Decision 1290/QD-BNN-TCCB issued on 17 April 2015 also assigns seven (7) Departments with the monitoring and inspection of agricultural, forestry and fishery food products.
43. Table 1 shows the assignments, including how these are decentralized down to the local level and the counterpart agencies.

Table 1: Decentralisation of MARD food safety responsibilities through Province and District level.

Area	Central Level	Local Level
Agro-food chain with plant origin		
Crop production (including pre-processing at crop production entities)	1. Crop Production Department (CPD) 2. Plant Protection Department (PPD)	Provincial Crop Production and Plant Protection Sub-Departments
Independent primary processing and processing	3. Department of Processing and Trading Agricultural, Forestry and Aquatic Products and Salt	Provincial Agro-Forestry-Fisheries Quality Assurance Sub-Departments (Provincial Sub-AFIQAD)
Circulation and consumption (wholesale markets, auction markets, specialized trading entities, independent transport vehicles)	4. NAFIQAD	Provincial Sub-AFIQAD
Import and export	PPD NAFIQAD	Provincial Sub-AFIQAD
Agri-food with animal origin (except for fishery products)		
Livestock production	5. Livestock Production Department	Provincial Livestock Production and Animal Health Sub-Department
Slaughtering, primary processing	6. Animal Health Department	Provincial Livestock Production and Animal Health Sub-Department
Processing (grilled chopped ham, meat, canned meat, groceries, backed ham, sal-curing meat.)	NAFIQAD	Provincial Sub-AFIQAD
Circulation and consumption (wholesale markets, auction markets, specialized trading	Animal Health Department NAFIQAD	Provincial Livestock Production and Animal Health Sub-Department Provincial Sub-AFIQAD

Area	Central Level	Local Level
entities, independent transport vehicles)		
Import and export	Animal Health Department NAFIQAD	Provincial Livestock Production and Animal Health Sub-Department
Fishery foodstuff chain		
Aquaculture	7. Directorate of Fisheries	Sub-Department of Fisheries
Capturing	Directorate of Fisheries	Sub-Department of Fisheries
Procurement, primary processing, processing (including processed fish boat), independent cold stores	NAFIQAD	Provincial Sub-AFIQAD
Circulation and consumption (wholesale markets, auction markets, specialized trading entities, independent transport vehicles)	NAFIQAD	Provincial Sub-AFIQAD
Import and export	Animal Health Department NAFIQAD	Provincial Sub-AFIQAD
White salt		
Production, primary processing, processing, packing, domestic consumption, import and export	Department of Processing and Trading Agricultural, Forestry and Aquatic Products and Salt	Provincial Sub-AFIQAD
Mixed products (plant, animal, aquatic), ice producers, other products under management of MARD and MOIT as regulated in Inter-Ministerial Circular 13/2014/TT-BYT-BNNPTNT-BCT.		
Primary processing, processing cold stores, packing material producers linked with agricultural, forestry and aquatic producers, circulation, consumption, import and export; ice for storage purpose, processing of agricultural, forestry and aquatic products.	NAFIQAD	Provincial Sub-AFIQAD
NOTE: Fishery Division and Inspection Division of DARD will be in charge if the province does not have Sub-Department of Fisheries in accordance with DARD Director		

Observations:

44. Gradual progress in implementation

Five years after the Food Safety Law was promulgated, much attention was given to completing the subordinate regulations, particularly the circulars and decisions, and to defining structures and refining roles of national and local regulatory agencies. Thus, actual implementation of the law is considered gradual, even slow, by most stakeholders.

45. Weak and ineffective coordination and cooperation among food safety agencies

The regulations under the Law on Food Safety 2010 have been promulgated independently under the three responsible Ministries, often with overlaps, gaps and perhaps inconsistencies. Food businesses state coordination and cooperation across the three Ministries and within MARD itself needs to be strengthened, streamlined, and made more effective. The same holds true with the linkage between national and provincial levels, and between the Provinces themselves. Rationalisation and alignment of the regulations and requirements across all Ministries and all levels of Government would greatly assist in ensuring consistent management and better food safety outcomes.

46. *Complex, disjointed issuances*

The numerous issuances, complex and top-down approach to prescribing implementation directives does not promote a coherent regulatory framework. Moreover, gaps and deficiencies in earlier issuances are remedied by issuing additional new directives. This reactive, disjointed approach is evident in the chronology of issuances made from 2011, when the Food Safety Law took effect, and up to 2015. Examples are the recent issuances in April 2015, namely, MARD Decision no. 670/QD-BNN-TCCB and MARD Decision no. 1290/QD-BNN-TCCB, which prescribes the roles and responsibilities of MARD Departments. In many countries, such administrative changes can be made under delegation by the head of Department and do not require amendment to formal regulatory instruments. This is a consequence of the overly prescriptive approach where structure, process, roles and responsibilities are enshrined in regulatory edicts.

47. *Incomplete and unconnected issuances*

The issuances are noted to be incomplete and unconnected from the Food Safety Law. An example is Decree No. 199/2013/ND-CP which was issued two years after the law and which took effect on January 15, 2014. This decree defines the functions, tasks, powers, and organizational structure of MARD. It was promulgated pursuant to Decree No. 36/2012/ND-CP, which defines the functions, tasks and organizational structures of Ministries and Ministerial-Level agencies. The 2001 Law on Governmental Organization was likewise referred to but no reference was made to the Food Safety Law. The decree covers the responsibilities and tasks of MARD in managing the development and growth of agriculture, forestry, salt production, fisheries, irrigation and rural development throughout the country. Similar to the non-reference to the Food Safety Law, food safety as a key area of responsibility is not indicated. The result is that there are many issuances that one tends to lose track of and it is therefore important to consolidate these.

48. *Inadequate understanding/inapplicable standards at the district and commune levels*

There is inadequate understanding of the provisions of the law at the different levels of governmental jurisdictions. While the national and provincial level agencies are aware of the requirements of the law, such is not the case in the districts and communes, especially by small-scale enterprises. There is a call to enhance understanding and applicability as well of the requirements. A common comment gathered is that the standards and regulations are way too high to be practicable at the districts and communes, which generally involve small-scale food production and trading operations.

49. *Weak participation in the law-making process*

The government agencies commonly reported that consultations with concerned stakeholders, including those in the industry, are regularly done during the drafting of laws and their subordinate issuances. A different view, however, was gathered from the industry sectors covered by the Mission (animal feeds, fruits and vegetable, and fisheries) who claimed that the consultations are inadequate and even pointless as the drafting committee does not consider their comments. There was also a comment from a stakeholder engaged in food export that reviewing the draft regulations is too burdensome

and disruptive to business operations, thus discouraging a more meaningful participation in the consultation process.

50. *Implementability*

Laws that are not, or cannot, be implemented and enforced effectively undermine public and food business confidence in the integrity of the legal framework. For food businesses, unenforced laws are often ignored as being irrelevant. It is necessary for government to ensure applicability and enforceability of regulations. This goes to the drafting of regulatory requirements to ensure they are suitable for all sectors of food businesses, not just the advanced sectors such as export industries. This also goes to the commitment of adequate resources (inspection and support services) to ensure enforcement is effective at all levels of Government.

Recommendations:

Despite the above weaknesses and constraints, the intent and effort of Vietnam to establish an effective food safety regulatory system cannot be discounted. Government and industry stakeholders agree that the Food Safety Law of 2010 is a significant move and a positive response to the need for a comprehensive legal framework that will ensure safe food.

Recommendation 1: Simplify language of the law and regulations and consolidate regulations under the three Ministries into a single coherent regulatory framework.

51. Consolidate the various circulars and decisions to reduce complexity and facilitate understanding. Codification of the issuances would be helpful in reviewing which regulations duplicate/overlap and where gaps are. This process is underway in Vietnam but is slow in rationalising the various regulatory issuances. This process should consolidate the regulations under all three Ministries into a single set of coherent regulations removing inconsistencies, overlaps and addressing any gaps. The exercise was done for the Philippines in 2010 under a Philippines-European Union Trade Related Technical Assistance project for the same intent. It involves collecting and systematically arranging the decrees, circulars and decisions in a logical and coherent manner.
52. For Vietnam, all relevant issuances related to food safety may be grouped under categories such as:
 - Assignment of tasks, functions (sub-grouped into national and provincial levels)
 - Monitoring and inspection
 - Testing, verification
 - Labelling/packaging
 - Traceability and recall
 - Standards and technical regulations
 - Application of codes of practice
 - Others

Recommendation 2: Move away from issuances that are prescriptive and focused on administrative procedures such as those that compel the number, names, and roles of departments. Such prescription is a feature of the legal framework in Vietnam, but can work against flexibility and responsiveness, and lead to a focus on process and legally defined responsibilities rather than the desired outcome of food safety.

53. Such nature of legal directives restricts regulatory agencies from performing their responsibilities and compels them to focus on organizational structures and procedures rather than on food safety outcomes. The following are important contents:
- food safety control systems that are based on scientific principles and on an assessment of the risk to human health, as appropriate to the circumstances;
 - the responsibility for food safety to be entrusted to businesses, from primary production to distribution, where the government is responsible for elaborating and enforcing legal and regulatory requirements and for auditing performance of the food system through monitoring and surveillance activities;
 - the application of the HACCP approach by industry as a fundamental tool for improving the safety of food (places the responsibility on food businesses to identify and analyse food hazards in their operational processes and to effectively control these hazards);
 - observance of transparency principle with involvement of stakeholders as essential element in this regard
 - recognition of the consumers' right to make choices based on complete information about where food has come and what it contains.

Recommendation 3: Ensure transparency and ownership throughout the process of law-making as the strength and integrity of the law will be defined by the respect and confidence of the private sector, especially the food business operators, in its provisions and requirements.

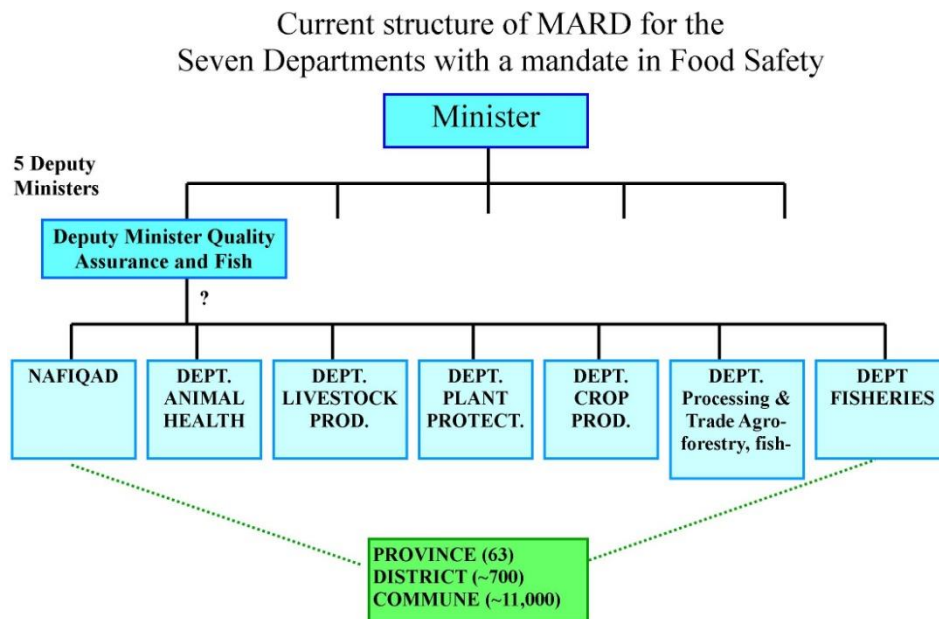
Recommendation 4: Strengthen impact and integrity of the law by translating it into outcome-based programs and activities. These must be supported by training to strengthen understanding of the requirements of regulations by all stakeholders and by research designed to answer the needs of agencies for risk analysis and of technologies for compliance.

54. The next sections elaborate on this mechanism.

F: STRUCTURE AND INSTITUTIONAL ARRANGEMENTS (MARD)

55. The passage of the Food Law in 2010 was an important step forward by the Vietnam government in recognizing the importance of food safety as a significant factor in enhancing the health of the Vietnamese people and the country's economy. The passage of the Law also precipitated a significant realignment of programs and services across three principle ministries; the Ministry of Health, Ministry of Agriculture and Rural Development and Ministry of Industry and Trade. The institutions and structures required at the time were designed to facilitate the introduction and implementation of the Law and its companion regulations, decrees and other supporting administrative directives. Discussions with departments in the three responsible ministries, various private sector and research groups provide a clear picture of the strengths and weaknesses of the institutional arrangements and structure in MARD intended to support the Law and improve food safety in the country.
56. Similar to many governments when facing implementation of significant changes to traditional practises, Vietnam instituted regimes that would manage the issues of the day. It is more of an exception than the norm for governments to consider institutional arrangements and structures in the context of meeting their longer term needs. Short falls have been identified both internally in MARD and by its primary stakeholders in other ministries and the private sector. It is within this context that a review is warranted of the continued value of existing arrangements and structures to ensure they continue to meet the needs of government, the private sector and consumers.
57. A fundamental theme across all ministries and all departments, including within MARD, was the very limiting effect that the scarcity of resources (human and technical) had on the advancement of food safety systems in the country. Given that significant increases in resources are unlikely, at least in the short to medium term, finding ways to maximize resources through the elimination of duplication in services, effective deployment of existing resources and combining departments programs and services with common interests/mandates should be prima facia considerations in evaluating the efficiency and effectiveness of current institutional arrangements.
58. As discussed earlier in the report existing legal frameworks cover most of the elements of a modern food safety system through a very comprehensive network of decrees, decisions and circulars. While they are intended to cover many of the essential elements of food safety across the food chain, the reality in practice is that only the most sophisticated of businesses, both producers and processors can comply with requirements which are mostly directed at exporters and importers that are required to meet international standards (eg CODEX, GAP, HACCP).
59. Analysis of the current structure in MARD, as depicted in Figure 7 below, indicates there are seven departments which have been assigned a role in developing and implementing food safety programs.

Figure 7: Current MARD Structure for Food Safety



60. This type of organizational structure is regarded as having horizontal lines of responsibilities. Conceptually this type of structure has both strengths and weaknesses. It divides the ministry’s responsibilities into line departments with specified mandates for food sectors and associated programs including food safety.

Strengths

- Provides segregation and identification of the departments and their responsibilities within MARD’s mandate.
- Consolidates resources and expertise in the respective departments.
- Facilitates development of programs and services required for their respective sectors of responsibility (e.g. best practises, quality management).
- Provides focus for the identification and advancement of new and emerging issues for their respective sectors (emerging diseases, new laws and regulations, technology).

Weaknesses

- Poor capacity to communicate, coordinate and integrate between departments.
- Poor articulation of overall vision, direction and priorities for the food safety system.
- No consistent means of assessing risk across the food safety system.
- No single source of food safety reference within MARD, or for other government agencies and external partners such as the private sector, other countries, research institution and international organizations.
- No clear lines of vertical accountability within MARD for ensuring food safety across the different departments/ sectors.
- Lack of systematic evaluation of resource needs in and between departments. Can result in some divisions being better resourced than others.

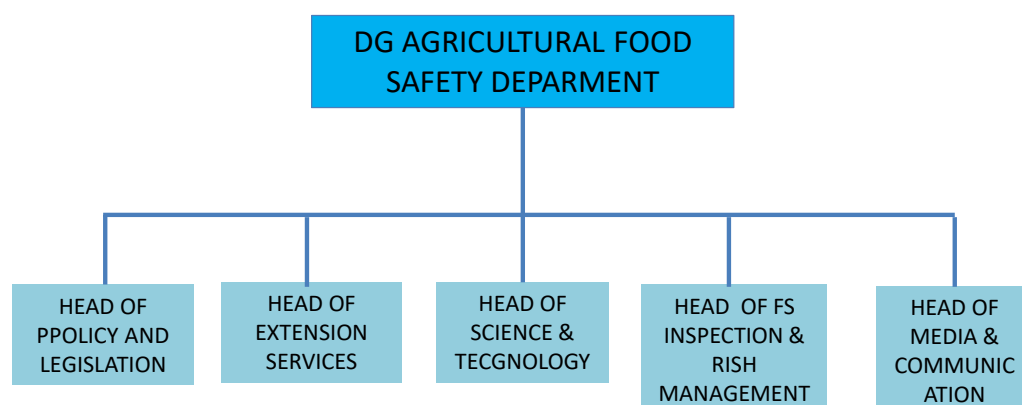
61. When the current structure is viewed in combination with the issues discussed above regarding the legal framework, it is evident that some sectors will have been better served than others. The weaknesses have resulted in lower degrees of success in some sectors principally those serving domestic markets. Broadly speaking food export and import businesses have realized the greatest gains from the passage of the Law and MARD's current institutional arrangements.
62. Significant accomplishments have been made in expanding Vietnam's export markets. It is also evident that MARD has placed a high priority in supporting the import and export sectors to enhance their competitiveness, expand markets and become an active partner in international trade relations. The Law, regulations, decrees and standards have to a great degree been established to support those sectors as has the institutional arrangements in MARD. Policies and standards have largely been developed to ensure that exporters and importers will comply with international standards and thereby facilitate the movement of foods both out of and into the country. From a policy and organizational view point these sectors are primarily driven by international requirements and are typically populated by large companies with considerable resources at their disposal. The existing institutional arrangements have been successful in meeting the needs of these sectors by providing a focus on the three main commodity groups e.g. foods of animal origin, fish and fishery products, and fruits and vegetables destined for export markets. A horizontal organization that focuses on these sectors can be successful because they can accentuate the positive aspects while minimizing the weaknesses which it inherently creates.
63. However the rest of the food system, principally the domestic food system which supplies approximately 80% of the food consumed in Vietnam, has not been as well served by the current institutional arrangements. Contrary to the export sector which accentuates the positive attributes, the domestic sectors accentuate the weaknesses. Most evident is the lack of ability to assess risks across the food system, align resources to address those risks, develop policy, programs and training that recognize the needs of smaller producers, processors, retailers and consumers, provide inspection programs that are appropriate to the domestic sectors, and provide the necessary communication links to inform both the private sector and consumers.
64. It is proposed therefore that MARD should create a new institutional structure that is better able to manage the critical aspects of food safety across the food chain. In so doing, MARD must continue to support a vibrant export industry, introduce vertical accountability for food safety, enhance the coordination and communication between departments and with stakeholders, and strengthen their support for the special needs of the domestic food sectors. Fulfilment of these objectives will have positive effects not only within MARD and DARD, but also for its partners in MOH and MOIT, the private sector, foreign investors and exporters and international organizations.
65. In considering an appropriate model for MARD to follow, Table 2 identifies the major elements of a comprehensive food safety management program.

Table 2: Key Components of a Comprehensive Food Safety Management Program

PROGRAM	RESPONSIBILITIES
Law and regulation	development, consultation, dissemination
Policy and standards	development, consultation, dissemination and interdepartmental, inter-ministerial, international relations
Extension	education, training, codes of good practise
Science and technology	research, laboratories, new technology, food safety expertise e.g. public health veterinarian, epidemiologist
Media and communications	media relations, public information campaigns
Inspection and risk management	certification, verification, enforcement, food system risk management, food safety emergency response

66. Under current circumstances it is neither practical nor desirable to suggest that MARD could create a new Food Safety Department that includes all of the elements or functions listed above. While the first five elements could be reasonably incorporated into a food safety department, the delivery of inspection services (including licensing/certification, verification, sampling, enforcement, food emergency mitigation) is spread across seven divisions and at least four levels of government (national, provincial, district, commune). A centrally managed inspectorate is not considered to be practicably feasible or desirable at this stage.
67. Based on the requirements outlined in Table 2 above, it is proposed that the responsibility and accountability of food safety should be with one specific department under MARD. This could be consolidated within an existing department under MARD or in a newly created department. Whatever the case, the department should be named so that it reflects food safety in the name in order to clearly indicate its responsibility and accountability for the area. A possible name of the Department has been proposed as “Agriculture Food Safety”. An organizational structure is proposed for the proposed new Agriculture Food Safety Department in MARD as follows (Figure 8):

Figure 8: Proposes Department of Agriculture Food Safety



68. This department will create a single window of vertical accountability for all food safety activities in MARD. Specifically it will enhance MARD'S abilities in the following areas:
- Facilitates effective coordination and communication on food safety matters between departments in MARD and DARDs, and with external stakeholders such as other ministries, the private sector and industry associations and consumers.
 - Introduces vertical accountability for MARDs responsibilities in the food chain.
 - Facilitates the ability to assess risks across the food chain
 - Provides a single unified voice for food safety within MARD.
 - Provides for the coordinated evaluation of priorities based on risk, and subsequent allocation of resources to address priorities.

The Department is proposed to be headed by a DG

69. A list of primary duties for each Division under this department can be found in Attachment 6. The list of duties is not intended to be exhaustive but rather to give a clear understanding of the primary responsibilities of the Department and its Divisions.

NOTE: Services and programs that are currently performed by other MARD Departments and which fall within the mandate of the new Department will be moved and consolidated under the appropriate Division in AFSD.

70. If the creation of the new Department is supported by the Minister, the next decision that must be made is where in MARD's structure the new department best resides in order to fulfil its mandate. The following suggestions provide three alternatives for consideration.

71. **Option 1.** Rename NAFIQAD as Agriculture Food Safety Department.

Advantages

- NAFIQAD currently performs some of the duties of the new Department.
- NAFIQAD possesses some of the expertise required to build the new Department

Disadvantages

- Will perpetuate the horizontal lines of authority and not provide the necessary vertical accountability. NAFIQAD remains one among equals.
- Will add to NAFIQAD's burden for coordination and communication between departments.
- Will be perceived as not providing a non partial, system wide view of food system risks, priorities and resource allocation
- Will require new resources to carry out additional responsibilities
- Will require NAFIQAD to transfer some of its responsibilities in relation to a specific product group namely fisheries. Further, manpower experienced in this area may need to be transferred to other Fisheries departments.

NOTE: Option1 should only be considered under following three conditions:

Firstly, NAFIQAD must change its name to reflect a greater responsibility for food safety services, policy and legislation;

Secondly, it must be elevated in the organization to reflect vertical accountability of the other Departments for food safety; and

Thirdly, it must not carry out work in relation to a specific product group but food safety management activities related to all product groups. The activities in relation to the fisheries sector may be transferred to the Fishery Department.

72. **Option 2.** Create a new department (AFSD) on the same level as existing seven departments in MARD responsible for food safety.

Advantages

- Creates a visible department for food safety.
- Provides an independent department to enhance cooperation and communication between departments.
- Provides independent assessment of priorities and assignment of resources.
- Provides a single window into MARD;'s food safety mandate.

Disadvantages

- Does not provide vertical accountability for food safety in MARD.
- Requires the transfer of existing or new resources.
- Leaves the current NAFIQAD with a smaller set of functions that could be assigned to other Fisheries Departments in MARD.

73. **Option 3.** Create a new department (AFSD) which is positioned organizationally such that the seven departments currently responsible for food safety in MARD are accountable to the new department for food safety management and outcomes.

Advantages

- Creates a visible department for food safety.
- Provides for vertical accountability and places authority for food safety in one department.
- Provides a single window into MARD's mandate for food safety.
- Instils independent assessment of priorities and assignment of resources.
- Enhances coordination and communication both internally and externally.

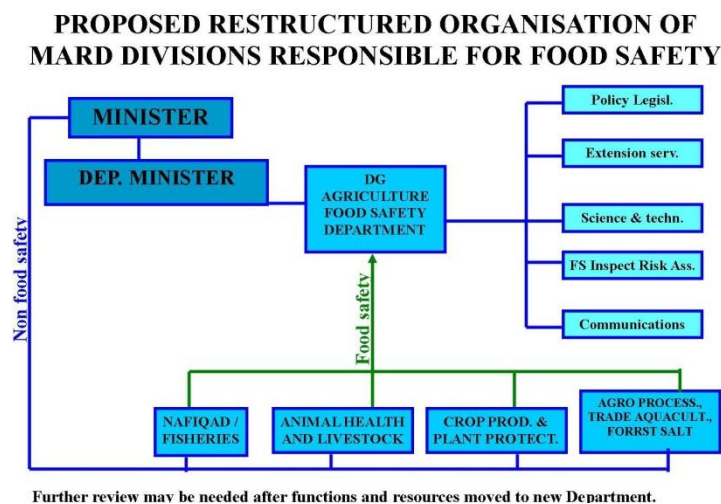
Disadvantages

- Requires the transfer of existing functions and resources or new resources being made available.
- Again, it leaves the current NAFIQAD with a smaller set of functions that could be assigned to other Fisheries Departments in MARD.

Recommendation 5: That the Minister for MARD create a new Department for Agriculture Food Safety in MARD or rename NAFIQAD with specific responsibilities of Food Safety Management Control for all product sectors.

74. Figure 9 provides an organizational chart which depicts the structure and reporting lines under the recommended option. Section I provides a road map for short (0-6 months), medium (6 months – 1 year) and long term (1 year and beyond) strategies for the implementation of the new/ newly named department.

Figure 9



Required Resources

75. As noted previously in this section all levels expressed an overriding concern about the lack of resources. This concern is supported and is viewed as a significant restraint in advancing the implementation of the Food Law, particularly at the provincial and district levels. MARD and the Government are therefore urged to work at all levels to increase funding in order to provide the necessary resources to implement the Food Law. Meaningful progress in advancing food safety, particularly in the domestic food supply, will be directly proportional to the amount of effort that can be expended by food safety authorities in the application of the Law and its companion programs of education, training and verification.
76. The creation of the AFSD (whatever the option chosen) will require new resources. However, the number of new resources required can be mitigated through the transfer of resources from the other departments and from NAFIQAD who are currently performing some of the duties of the new department. This will facilitate the appointment of the Director General and the highest priority personnel and divisions. It should as well be sufficient to begin the incremental building of the department and its divisions as described in the Road Map in Section I of this report.

Consolidation of Existing Divisions

77. Figure 9 also depicts a further recommendation as part of the restructuring process. It proposes a consolidation of seven existing Departments into four. It suggests the

combining of Livestock Production and Animal Health, and Crop Production and Plant Protection, and transferring the production portions currently under NAFIQAD to the Fishery Production Department. The Agro processing Department remains the same as earlier. These suggestions are based on increasing both the efficiency and the effectiveness of MARD's delivery of services. Organizationally, programs of similar synergies and interests should be enjoined to be mutually inclusive rather than exclusive. They should be grouped to maximize their common interests. In the case of livestock production and animal health, it is hard to envision one without the other (e.g. healthy animals and good livestock production practises are synonymous with one another). The same principles can be equally applied to plant protection and crop production.

78. Another important reason for combining the departments is the cost efficiencies that can be found in combining departments. Savings should be accrued when combining office and administrative functions which can then be utilized for forming the new divisions in AFSD.
79. A road map to assist in the consolidation process is found in Section I of this report.
80. Further efficiencies may also be found in combining parts of NAFIQAD, Fisheries and Agro Processing . During the transition period, however, normal business affairs must continue in an orderly manner, and hence it is recommended not to attempt too large a restructuring at one time.

Recommendation 6: That the Minister consider consolidation of existing MARD Departments. Livestock Production and Animal Health should be combined into a new Animals Department, Crop Production and Plant Health combined into a new Plant Department. This has been done at Provincial level with significant synergies and improvements in service delivery. The residual NAFIQAD functions be combined into the Fisheries/ other Departments.

G: NATIONAL MANAGEMENT OF FOOD SAFETY IN VIETNAM.

National and Provincial Inter-Sector Steering Committees on Food Safety

81. The National and Provincial Inter-Sector Steering Committees on Food Safety perform very important roles in coordinating the agencies responsible for food safety. The committees are intended to provide a forum which provides the vital linkages necessary for the three-ministry management of the food system. Although the Ministry of Health has been assigned lead responsibility for the Food Law, the committees are chaired by the Deputy Prime Minister in the case of the National Committee and for the Provincial committee, by the Deputy Chair of the Provincial People's Committee.
82. Concern has been expressed about the insular nature of the committee's activities and that their attention has been primarily focused on discussions about the three ministries' mandates, the processes they are following, and what, if any, additional legislation is needed to carry out their respective mandates. Further, that communication with stakeholders has been primarily one way; from the committee to them. Of additional concern is the lack of transparency about the committee's activities and the poor progress that has been made in accomplishing objectives such as those in the National Strategy for Food Safety (see paragraph 11 above).
83. The above notwithstanding, the most important concern that was identified is the lack of coordination and communication between the National and Provincial Steering Committees. It was indicated the primary means of sharing information was through meeting minutes and other written documents. The lack of closer working relationships should be considered to be a significant impediment to advancing food safety in the country. The work of the committees should be coordinated and be inextricably linked, not separated into silos of national and provincial issues. Their activities should be viewed as mutually inclusive and supportive in reaching the objectives for food safety in Vietnam.
84. In consideration of the concerns, the following recommendations are provided for the Minister's consideration to bring to the attention of the National Steering Committee.

Recommendation 7: That the Minister consider a revised terms of reference for the National Steering Committee to strengthen its role in coordinating and managing food safety.

85. Attachment 7 provides a comprehensive, plain language revised Terms of Reference for the National Steering Committee. It identifies the key functions and operations of the committee including mandate, guiding principles, scope of work, reporting linkages, membership, responsibilities of members, roles of the Chair, technical working committees, meetings, decisions of the committee, funding, and duties of the secretariat.

Recommendation 8: That the National Steering Committee have a revised membership in order to effectively inform and coordinate the activities between National and Provincial steering committees by including cross membership between committees.

The National Steering Committee should have the following provincial representatives in the National committee.

- *One representative from Ho Chi Minh City*
- *One representative from Hanoi*
- *On a rotating basis, three representatives from smaller provinces (appointed by respective provincial committee on the basis that such membership should have representation from both urban and rural provinces)*

Food safety representatives from the MOH, MARD and MOIT should be invited to participate on a representative number of corresponding provincial steering committees.

Recommendation 9: That the National Steering Committee handles the task of drafting of “The Principles and Objectives of Vietnam’s Food Safety System”.

86. Failure to identify the national principles and objectives that will guide the development of the country’s food safety system has contributed to the patchwork of programs and initiatives between the three ministries. Attachment 8: “The Principles and Objectives of Vietnam’s Food Safety System” provides a model document for the Minister’s and Committee’s consideration to enable a comprehensive food safety management system in the country.

Ministerial responsibilities and coordination

87. The following discussion is specifically focussed on streamlining and improving food safety management at the national level. The proposals focus only on improvements from the perspective of food safety management².

88. Industry stakeholders have commented on the complexity of regulatory management of food. The current sharing of responsibilities is based on commodity/food group, rather than a more functional approach and how regulation can be applied efficiently and effectively based on how the food chain operates. Even more sophisticated sectors such as seafood exports indicated significant problems in navigating the complex regulatory requirements when importing feed stock for aquaculture.

89. MoH has been given overarching responsibility for food safety. However, it has direct management control of only a very small part of the food supply (Figure 6 (from NAFIQAD, MARD)) and must rely on coordination and reporting by the other responsible Ministries to fulfil its mandated overarching role. MoH has limited capacity and authority to make the food safety system across all responsible Ministries accountable for food safety outcomes.

² There may be other perspectives and priorities of Government that may dictate a different arrangement in Vietnam. However, from a food safety management and outcome perspective, rationalisation and strengthening accountability and authority is critical.

90. This arrangement is quite complex with transfer of control of the same commodity / product between Ministries even though the food safety management issues remain consistent across these divisions. There are mechanisms for coordination, but the Ministries operate largely independently under the single Law. None the less, it is important that some processes need continuity and coordination between Ministries/ departments for a comprehensive and coherent food control system.
91. MoH must be given more authority along with accountability to ensure other Ministries are accountable for improving food safety outcomes within their control, and that there is consistent management of food safety.

Recommendation 11: That MoH be given authority and accountability to ensure all Ministries with responsibilities for food safety are accountable for food safety outcomes and improving the efficiency and effectiveness of food safety management in their control.

92. Data on food safety in Vietnam is patchy at best, and obtaining accurate and reliable data indicators of food safety outcomes and food safety management is critical to evaluating progress to enhanced food safety. There is much data on process, but little data on the effect of such processes in improving food safety.

Recommendation 12: That MoH be given authority to coordinate outcomes and collection of consistent national data on food safety outcomes by responsible Ministries in order to objectively monitor and document improvements in food safety management. Such data can allow refinement of programs and procedures to improve effectiveness and impact.

93. This may require some investment and independent reporting from laboratories as part of a national surveillance network. This needs to be explored further to determine how a national surveillance network could be created. Consideration should be given to routine reporting on inspection outcomes and the levels of compliance by food businesses. Attention should also be given to data on efficiency and effectiveness in regulatory activities, and the application of a structured framework for assessing different sectors of the food on the market, as well as the value chain of each product.
94. The current division of responsibilities to three Ministries has resulted in duplication of food safety inspection services for manufacture and retail (Figure 6). There are many interfaces in this structure that see responsibility for high risk foods passing from one department to another or between Ministries depending on composition and use of additives and fortification. Decree No. 38/2012/ND-CP, MARD-MOH Joint Circular No.13/2014/TTLT-BYT-BNNPTNT-BCT, MOH-MARD-MOIT Joint Circular No. 34/2014/TTLT-BYT-BNNPTNT-BCT, and a number of other issuances seek to clarify these overlaps and responsibility changes. However, such complexity inevitably leads to significant risk of failures in management of food safety, particularly if Ministries on either side of the interface have different priorities and approaches to regulatory management of food safety.
95. Food safety inspection and investigation is a specialised activity and requires specific education, training, skills and support systems. These are often very different to the requirements for general inspection such as in consumer protection or trade matters.

Duplication of such specialised capacity in multiple Ministries / Departments is both costly and wasteful.

96. The potential review of the implementation of the Food Safety Law 2010 would provide an opportunity for Vietnam to consider the current spread of responsibility for food safety between the three Ministries with a view to further consolidation. Further consolidation could greatly assist in streamlining and improving efficiency, reducing overall costs and improving capacity and consistency in enforcement. In turn, this would promote greater confidence in food and the food supply.
97. This should be seen as an opportunity to strengthen food safety management nationally, and to provide more focus to the critical fair trade and consumer issues that are important in maintaining consumer confidence in trade and particularly in food.
98. Although ideally it is best to have responsibility for food safety under a single authority/ Ministry such as for example the CFIA in Canada or the Ireland Food Safety Authority in Ireland and Bangladesh Food safety Authority in Bangladesh (a recent development), the same is not easy or always possible. Under the Vietnam context, it may be considered to establish a Food Safety Authority to basically oversee and coordinate the activities of food safety in the country (which is a role currently given to MOH under the law but is not effective under the current structure). The allocation of responsibilities may also be relooked into with product groups distributed between the two Ministries (MARD and MOH) as responsible for two major parts of the food chain and retail sector (wet markets and organized retail) allocated to MOIT. The allocation break up proposal is as detailed below:
 - MARD overseeing primary production (including wild harvest) of agricultural products; and the primary processing of such goods (slaughter, packing house) particularly where specific veterinary or plant expertise is needed to inspect and certify product for the market. MARD must work to ensure compliance with national standards for residues of agricultural and veterinary chemicals, levels of environmental contaminants, control of natural toxins and possible contamination of foods on farm to through initial processing, transport and storage. If done well, this ensures that product leaving the primary production sector direct to market or into secondary manufacture is safe and meets national standards. This Ministry would also regulate and certify exports, and manage imports of primary produce. These often need to be examined for quarantine purposes, and food safety can be most efficiently accommodated in a single system. MOH to be responsible for food safety and protection of public health through the remainder of the food chain - secondary processing, transport, storage marketing and part of retail (street foods and the service sector). There are synergies in the processes for food safety inspection and management throughout these industries and requirements are largely consistent through these sectors – good hygiene, temperature controls and management of potential contamination in the process are key regardless of the commodity. Such controls are relatively well understood and qualified and trained inspectors can greatly assist in confirming good food safety management.

- MOIT to focus on their primary roles of trade and consumer protection including control of wet markets and organized retail and continue to provide regulation of fair trade and consumer fraud as these are fundamental to consumer confidence (Table 3).

Table 3: Proposed roles for National Ministerial responsibility for food safety

Ministry	MoH	MARD	MOIT
Primary Responsibility	Human health and safety	Primary production	Fair trade and consumer protection including wet markets and organized retail
Food Safety Role	1: Set national food standards (with MARD) 2: Regulate and enforce food safety for all foods including manufacture, HACCP, transport and storage. 3: Regulate retail (including street foods, organised retail and the service sector 4: Public education on food safety and risks 5: Import / Export regulation	1: Farm food production including safety limits 2: Wild harvest standards and management 3: Primary processing including food safety and storage and transport requirements 4: Extension services for primary producers and public. 6: Import / export regulation	key support through consumer protection and fair trade a) Wet markets and organized retail food control management b) Fraud prevention b) Market trade management c) Consumer information

99. If this is accepted, the interfaces between MARD, MoH and MOIT under this scheme should be simplified with a single interface between primary production / processing and manufacturing and retail (Figure 10).

Figure 10: MARD, MoH and MOIT responsibilities for food safety under a revised structure

MARD		MOH		MOIT
PRIMARY PRODUCTION	IMPORT/EXPORT of RAW COMMODITY, PRIMARY PROCESSING	FOOD MANUFACTURED FROM PRIMARY PRODUCE INCLUDING IMPORT EXPORT		RETAIL MARKETS
PRIMARY PRODUCTION (CROP, LIVESTOCK, HARVEST, WILD CAPTURE)	Cereals, grains and nuts	Flour, starch, processed products and confectionary	READY TO EAT INCLUDING STREET FOOD, RESTAURANTS, CANTEENS ETC.	Organized and fresh markets
	Meat and minimally processed meat products	Processed meat products		
	Fishery and minimally processed fish products	Processed fish products		
	Horticulture produce fresh fruit and vegetables, herbs, etc	horticulture products including vegetables oils,		
	Eggs and minimally processed egg products	Processed egg products and products containing eggs		
	Milk (Fresh)	Processed milk products		
	Bee honey	Processed honey products		
	GMO's	Product containing GMOs		
	Other agricultural products (tea, sugar, coffee, cacao, etc.)	Beverages and beverage materials		
		Alcohol (liquor, beer)		
Food additives, Processing aids				
Bottled drinking water, mineral waters				
	Functional foods, micro-nutrient fortified foods			

100. This figure shows a much simplified arrangement when compared to the existing framework illustrated in Figure 6.

101. Such an arrangement would consolidate food safety management and allow for efficiencies to be harvested and better food safety outcomes. It would provide a single food safety contact for industry and consumers for primary production and processing, and second for manufactured food and high risk retail, and third for market issues. It consolidates the key education and training to ensure consistency and relevance, and allows for consolidation of the support structures – training, inspection, technical support and enforcement in the three parts of the food chain.

102. There is still an interface between the responsible Ministries where information flows and coordination will be needed, but this is far simpler and more logical from a food safety management perspective.

Recommendation 12: Vietnam should consider establishment of a Food Safety Authority to coordinate food safety across Ministries and reallocate the responsibilities for food safety based on their key strengths with simplified accountabilities and interfaces.

103. The decentralisation of responsibility for food safety management for domestic food to Provincial, District and Commune levels of Government creates some challenges.

104. It seems logical that national government should be responsible for setting national standards, managing imports and exports, and for the standards for national (trans-Provincial) trade in food. The Provinces (and the subordinate District and Commune levels) are closer to food production and sales and should be responsible for the domestic food market.
105. The Provinces can more readily identify industry and consumer needs and appropriate management responses for food safety management. The food system in Vietnam is changing and evolving rapidly.
106. The situation may vary significantly between Provinces, with wealthier and larger provinces demanding higher standards and requirements than the poorer rural provinces. This is particularly apparent in Vietnam for the two largest cities (Hanoi and Ho Chi Minh City). These large urban centres have long and complex food supply and distribution chains, and emerging supermarket chains. These cities are dependent on food imports from adjacent provinces and demand higher quality and safety in order to manage food safety and meet consumer demands.
107. Recognising such differences and ensuring national consistency is difficult. The national government can do much to support national consistency by developing procedures and protocols for uniform application across provinces and working with the Provinces in developing coherent education and training programs relevant that meet the needs of the provinces in raising the understanding of primary producers, food processors, food businesses and consumers. These materials need to recognise the differing requirements of large, medium and small/micro food businesses. These needs will change over time, and government should develop systems to update and refine such training and education as understanding increases.

Recommendation 14: National government should work with the Provinces and lower levels of government to develop nationally consistent procedures and protocols, training, primary producer and business support, and consumer education programs that are relevant to the local needs and that can be delivered locally. These need to be reviewed and updated regularly as needs change.

H: IMPLEMENTATION AND OPERATIONAL ISSUES (MARD)

108. The following discussion focuses on MARD and its role in working with the Provinces and local government, with industry and with consumers. These will be greatly facilitated by the adoption of the structural changes recommended above for the formation of the new AFSD in MARD, but can be implemented in the interim though significant administrative effort will be required to coordinate and ensure consistent approaches.
109. The approaches could be adapted to suit food safety management more broadly by all responsible Ministries.
110. MARD should approach food safety management with an outcome focus. The desired outcome is improved food safety.
111. MARD needs to review the contribution of all elements of its programs to supporting this outcome, and where its resources can be applied to have the greatest impact on achieving this outcome. Enforcement of standards and sanctioning failure is a core element, but these should be seen as a last resort and invoking them is indicative of a failure of the system of programs and approaches used to manage food safety.
112. MARD should adopt an overarching approach to activities in food safety. They should **“do it once, do it well, but use many times”**.
113. MARD should coordinate between MARD Departments under this approach to ensure there is consistency across departments and minimal duplication. Different Departments may add to the core national approaches where there is a need.
114. MARD should also work with the Provinces to assist in developing nationally consistent approaches that meet the needs of local government, food businesses and consumers throughout Vietnam.
115. The suggestions are grouped under three main headings – Government, industry and consumers.

Government

116. The structural alignments and consolidation for MARD outlined above will provide significant scope for rationalisation of overlaps and duplications.
117. There are four primary food safety risks affecting primary production and primary processing (Table 4).

Table 4 Major food safety risks in primary production

FOOD SAFETY HAZARD	Environmental contaminants (e.g. heavy metals)	Residues of agricultural or veterinary chemicals	Physical, chemical or microbiological contamination	Natural or endogenous toxins
Primary Control mechanisms	1: Land use controls 2: Harvest controls	1: Registration for use in Vietnam 2: Control of use regulations 3: With-holding periods 4: Active management of non-permitted chemicals.	1: GHP; GAP; GVP; GMP for on farm 2: GHP and GMP (HACCP) for primary processing 3: GHP and GMP (HACCP) for secondary processing	1: Monitoring and exclusion of risk product.
Export sector³	Comply	Comply	Comply	Comply
Large Food enterprises⁴	Comply	Comply	Comply	Comply
Small Medium Food Enterprises⁵	Partially comply if regulated.	Need base standards that improve safety and that can underpin progression of GAP etc.	Need base standards that improve safety and that can underpin progression of GAP etc.	Need basic hygiene and management rules
Micro Food enterprises⁶	Need basic hygiene and management rules	Need basic hygiene and management rules	Need basic hygiene and management rules	Need basic hygiene and management rules

118. Laboratory services are one area where consolidation and rationalisation can lead to significant cost savings through administrative consolidation, improvement in services, greater professional competence and capacity for proficiency testing to ensure high performance and comparability of results. Cost savings in administrative overheads may be applied to improving technical staff, equipment and operational funding.

³ Export sector is very sophisticated and market depends on meeting international standards as required by the importing country.

⁴ Larger enterprises are market driven and have significant reputational exposure if fail food safety management. Usually have systems in place to manage risks and meet national standards.

⁵ Small-Medium food businesses are less sophisticated and need simpler standards that are achievable

⁶ Micro food enterprises are marginal businesses often having little profit to invest in systems. These need simple rules and basic hygiene that recognises and builds on local cultural practice.

119. Stakeholders consulted commented on the proliferation of testing institutions, both government and academic, and particularly problems with inconsistent results from different laboratories.
120. Data relevant to food safety monitoring is patchy at best. There is some merit in establishing a national network of laboratories that routinely report testing results for areas of concern (e.g. residue testing). Such laboratories should be accredited and meet proficiency criteria. Such data, whilst perhaps not objective in measuring the situation nationally, will give good indication of trends for food safety management in agriculture.
121. Among concerns raised by stakeholders were problems with excessive residues of pesticides, agricultural chemicals, and veterinary medicines in foods on the market. MARD is responsible for enforcing standards on maximum residue levels, and must strengthen residue management programs through to the local level. Lack of consistent enforcement in domestic production allows farmers to apply pesticides and veterinary chemicals outside of permitted uses and registrations, and to use unapproved chemicals largely with impunity. This exposes downstream users of these products (both food manufacturing and consumers) to significant food safety risks.
122. MARD should review codes of practice for on farm management to minimise the risk of breaches of MRL standards. MARD needs to work with the Provinces and local government in developing training and educational materials relevant to small scale agricultural production.
123. MARD needs to consider at which point in the food chain that surveillance and testing for residues can be best managed – on farm, at primary processing or later in the food chain.
124. Understanding how well these standards are met locally is critical to focussing, reviewing and revising frameworks for extension services.

Recommendation 14: MARD should review MARD laboratories with a view to consolidation in order to:

- ***gain efficiencies, cost savings and improve performance. Savings from administrative overheads should be applied to increasing technical staff and operational funding.***
- ***review proficiency testing programs and evaluate the performance of laboratories in order to determine which laboratories may be accredited for the performance of testing for regulatory management.***
- ***establish a national network of laboratories that can be used for routine testing as well as for national residue and contaminant monitoring programmes. These laboratories should routinely and automatically report data on residue and chemical testing in primary produce and such trend data should be analysed and reported regularly.***

Recommendation 15: That MARD review and strengthen residue and contaminant management programs nationally and ensure that these are implemented at national and local level on small farms for both export and domestic purposes.

125. There is merit in reviewing the number of agencies and Departments in MARD undertaking inspection services. Where feasible, agreements should be reached to ensure professional alignment in training so that inspections and audits are carried out to the same standard and level of proficiency. This would mean that any inspection / audit done by one Department can meet the needs of all.
126. With the decentralisation of responsibility for domestic food safety regulation to the Provinces and lower levels of local government, MARD should work closely with the Provinces to develop work standards, training and support services so that inspection services at the local level can operate effectively in a similar streamlined manner, and to the same standard

Recommendation 16: That MARD review training and protocols / procedures for inspection to ensure harmonization to reduce duplication so that inspection services by any single Department can meet the needs of all. Currently NAFIQAD is charged to coordinate such an approach.

Recommendation 17: That MARD work with Provincial government to ensure that the same protocols/ procedures are used and capacity development for harmonization across provinces and with national level.

127. MARD, like all regulatory agencies, has limited resources. MARD will need to determine where the greatest food safety risks lie and to focus resources where they can have the greatest impact. An FAO project with ASEAN countries has developed a pragmatic risk categorisation for commodities and processed foods that is relevant to the food supply in ASEAN and in developing countries. This can provide a guide for MARD to determine the areas where the greatest food safety risks lie to focus resources and regulatory activities. This framework is published as RAP PUBLICATION 2011/22 and is available at <http://www.fao.org/docrep/015/i2448e/i2448e00.htm> .
128. A mechanism is needed to strengthen the cost of increased inspection of food businesses. Industry will raise their food safety standards where they face increased costs of inspection for poor performance.
129. MARD needs to recognise and reward good performance with reduced regulatory interventions. This allows the scarce resources to be applied to areas where performance is not as good.
130. MARD needs to review and support industry based approaches to managing food safety where these can be seen to be effective.
131. At the most sophisticated end of the spectrum (food export into high value and advanced markets or national /international food manufacturers), this is reflected in the use of externally audited ISO HACCP programs. MARD should audit these and recognise the

performance of industry and the private certification. The regulatory oversight of such businesses can be reduced if performance is acceptable.

132. For smaller food businesses where capacity does not extend to affording such formal independently audited ISO accredited systems, government has capacity to recognise good performance. Well run businesses should have records of management and corrective actions – a system of self inspections.
133. A history of clear inspections /audits of business food safety management records can be recognised and a reduced inspection regime introduced, whilst failure of inspection / audit would result in an increased frequency of regulatory oversight. Mechanisms need to be invoked that will apply direct costs to the business for such oversight following failed inspections / audits. Standards need to be in place to avoid unfair or corrupt practices.
134. MARD may need to work with Provinces and local government is developing simple codes of practice that would allow industry to develop good self managed food safety programs that inspectors and auditors can review and assess.

Recommendation 18: MARD should adopt a risk and performance based approach to regulating industry in order to maximise efficiency in addressing higher food safety risk enterprises and poorer performance.

Recommendation 19: MARD should develop policies that can recognise effective industry based food safety management schemes with reduced regulatory intervention.

Recommendation 20: MARD should work with Provinces to develop appropriate guidance for best practice in food safety management in small and medium food enterprises. Such guidance needs to be sensitive to cultural and other factors in order to enhance prospects for successful implementation. This should be made available readily to FBOs through various communication channels.

135. The traditional food market in Vietnam is based on local production for sale to the local community. Food safety was managed by a direct line of sight from purchaser / consumer through the market to the producer. This traditional culture remains a feature of Vietnam food markets today. But with increasing urbanisation, the complexity of the food pathway and distance between the producer and the consumer is increasing exponentially and this traditional faith in food safety is being challenged. There are now many points in the food chain at which food safety can break down and where regulatory management is needed.
136. MARD must address the integrity of the food chain from farm to final consumption. On farm practices are important to ensure food is safe and meets national standards when it leaves the farm gate. Equally, processing hygiene and management standards are critical if food is to be safe when it leaves the processing facility. Particular attention is needed for transport and storage. As distance to market increases, managing product to ensure safety becomes more critical. For example, slaughter of animals should include capacity

for chilling the carcass and transport in refrigerated transport. Markets should have refrigerated storage and capacity to keep meat cool to prevent growth of food safety risk organisms.

137. MARD will need to work with MOIT to ensure standards for trade and transport of food support food safety outcomes. There may be a need for innovative programs to assist markets infrastructure to allow for safe storage and management of raw high risk foods. Education of food business operators and consumers about food safety risks will help in this.

Recommendation 21: MARD work with MOIT on standards and infrastructure for transport, storage and sale of foods to, and in, local markets to enhance food safety outcomes. This includes attention to temperature controls (refrigeration) and hygiene requirements.

Recommendation 22: MARD to work with MOIT on standards and infrastructure requirements for primary food processing operations to ensure facilities promote safe handling, storage and management of high food safety risk primary produce.

138. As stated above, accountability for food safety regulation at the national level is complex with three Ministries being involved, and with the delegation to Provincial Government (and below to District / commune) for domestic food safety management. Managing in such a complex environment is difficult, particularly if there are no agreed criteria for consistent reporting. Without such an overarching agreed framework, MARD cannot determine whether food safety management is having the desired impact or outcome.
139. The success of domestic management and improvement in food safety outcomes is largely dependent on the capacity of Provinces and subordinate levels of local government.
140. An agreed framework for enhancing accountability and generating comparable evidence/ data on food safety management is critical to capacity for refining and adjusting approaches in order to both address shortcomings and improve food safety in Vietnam.
141. MARD should work with the Provinces (and lower levels of public administration) to establish an agreed and objective set of criteria to evaluate food safety management outcomes.
142. MARD should develop a framework with the Provinces on nationally agreed reporting standards and schedules on food safety.
143. MARD should also work with MOH and MOIT for joint trainings – development of training modules as well as implementation of these as per the work plan.

Recommendation 23: MARD to work with the Provinces and subordinate levels of government administration to develop agreed national criteria and national reporting framework on food safety management and outcomes.

144. MARD needs to recognise and promote the use of Inter-Provincial agreements in food trading as a mechanism to improve food safety in food traded between Provinces. To date, these have been centred around the two major cities (Ho Chi Minh City and Hanoi City) which import the majority of their food supply from surrounding provinces and where the supply lines and distribution systems are more complex, and hence food safety management is more complex.

Recommendation 24: MARD should support and enhance the adoption of inter-Provincial agreements on food safety and food trade.

Food Industry

145. MARD needs to develop an active approach to assist food business operators in understanding the regulations and the requirements for safe food production. It needs to have a ‘single window’ into MARD so industry can readily access information, advice and guidance on what they need to do. The SPS office in the International Cooperation Department of MARD could be the focal point to consolidate all notifications and circulars and place these on the web portal for use by internal stakeholders and external trade partners to increase transparency and better understanding of the regulatory requirements

146. MARD needs to work with Provinces to develop a structured set of guidance materials that reflect the requirements of local industry. Such materials need to cover management options relevant to type of produce being used and to the size and sophistication of the industry. Larger businesses can deal with complexity and outcome based approaches. Smaller and micro businesses need prescriptive guidance and rules about what they need to do.

147. Consideration should be given to a structured approach with basic farm hygiene, safe use of Ag-Vet chemicals, and residue management as a foundation set of guidance for each industry. These can then be added to with other practices to reach standards set of GAP and ultimately to certification under schemes such as VietGAP. Such guidance should be in plain easy to understand and unambiguous language.

148. In the developed world, financial profitability in general agriculture is generally related to the size of the operation. Economies of scale allow the input costs of production to be reduced per area farmed. Also larger production output allows the farm to access larger markets that often provide higher value to the farmer.

149. In Vietnam, where most farms are very small to micro, such economies of scale are harder to achieve. There are few very large primary production enterprises producing food for the domestic market. MARD should educate primary producers on the value of developing local cooperatives which group many like producers in a district under a single framework in order to get the benefits of the economies of scale. This is a mechanism to share costs, buy in bulk so as to reduce overall costs to each individual farmer, and to market larger volumes of product that may open sales to larger and more profitable markets. Such economies of scale would provide capacity for investment in

food safety systems and certification to improve the safety of produce leaving the farm gate.

Recommendation 25: MARD should develop a ‘single window’ for industry to access relevant information, training and guidance on farm management and meeting regulatory requirements and standards. Such information should be appropriate to the commodity, size of the production and processing facility.

Recommendation 26: MARD should work with the Provinces in developing nationally consistent information, training manuals and guidance documents for each industry sector and for large, medium and small producers. These should be in direct and unambiguous language.

Recommendation 27: The most basic of such guidance materials should address the basic requirements for hygiene, safe chemical use (both agricultural and veterinary) and residue management along with relevant record keeping. The intermediate level guidance should build on these with additional requirements to develop simple GAP guidelines for each commodity / industry. Finally, the more advanced guidance should address requirements for certification schemes such as VietGAP and HACCP.

Recommendation 28: MARD should work with the Provinces to foster the development of District cooperatives between small and micro-producers as a way of getting economies of scale and increasing the profitability of their farming activity. This will assist farm enterprises capacity to invest in food safety management and certification programs.

Consumers

150. MARD needs to develop and harness consumer demand for safe food as a mechanism for ensuring that food businesses adopt best practice in food safety management. Successful industries are always responsive to consumer demand and expectations.
151. In the past, the food trade and supply chains in Vietnam were largely local. Purchasers of food in the market either bought from the producer or from a known middle-man trader, often with consumer knowledge of the primary producer. These were short and straight forward supply chains where problems were managed by direct contact between the end user and the supplier/producer. There was a ‘line of sight’ between these that allowed food safety issues to be addressed in a direct manner.
152. However, with increasing urbanisation, food production is ever more distant from the end user. The supply chain is longer, more complex, and with greater scope for the emergence of food safety risks along the supply chain – poor hygiene, poor temperature controls, contamination. Yet most consumers prefer traditional markets and street sales for fresh produce.
153. Confidence in the traditional understanding of what foods are safe is perhaps misplaced as the complexity of supply chains increases. It is therefore critical that consumer education about food safety and the supply chain risks provides a deeper understanding

of these changes. This can generate raised consumer expectations and demands for food safety.

154. Consumers continue to buy food through local traditional markets and the evidence is that consumers are unwilling to pay a premium for foods that are produced under schemes such as VietGAP that can assure safety. For producers, this means that the added costs of VietGAP are at the expense of their profitability. Some of this may be offset by the economies of scale approaches outlined above.
155. Consumer confidence will increase where they understand how Governments are actively managing and regulating food businesses, and how food businesses are actively addressing food safety in their operations. Transparency in process and outcomes and regular advice on these matters can allay consumer concerns, and foster a better appreciation of food safety. In turn, this will hold industry and government to account for their performance.

Recommendation 29: MARD should work with the Provinces and consumer organisations to develop educational materials for consumers regarding food safety and food supply chains in Vietnam.

Recommendation 30: MARD should ensure that simple plain language explanations of food safety and breaches in food safety are made public to assist in consumer education and to enhance consumer confidence.

I: A PLAN OF ACTION FOR IMPLEMENTATION OF RECOMMENDATIONS

156. The timeframes and approaches in the recommendations and the plan of action are ambitious and will need both direction and political will to achieve the changes suggested. These reflect what may be needed for Vietnam to dramatically improve food safety outcomes within a reasonable timeframe. Unless such changes are accepted and implemented, the improvements in food safety will take far longer.

Short Term actions

157. Commence process to create a new division/department of Agriculture Food Safety (AFS) and amend Decrees, Decisions and Circulars as necessary, and to take steps to appoint a new head for this Department.

158. Minister to consider consolidation of Plant Production/Plant Health Departments; Livestock Production/Animal Health Departments and NAFIQAD and Fisheries Departments and to commence to amend Decrees, Decisions and Circulars as necessary, and appoint new heads for the consolidated Departments.

159. Minister to advise key stakeholders of the decision to create new division/department, and the consolidation of existing MARD Departments in order to enhance MARD's ability to advance food safety under the Ministry's mandate.

160. Minister and MARD to commence discussions on possible rationalisation and streamlining of responsibilities under the Food Safety Law 2010 at national level with a view to reducing the number of Ministries responsible for food safety.

161. The ToR and membership of the National and Provincial cross sectoral steering committees to be agreed and put in place.

162. MARD to commence:

- review the Decrees, Decisions and Circulars with a view to simplification and rationalisation.
- review of laboratory services in MARD with a view to consolidation and rationalisation.
- review of standards for accreditation and proficiency testing programs for laboratories used in regulatory management.
- publishing and maintaining a list of accredited laboratories for industry use.

163. MARD to commence work with the Provinces to:

- review policies and procedures with a view to adopting a risk and performance based approach to food safety regulation at the domestic level.

- prioritising the development of national training and guidance documents on public administration and management of food safety.
- review national management programs for residue management
- prioritising the development of national guidance for industry on food safety management.
- development of plain language industry and consumer guides on the regulatory framework and requirements for food safety in consultation (in consultation with other Ministries, Provinces, Industry and Consumer organisations).

164. Minister of MARD and the MARD Organisation and Personnel Department undertakes consultation with the 5 consolidated MARD Departments to identify how it will relate to them, determine reporting lines/authorities, priorities and the transfer of food safety resources into AFSD. The results of the consultation can be summarised and suggested to MARD leaders to submit to Government Officer, the Prime Minister office and Ministry of Internal Affairs for establishment of the new Department of AFS as well as assigning AFS's Director General.

Medium term (6 months – year) actions

165. With assuming that AFSD and the position of Director General can be assigned within 6 months, Director General of AFSD, within available resources and identified priorities, to begin the staffing and operations of the 5 sub departments in AFSD.

166. Director General of AFSD commences consultation process with key government stakeholders (e.g. MOH, MOIT, Science and Technology, DARDs) to inform them of the mandate of the new Division/department, how it relates to other Departments in MARD, open lines of communication, identify key priorities both within AFSD and those of its stakeholders.

167. Director General of AFSD provides leadership in representing MARD's interests in enhancing coordination and communications between three responsible Ministries and with the provinces/districts.

168. Director General of AFSD commences consultation with external stakeholders (e.g. industry associations, research institutions, international organizations and key trading partners).

169. Minister appoints permanent Head to the newly consolidated Divisions to complete the structure of this new function AFSD.

170. Director Generals meet with key stakeholders within and external to government to explain functions of new Divisions and identify new efficiencies. (Note: of particular importance will be relationships and provision of services within Provincial levels).

171. Complete the process of consolidation of Plant Health/Crop Production, Animal Health/Livestock Production and the fisheries programs in order to identify cost efficiencies and transfer of resources to AFSD.

Longer term (1 year onward) actions

172. Complete staffing of all 5 divisions in AFSD.
173. Develop the principles and objectives that will serve as the foundation for development of all MARD's food safety programs and services.
174. Provide leadership in working with other ministries to increase the country's efficiency and effectiveness in securing the safety of the food supply.
175. Work with the private sector and their associations to secure and expand export and import markets.
176. Provide leadership in enhancing coordination and communication between national programs and provincial/districts.
177. Consult with provincial and district levels to gain deeper understandings of their needs to enhance safety in the domestic markets.
178. Commence development of the programs and services that provinces have identified as priorities to enhance food safety at the local level and that target food businesses and consumers.

J. ATTACHMENT

Attachment 1: PROJECT TERMS OF REFERENCE

Under the overall guidance of the FAO Representative in Viet Nam, the overall supervision of the Senior Food Safety and Nutrition Officer, RAP and working in close consultation with MARD, Government of Vietnam, the consultants will carry out the following tasks:

- Hold consultations with different Ministries assigned the task of food safety control under the Food Safety Law, 2010 to understand their roles and activities;
- Hold consultations with the different departments responsible for food safety and quality control under Ministry of Agriculture and Rural Development on the structure for implementation of food safety under MARD both at national and provincial level according to the role assigned to MARD in the Food Safety Law, 2010 and understand their current roles, activities and capacity;
- Review the i) legislative and regulatory framework; ii) institutional arrangements in terms of structure; and iii) implementation aspects (systems and procedures) within MARD and identify the areas of overlaps/ gaps, synergies and hurdles; that need to be addressed to strengthen the functioning of MARD (national and provincial levels) to address food safety;
- On the basis of the above and the experience and lessons learned from other countries that have streamlined their food control systems and food safety, come out with a clear proposal on a review the structure and activities of various departments of MARD with a view to strengthening and streamlining the work of food safety within MARD as also its synergy with other Ministries and propose 2-3 alternate options covering the 3 areas namely: the i) legislative and regulatory framework; ii) institutional arrangements in terms of structure; and iii) implementation aspects (systems / procedures). Also identify clear role of NAFIQAD in relation to coordination activities to be performed by it;
- Present the proposal at a meeting organized to MARD, FAO and stakeholders as relevant;
- Prepare draft action points and an implementation strategy for the operationalization of the system in MARD (roadmap);
- Submit findings and recommendations to FAO and MARD, Vietnam;
- Prepare a detailed report of the visit to include the proposal;
- Any other activities as may be identified in relation to the above.

Attachment 2: Program of Consultations

TCP/VIE/ 3503 - Review of Food Safety and Quality Control under MARD, Vietnam

Itinerary of the Mission, 14 September – 16 October 2015

Goals/ Objectives: The overall goal of the project is to strengthen food safety in Vietnam by improving the capacity of MARD to oversee the food safety for the 9 groups of products (namely meat and meat products, aquaculture and aquatic products, honey and products made from honey, egg and egg products, fresh milk, cereals, vegetables/bulbs/ fruits, salt and GMOs).

Main outcome: The functioning of MARD will be reviewed in terms of i) legislative and regulatory framework; ii) institutional arrangements in terms of structure; and iii) implementation aspects (systems and procedures)

Output 1: Review i) legislative and regulatory framework; ii) institutional arrangements in terms of structure; and iii) implementation aspects (systems and procedures) within MARD and identify the areas of overlaps/ gaps, synergies and hurdles; that need to be addressed to strengthen the functioning of MARD (at national and provincial levels) to address food safety;

Output 2: Mission Report

DATE		ACTIVITY
14-18 Sep		Desk review the legislative and regulatory framework and documents
19-20 Sep		Arrival in Hanoi
21-Sep	Mon	Briefing with FAOR, planning and preparation for inception workshop
22-Sep	Tue	Inception workshop
23-Sep	Wed	Meetings with NAFIQAD and Department of Livestock Production
24-Sep	Thu	Meeting with Vietnam Food Administration, MOH; meeting with MOIT (Dept. of Science & Technology, Dept. of Market Surveillance, Dept. of Exportation and Importation, and Department of Domestic Market)
25-Sep	Fri	Meeting with Hanoi and Vinh Phuc DARDs; and, visit to vegetable supply chain in Hanoi /Vinh Phuc to assess production/ processing, handling, marketing, etc.
26-Sept	Sat	
27-Sept	Sun	Off day

28-Sep	Mon	Meetings with associations and private sectors (Association of Livestock; Association of Animal Feed);
29-Sep	Tue	AM: Meeting with MARD departments (Institute of Agriculture Policy and Livestock Development - IPSARD) PM: Meeting with Animal Health Department
30-Sep	Wed	AM: Meetings with MARD Departments (Department of Crop Production and Plant Protection Department) PM: Meet with MARD Departments (Agri-forestry, Aquaculture & Salt Processing Department) Travel to HCM City
1 Oct	Thu	Meeting with HCMC DARD; visit to supply chain (slaughterhouses and whole sale market); Meet with VASEP and Vegetables Association in HCM
2-Oct	Fri	Meeting with Dong Nai DARD; visit to meat supply chain (a pig farm and a slaughterhouse);
3-Oct	Sat	Discussions amongst consultants and writing reports
4-Oct	Sun	Off day
5-Oct	Mon	Meeting at Field Crops Research Institute
6&7-Oct	Wed	Workshop Preparation Team meeting and reports writing
8-Oct	Thu	Stakeholder Workshop
9-Oct	Fri	Team meeting/individual meetings to finalize issues for report
10-11 Oct	Sun	Off-days
12-15 Oct	Mon	Report writing by consultant team
16-Oct	Fri	Final report submission International Consultant(s) to leave Hanoi. Mission complete.

Attachment 3. Meetings and Consultations Undertaken During the Mission

1. Monday, September 21
 - Team meeting to discuss project – all consultants, Shashi Sareen, FAO officials
 - Mr. Jongha Bae, FAO Representative in Vietnam
2. Tuesday, September 22
 - Inception Workshop – all consultants, FAO, MARD, MOH, MOIT and other stakeholders
 - ECTAD, Mr. Scott Newman, Sr Technical Advisor
3. Wednesday, September 23
 - NAFIQAD, MARD, Mr. Nguyen Nhu Tiep, Director General and Associates
 - Livestock Production, MARD, Mr. Tong Xuan Chinh , Deputy General Director, and Associates
4. Thursday, September 24
 - VFA, MOH Head of Division Ms.Nguyen Thi Yen
 - MOIT, Domestic Market Department, Department of Science and Technology, Mr. Le Viet Nga, Mr. Nguyen Quang Thao, and Associates
5. Friday September 25
 - Hanoi DARD, Deputy Director Nguyen Huy Dang, and Associates
 - Vinh Phuc Province, DARD, Deputy Director Bui Nhu Y and Associates
6. Saturday September 26
 - Team meeting (MLP) to discuss initial findings and highlights of meetings of previous week
7. Monday, September 28
 - Animal husbandry association of Vietnam, Mr. Nguyen Dang Vang , and Associates
 - Vietnam Feed Association, Mr. Le Ba Lich
8. Tuesday, September 29
 - Institute Of Policy And Strategy For Agriculture and Rural Development, Mr. Tran Cong Thang, Vice Director General and Associates
 - Animal Health Department, Deputy Director General Dam Xuan Thanh and Associates
9. Wednesday, September 30
 - Department of Crop Production, Mr. Nguyen Nhu Cuong, Deputy Director General and Associates
 - Department of Plant Protection, Mr. Nguyen Xuan Hong, General Director and Associates
 - Department of Agro Processing, Forestry and Trade, Dr. Nguyen Trong Thua, Director and Associates
 - Travel to Ho Chi Minh City
10. Thursday October 1
 - HCMC, DARD, Phan Xuan Thao, Director and Associates
 - Visit wet market
 - Vietnam Association of Seafood Exporters and Producers, Mr. Truong Dinh Hoe, General Secretary

- Vietnam Fruits and Vegetables Association, Mr Nguyen Van Ky, Secretary General and Associates
11. Friday October 2
- Dong Nai Province, DARD, Mr. Phan Minh Bau, Deputy Director and Associates
 - Visit to rural poultry/egg farm and hog slaughter plant
 - Return to Hanoi
12. Monday October 5
- Field Crops Research Institute, Mr. Dao The Anh
13. Wednesday October 7
- Team meeting with Ms. Shashi, Ms. TBNga, and Ms. Giang Vo to discuss and refine presentation for October 8 Stakeholder Workshop
14. Thursday October 8
- Stakeholder Workshop, presentation of consultant's key observations and recommendations, broad stakeholder attendance MARD, MOH, MOIT, FAO, institutions and industry associations

Attachment 4: Brief CV of mission members.

Shashi Sareen

Currently working as Senior Food Safety and Nutrition Officer with the Food and Agriculture Organization of the United Nations in its Regional Office at Bangkok and having responsibility for the safety, quality and nutrition related programmes in the Region. Overseeing a number of projects and programmes which support countries in developing and implementing food safety and quality policies, legislation, standards and technical regulations, enforcement and inspection mechanisms and infrastructure as well as assisting industries implement good practices related to quality and safety such as GAP/ GMP/ GHP/ HACCP, etc.

Prior to this, worked with the government of India in the area of standardization and quality assurance for around 30 years in the capacity of Director and Chief Executive, Export Inspection Council of India, Director with Bureau of Indian Standards and Adviser (Quality) with Agricultural Produce Export Development Authority (APEDA). Also worked with one of the largest retail chains in India, as Head of their Quality Operations looking after the quality and safety of their entire operations, the front end, i.e. all their around 650 Supermarkets and 5 Hypermarkets, as well as in the entire backend activities and operations.

Peter F S Lihne

Independent consultant in food regulation, food import / export systems and management, and application of risk based systems for biosecurity (quarantine) and food safety management. 15 years experience at senior executive management responsible for leading and directing regulatory systems for the Australian Government, including food regulation / standards (Food Standards Australia New Zealand); food import / export systems (Australian Quarantine Inspection Service); import / export management and certification for biosecurity (quarantine) regulation (AQIS Animal and Plant Quarantine); and regulation of therapeutic goods and medical devices (Therapeutic Goods Administration)

Maribel G. Marges

As independent consultant, supported in drafting the Implementing Rules and Regulations of the Philippine Food Safety Act 2013. Worked with WTO-STDF project on SPS and Trade Facilitation (Regional Research in Asia) in collecting and consolidating information on SPS and trade policies from government entities and private enterprises, particularly about transaction costs caused by SPS measures for border release procedures, and reviewed and finalized country report. Earlier worked as National Contact Point and Resource Person on Sanitary and Phytosanitary (SPS) concerns and activities of the Philippine Department of Agriculture. Prior to being independent consultant, was civil servant for more than 30 years in the field of agricultural marketing and trade policy.

Larry Copeland

Around 30 years experience of work with Ministry of Health and Centre for Disease Control in Canada. Post retirement has worked as consultant with FAO and other organizations in the area of food safety policies, food safety emergency response, assessment of food control systems of countries and making recommendations for modernizing and strengthening the legislative and regulatory framework as well as implementation aspects.

Tran Bich Nga

Retired as Deputy General Director of National Agro-Forestry-Fisheries Quality Assurance Department (NAFIQAD) under Ministry of Agriculture and Rural Development (MARD) with 18 years experience on food safety and quality management, including monitoring, inspection, import/export certification, HACCP trainer and auditor. Was member of many committees and working groups of MARD for drafting, review and revising food safety legislations and administrative procedures. Also worked for 6 years as National Component Director of DANIDA Project in Fishery Sector Programs Support FSPSII and 9 years in marine research activities. After retirement worked as food safety national consultant with some EU/ASEAN Projects to review food safety regulatory system of Vietnam.

Attachment 5

Matrix of laws, decrees, decisions and circulars relevant to food safety management by MARD

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
<p>Law on Food Safety No. 55/2010/QH 12</p>	<p>Provides for rights and obligations of organizations and individuals in assuring food safety: conditions for assuring safety of foods and food production, trading, import and export; food advertisement and labeling; food testing; food safety risk analysis: prevention, stopping and remedying of food safety incidents; food safety information, education and communication; and responsibilities for state management of food safety.</p>	<p>1. To elaborate strategies and master plans on food safety assurance, regarding the planning of zones for safe food production according to the food supply chain as a priority key task. 2. To use state resources and other resources to invest in scientific research and technological application to serve food safety risk analysis; to build new laboratories and upgrade some existing ones up to regional or international standards; to raise the capacity of existing analysis laboratories; to support investment in building zones producing safe food materials, wholesale markets for farm produce and food, and industrial-scale cattle and poultry slaughterhouses.</p>	<p>June 17, 2010/July 1, 2011.</p>	<ul style="list-style-type: none"> • Ministry of Health • Ministry of Agriculture and Rural Development • Ministry of Industry and Trade • People's Committees at all levels • Ministry of Information and Communications • Ministry of Education and Training

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		<p>3. To encourage food producers and traders to renew technologies and expand their production: to produce high-quality and safe food; to fortify food with essential micronutrients: to build their brands and develop their safe food supply systems.</p> <p>4. To establish a legal framework and realize a roadmap for compulsory application of good manufacturing practices (GMP), good agricultural practices (GAP), good hygiene practices (GHP) and hazard analysis and critical control points (HACCP) and other advanced food safety management systems in food production and trading.</p> <p>5. To undertake international cooperation, step up the conclusion of treaties and international agreements on</p>		

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		<p>accreditation and mutual recognition in the field of food.</p> <p>6. To promptly commend and reward organizations and individuals that produce or trade in safe foods.</p> <p>7. To encourage and create conditions for domestic societies, associations, organizations and individuals and foreign organizations and individuals to invest or participate in the elaboration of standards, technical regulations and testing of food safety.</p> <p>8. To increase investment in and diversify forms and methods of public information and education to raise public awareness about the consumption of safe food, sense of responsibility and business ethics of food producers and traders towards the community.</p>		

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
Law on Standards and Technical Regulations NO. 68/2006/QH11	Provides for the formulation, announcement and application of standards; the formulation, promulgation and application of technical regulations; and the assessment of conformity with standards and technical regulations	<ol style="list-style-type: none"> 1. To attach importance to investment in building material-technical foundations and training human resources for the state management of activities in the domain of standard and the domain of technical regulation. 2. To support and promote scientific research and application and technological development in service of activities in the domain of standard and the domain of technical regulation. 3. To encourage domestic and foreign organizations and individuals as well as overseas Vietnamese to participate in formulating and applying standards and technical regulations, invest in developing activities in the domain of standard and the domain of technical regulation in Vietnam, and training in 	June 29, 2006/January 1, 2007	<ul style="list-style-type: none"> • Ministry of Science and Technology • Ministries and ministerial-level agencies • Provincial/municipal People's Committees • Production and business organizations and individuals • Associations and unions

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		standard and technical regulation knowledge for econo-technical branches.		
Law on Product and Goods Quality NO. 05/2007/QH12	Provides for the rights and obligations of organizations and individuals producing or trading in products or goods as well as organizations and individuals conducting activities related to product and goods quality; and the management of product and goods quality; includes awarding of national prizes and prizes awarded by organizations or individuals for good quality products	<ol style="list-style-type: none"> 1. To encourage organizations and individuals to formulate and apply advanced standards to products and goods as well as the management and administration of production and business. 2. To formulate national programs on raising the productivity, quality and competitiveness of products and goods. 3. To invest in and develop the testing system to meet the requirements of production, business and state control of product and goods quality. 4. To enhance training and retraining of human resources for product and goods quality control. 5. To propagate and disseminate policies and laws 	November 21, 2007/July 1, 2008.	<ul style="list-style-type: none"> • Ministry of Science and Technology • Line ministries • Peoples Committees at all levels

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		<p>on product and goods quality; to form a sense of producing and trading in quality products and goods for consumers' interest, which save energy and are environment-friendly; to raise social awareness about consumption and build civilized consumption habits.</p> <p>6. To encourage and create conditions for domestic and foreign organizations and individuals to invest and participate in testing, inspecting, verifying and certifying product and goods quality.</p> <p>7. To expand cooperation with other nations, territories, international organizations, regional organizations as well as foreign organizations and individuals in activities related to product and goods quality; to enhance the conclusion of treaties and agreements</p>		

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		between Vietnam and other countries, territories, international or regional organizations on mutual recognition of conformity evaluation results; to encourage Vietnamese conformity evaluation organizations to sign agreements on recognition of conformity evaluation results given by corresponding organizations of other countries or territories so as to facilitate the development of trade between Vietnam and those countries or territories.		
Law on Inspection No. 56/2010/QH12	Provides for the organization and activities of state inspection and people's inspection, including specialized inspection	<p>1.To detect loopholes in management mechanisms, policies and laws and recommend remedies to competent state agencies</p> <p>2.To prevent, detect and handle law violations; assist agencies, organizations and individuals in properly observing law;</p>	November 15, 2010/July 1, 2011.	<ul style="list-style-type: none"> • The Government Inspectorate • Inspectorates of ministries and ministerial-level agencies • Inspectorates of provinces and centrally run cities

Title of Law/Number/Year	Description/Scope	Objectives	Date Enacted/Effectivity	Responsible Agency/Institution
		<p>bringing into play positive factors; contribute to raising the effect and effectiveness of state management activities;</p> <p>3.To protect the interests of the State and the rights and legitimate interests of agencies, organizations and individuals.</p>		<ul style="list-style-type: none"> • Inspectorates of provincial-level departments • Inspectorates of rural districts, urban districts, towns and provincial cities • Agencies assigned to perform the specialized inspection function
<p>Law on Governmental Organization No.32/2001/QH10</p>	<p>Provides for the position and functions of the Government, Duties and powers of the Government, Duties and powers of the Prime Minister, Duties and powers of Ministers and Heads of Ministry-level agencies, Working regime of the Government.</p>	<p>To regulate the organizational structure, responsibilities, powers and working regime of the Government (Cabinet) and its members</p>	<p>December 25, 2001/January 7, 2002</p>	<ul style="list-style-type: none"> • The Cabinet • Prime Minister • Deputy Prime Minister • Ministers and Heads of Ministry-level agencies as members of the Cabinet

Decrees		
April 18, 2012	Decree No. 36/2012/ND-CP	Defining the functions, tasks and organizational structures of Ministries and Ministerial-Level agencies
April 25, 2012	Decree No. 38/2012/ND-CP	Detailing implementation of a number of Articles of the Food Safety Law 2010
Nov 14, 2013	Decree No.178/2013/ND-CP	Sanction of administrative violations on food safety
Nov 26, 2013	Decree No. 199/2013/ND-CP	Defining the functions, tasks, powers, and organizational structure of MARD
Circulars and Decisions		
Dec 18, 2011	PM Decision No.2406	Issuing the list of national target programs 2012-2015; includes target program on food safety and hygiene
January 04, 2012	PM Decision No.: 20/QD-TTg	Approval of the National Strategy for Food Safety in the period of 2011-2020 and a Vision toward 2030
April 9, 2014	MOH-MARD Joint Circular No. 13/2014/TTLT-BYT-BNNPTNT-BCT	Allocation of tasks and cooperation among regulatory agencies in food safety management
Oct 27, 2014	MOH-MARD-MOIT Joint Circular No. 34/2014/TTLT-BYT-BNNPTNT-BCT	Guidance on the labeling of goods for foods, food additives, and packaged food processing aids
March 25, 2015	MARD-MHA Joint Circular No. 14/2015/TTLT-BNNPTNT-BNV	Instructions on functions, duties, power, and organizational structure of agencies specialized in agriculture and rural development under People's Committees at district and provincial levels

April 4, 2015	MARD Decision No. 670/QĐ-BNN-TCCB	defining functions, responsibilities, powers, and organizational structure of the NAFIQAD
April 17, 2015	MARD Decision No. 1290/QĐ-BNN-TCCB	assigning and decentralizing monitoring and inspection of food safety for agricultural, forestry and fishery products within authority of MARD
Others listed by NAFIQAD		
<ul style="list-style-type: none"> • PM Decision No 48/2005/QĐ-Ttg on establishment of National Steering Committee on food hygiene & safety • PM Decision No 01/2012/QĐ-Ttg on supporting application of GAP in agriculture production • PM Decree 210/2013/ND-CP, Decision No 62/2013/QĐ-Ttg encouraging linkage between agriculture production and distribution • Relevant government projects for strengthening food safety communication; enhancing food safety inspection; development of safe food supply chain; improving food hygiene & safety in slaughtering and distribution • Food safety criteria and limits (biological tolerances and chemical MRLs) • Hygiene and safety conditions for food production and distribution (codes of practices) • System and procedures for food safety surveillance, inspection and control of locally produced and imported foods • National Food standards produced by line Ministries and published by Ministry of Science and Technology • Producer/trader standards: Private standards 		

Attachment 6
Primary Functions of the Divisions in the Department of
Agriculture Food Safety

1. *Policy and Legislation Division*

- Draft and submit to the Minister proposed food safety laws and resolutions, ordinances and resolutions, decrees, legal documents, and other schemes, projects assigned by the Minister.
- Develop annual, 5 year and long term food safety strategies, programs, projects and strategies.
- Develop and organize food safety standards under MARD's jurisdiction
- Develop the Principles and Objectives that will guide the development and delivery of MARD's food safety programs and services.
- Represent MARD on external food safety committees, boards or other bodies including nationally, provincially and internationally.
- Participate in negotiation of international food safety treaties, agreement.
- Lead the development of international cooperation and integration, internationally supported programs and projects
- Act as the principal contact for external organizations and initiatives such as the National Target Program.
- Verify and propose solutions and measures to enhance food safety across the food chain
- Establish priorities across the departments and ensure resources are allocated to address priorities
- Ensure effective coordination and communication across departments
- Prepare annual budgets and reports for the Minister

2. *Extension Services Division*

- Develop food safety training programs
- Develop good operating practises for multiple stakeholder groups
- Develop food safety education materials
- Train trainers on food safety management systems
- Establish working relationships with other training organization, and institutions such as universities, technical schools, Department of Organization and Personnel and Agriculture and Rural Development Staff training School

3. *Science and Technology Division*

- Identify, undertake and work with other organizations in food safety research projects
- Work with other MARD departments to advance their research needs/interests
- Evaluate and provide listings of laboratories approved to undertake testing of samples collected by MARD
- Work with international agencies to evaluate laboratory needs and seek/secure funding to construct MARD laboratories
- Evaluate and report the safety of agricultural inputs and materials
- Undertake and report risk assessments on the hazards in the food system under MARD's mandate.
- Work with other scientific agencies, departments and institutions to broaden MARD's understanding of food safety science and technologies
- Engage with the MOH in the study and mitigation of zoonotic illnesses and impacts of antimicrobial resistance

- Develop systems for the traceability of food products
- In cooperation with other ministries develop or adopt, synthesize, and disseminate national food safety standards
- Participate on the specialized science council
- Identify and report new and emerging animal and plant diseases, technologies, international developments and threats to Vietnams food system

4. *Communications and media Division*

- Act as the central contact point for all media
- Establish effective relations with all media
- Issue press releases for issues of public interest, emergency warnings and updates on critical events
- Develop and mobilize public information campaigns
- Assist all levels in developing and delivering information materials and campaigns
- Develop training for all levels on media relations

5. *Inspection and Risk Assessment Division*

- Develop and deliver inspector training programs
- Develop and deliver risk based inspection systems
- Develop and deliver train the trainer programs
- Develop emergency response protocols
- Develop emergency mitigation practises
- Develop protocols for system of graduated enforcement
- Work with other ministries to coordinate and standardize inspection, certification, and emergency response

Attachment 7
Recommended Terms of Reference for Vietnam's National Inter-Sector Steering Committee on Food Safety

1. Mandate

The National Inter-Sector Food Steering Committee (herein after called the Committee) will provide leadership to strengthen Vietnam's food safety system by.

- ❑ Coordinating the development of national food safety policy options;
- ❑ Engaging interested and affected partners and stakeholders to ensure that approaches are coordinated, practical and realistic;
- ❑ Implementing initiatives to achieve national food safety goals and priorities;
- ❑ Supporting Ministers in carrying out their food safety responsibilities.

2. Guiding Principles

While conducting its work the Committee will strive to.

- ❑ Lead the national food safety policy development process through the collective strength, experience, and expertise of the Ministries of Agriculture and Rural Development, Health, Industry and Trade, Science and Technology and Ex-Officio members of the committee;
- ❑ Provide recommendations to Ministers based on sound science, evidence-based analysis and consideration of balancing socio-economic and cultural priorities with protection of the public's health.
- ❑ Where conclusive science and evidence based analyses are not available, the internationally accepted precautionary principle will be applied in decision making;
- ❑ Take an outcome oriented approach to strengthening Vietnam's food safety system;
- ❑ Foster information-sharing and intelligence networks nationally provincially, and internationally, to enable a timely and proactive approach to food safety development;
- ❑ Involve other interested and affected partners and stakeholders to assess food safety policy needs and obtain input in the development of policies.

3. Scope of Work

The work of the Committee will focus on

- ❑ Facilitating the assessment and management of food safety risks along the food continuum;
- ❑ Undertaking a review of the respective ministries' programs to identify overlaps and gaps in services.
- ❑ Identifying areas requiring additions/changes to mandates to ensure effective coordination and delivery of services throughout the food chain;
- ❑ Improving government oversight of the food system, including advising Ministers on the development and on-going monitoring of national food safety recognition, licensing and certification programs;
- ❑ Providing recommendations for guidance and support to industry to enhance its ability to produce safe food and at the same time remain competitive in domestic and international markets;
- ❑ Evaluating and coordinating Vietnam's emergency food safety response system and making recommendations on needed improvements;

- ❑ Evaluating and making recommendations on updating and need for new decrees etc to ensure currency of food safety law;
- ❑ Evaluating and making recommendations on laboratory capacity and coordination between ministries;
- ❑ Promoting effective food safety practices and informed choices among consumers;
- ❑ Providing advice on sanitary and phytosanitary measures and emerging issues that may affect the safety of the food supply.

4. Reporting and Linkages

Under the Law food safety in Vietnam is led by the Ministry of Health but also enjoins partners in the Ministries of Agriculture and Rural Development and Industry and Trade. The Ministry of Science and Technology also plays an important role in the food safety system. The Committee will report to Ministers through their respective delegates. Reporting will include filing of meeting agendas, minutes of meetings, records of decisions/recommendations, and draft texts of recommended laws and regulations, policies, or other materials the committee develops to support the management of the food safety system.

The Committee shall provide to Ministers an annual report outlining the committee's work plan for the year and a status report on progress made in accomplishing its objectives.

Food safety issues may involve other groups, or committees. The Committee will engage other groups to ensure effective communication of mandates, seek their advice where necessary and establish relationships that will ensure Vietnam has a coordinated single voice for food safety.

5. Committee Membership

5.1 Composition

The committee will consist of

- ❑ Chair, Deputy Prime Minister
- ❑ Director General, Viet Nam Food Authority, Ministry of Health
- ❑ Director General, Department of Agriculture Food Safety, Ministry of Agriculture and Rural Development
- ❑ Director General, Domestic Market Department, Ministry of Industry and Trade
- ❑ 1 member from each of the following bodies will be invited to serve as ex-officio (non voting) members: 1 provincial DARD representative from each of Ho Chi Minh City and Hanoi and 3 other provincial DARD representatives appointed by Provincial Inter-Sector Steering Committees on Food Safety and any other representatives the Commission deems beneficial to the functioning of the Committee
- ❑ Members of the Committee will be at least at a Director General level or equivalent. If a member is unable to attend a meeting a Deputy Director may attend in their absence.

The appointment of each ministry's member(s) to the Committee is at the discretion of the ministry. The duration of a member's appointment to the Committee is at the discretion of the ministry.

Only voting members and Ex- officio members as per above can sit at the table and participate directly in meetings. Members may have technical support personnel at the meetings but they may not sit at the table, and only speak with the permission of the Chair to provide technical input as requested by the Committee.

5.2 Responsibilities of Members

Members are responsible to:

- ❑ Work together and share information to advance the mandate of the Committee;
- ❑ Seek input from all concerned sources within their jurisdiction and represent their views or provide an opportunity for direct input;
- ❑ Promote the work of the Committee within their Ministry and Minister;
- ❑ Ensure the Committee's activities and recommendations are brought to their Minister's attention for consideration;
- ❑ Lead or participate in task teams as needed;
- ❑ Participate in meetings and conference calls of the committee;
- ❑ Notify the Secretariat if they are no longer able to serve.

6. Chairmanship of the Committee

6.1 Roles and Responsibilities of the Chair

The roles and responsibilities of the-Chair are to:

- ❑ Represent the committee while coordinating and collaborating with other stakeholders, committees and industry;
- ❑ Lead the Committee in the development of it's strategic direction and priorities;
- ❑ Seek consensus from members to advance the mandate of the Committee and the decision making process;
- ❑ Chair Commission meetings and conference calls;
- ❑ Hold meetings/conference calls with the Secretariat and technical committee chairs to monitor and provide guidance to advance the work of the committee.

7. Technical Working Committees

The Committee may appoint sub-committees such as task teams, technical working groups, or discussion groups to represent the Committee on national or international technical committees (eg Codex), address technical issues and make recommendations to the Committee for decision.

The Committee will nominate chairs of the sub-committees. The other participants will be selected based on the required expertise and may include non-government members in an advisory capacity.

Sub-committee chairs will be responsible for

- ❑ Presenting for approval by the Committee a work/resource plan;
- ❑ Meeting as necessary with the Committee to provide updates and seek input and direction to further advance its work;
- ❑ Providing progress and final reports to the Committee for its approval.

8. Meetings

The Committee will meet face to face a minimum of 4 times per year. The meetings will take place at a time and location selected by the Secretariat and approved by the Chair. Additional meetings may be convened if necessary including by use of conference calling.

Every effort will be made to circulate agendas and supporting documents at least 2 weeks in advance of meetings to allow pre review by members.

Minutes of meetings and Committee decisions will be distributed within 2 weeks following a meeting

9. Decisions of the Committee

Committee decisions will be made through consensus agreement of the voting members. Ex-officio members will not participate in the voting process, nor will the Secretariat. A unanimous vote will not be required to finalize a Committee decision. No single ministry has the power to veto the position of the others. However, should a ministry request, their dissenting opinion will be recorded in the Committee's report and recommendations.

10. Funding

Expenses related to the Committee's activities including meeting rooms, meals, administrative materials and the Secretariat will be paid by the MOH.

11. Secretariat

11.1 Support

The Commission will be supported by a permanent Secretariat that is situated in the MOH. The Secretariat will be responsible for the administrative matters of the committee and is expected to carry out those functions in a neutral manner, representing the interests of the committee as a whole.

Person(s) at an appropriate level of seniority and training will staff the secretariat as per the administrative responsibilities outlined in section 11.2 below.

11.2 Responsibilities of the Secretariat

The responsibilities of the Secretariat will include

- ❑ Work closely with the Chair in organizing the affairs of the Committee and coordinating and collaborating with other committees and stakeholders;
- ❑ Attend all Committee meetings and conference calls;
- ❑ Develop and distribute agendas and supporting documentation to Committee members,
- ❑ Make all necessary meeting arrangements;
- ❑ Record and distribute minutes of meetings, records of decision and Committee reports;
- ❑ Distribute and follow up on action items;
- ❑ Maintain files, membership and contact lists;
- ❑ Develop an annual operating budget and submit it to the Committee for approval;
- ❑ Compile the annual report to Ministers for Committee approval.
- ❑ Provide other services as required to ensure the effective and efficient operation of the Committee.

STRATEGIC PRINCIPLES
FOR THE COORDINATED MANAGEMENT
OF THE MINISTRY OF AGRICULTURE AND RURAL
DEVELOPMENT'S RESPONSIBILITIES IN ENSURING
THE SAFETY OF *VIET NAM'S FOOD SUPPLY*

A STRATEGIC AGREEMENT FOR INTER DEPARTMENTAL
COOPERATION BETWEEN THE MINISTRY'S DEPARTMENTS RESPONSIBLE
FOR FOOD SAFETY

**Strategic Principles
For the Coordinated Management of the Ministry of Agriculture and Rural
Development’s Responsibilities In Ensuring The Safety
Of Viet Nam’s Food Supply**

CONTENTS

PAGE

EXECUTIVE SUMMARY.....	82
INTRODUCTION	82
BACKGROUND.....	83
VISION.....	6
GUIDINGPRINCIPLES.....	7
BENEFITS.....	8
KEY ISSUES.....	9
SYSTEMS INTEGRETION.....	10
RECOMMENDATIONS TO MINISTERS	187

Executive Summary

Significant developments both internally and from external forces have resulted in new challenges to managing The Ministry of Agriculture and Rural Development's (MARD's) responsibilities for the safety of Viet Nam's food supply. Included in those challenges are the country's desire to be recognized as a meaningful participant in the world's food system, the continued emergence of new threats to food safety and consumer health, increasing awareness and demands by the country's citizens for a safe food supply, and the subsequent need to ensure coordination of a vast network of food safety responsibilities across the food continuum.

Viet Nam's food safety system operates in a complex jurisdictional context involving multiple Ministries and their regulatory departments. MARD's structure and management system mirrors the country's complexity by having multiple departments responsible for its mandate in the food system. Among the consequences are poor coordination and communication, duplication of services, layering of costs to government and industry, gaps in services and lack of accountability.

The desire to expand export markets, new technologies such as biotechnologies, threats from imported food products and new and emerging global diseases require a more proactive and coordinated approach for the country and MARD'S food safety system.

This document proposes a strategic approach that defines the principles that will guide the development of MARD's programs and services in order to fulfil its mandate in ensuring the safety of the country's food supply.

The benefits of this strategy are.

- ❑ Streamlined program and inspection delivery
- ❑ Enhanced market performance and competitiveness
- ❑ Reduced barriers to trade and regulatory pressures on industry
- ❑ Enhanced responsiveness to new and emerging hazards in the food system
- ❑ A food safety system with the capacity to be flexible, accountable and timely

Introduction

Viet Nam's food safety system operates in a complex jurisdictional context involving 3 principle ministries, and multiple departments within them. The MARD mirrors this complexity with at seven departments claiming responsibility for food safety as part of their mandate. Among the consequences are duplication and gaps in services, lack of accountability, poor coordination and communication, and layering of costs both to government and industry. During recent years, Viet Nam like other countries has been challenged by industry and consumers demands for greater government efficiency, international developments and fiscal

restraints. As a result many governments have placed a priority on being more responsive and have taken proactive steps to review the fundamental principles, roles and relationships that guide their activities in the area of food safety and quality. Significant changes that continue to occur both within Viet Nam and internationally emphasize the need for ongoing critical assessment of the relevancy of current programs and services, and the mechanisms in place to ensure their effective coordination. International trade agreements, new technologies such as biotechnologies, new and emerging disease threats, and global environmental changes require food safety management strategies which are proactive, flexible and capable of coordinating the array of programs necessary to ensure the safety and quality of the country's food supply. The benefits of such a system are the streamlining of inspection delivery, enhanced market access and competitiveness, reduction of trade barriers and regulatory pressures on industry, facilitation of the harmonization process and an inspection system with the capacity to be flexible, responsive and timely.

Background

It was from the forgoing that an analysis was undertaken to evaluate MARD's ability to effectively manage its mandate for food safety. It is evident that significant barriers exist which if left unabated will significantly impede MARD's progression to reach the objectives as outlined in the Introduction.

Viet Nam passed its Food Safety Law in 2010, and in doing so introduced a wide range of programs and institutional changes intended to improve the safety of the food system. Significant progress has been made over that time in achieving the original objectives. During recent years, however, similar to many other countries Viet Nam has been challenged by food businesses and consumers to demonstrate greater government efficiency, and at the same time ensure effective measures are implemented to address new and emerging challenges to food safety.

MARD's food safety challenges are similar to many jurisdictions in respect to the competition for scarce government resources. A thorough analysis must be undertaken of the relative risks within the food system, and ensure resources and programs are designed and delivered to address the areas of highest risk. A critical part of this process is defining the principles and objectives that will inform and persuade Ministers, funding agencies and partners of the value in further developing the MARD's and its partner ministries' capacities for enhancing the protection of the country's food supply.

An analysis of MARD's current organization has identified that competing and missing capacities exist that if not addressed through effective policy decisions, will significantly impede their progress in modernizing its food safety system. It has been said that food, socio economic status and culture are intrinsically linked. A significant challenge exists in recognizing the needs of food businesses competing on the world stage and at the same time respecting cultural practices and the limitations of small family run operations. All the while ensuring all sectors are contributing to the overall status of a safe food supply. Food producing and processing practices of the past must be evaluated to ensure that they can continue to produce safe food. Of equal importance is demonstrating to consumers and food businesses that changes will be beneficial both economically and through enhancing the population's health status.

Many governments have placed a priority on being more responsive to their stakeholders. They have taken proactive steps to review their policy, institutional and management frameworks to ensure they remain relevant and capable of meeting their respective obligations to securing the safety of the food supply. Significant challenges continue to occur both within Viet Nam and internationally that highlight the need for ongoing critical assessment of the relevancy of current programs and services, and the mechanisms in place to ensure their effective delivery. These challenges combine to require food policies to be proactive, flexible and capable of coordinating the array of programs necessary to ensure the safety of food supply throughout the food system.

The future success of continued growth and enhanced food safety in Viet Nam's food system will be determined in large part by government's ability to manage the complex matrix of programs and services that encompass an integrated food safety system. Effective coordination between MARD's Departments will be critical in controlling the ever-changing internal and external factors described above. This strategic document, with recommendations to the Minister proposes a path forward that will enable MARD to attain a coordinated partnership in delivering the Ministry's food safety programs.

Vision Statement

“MARD will have an integrated food safety inspection system which will protect the safety of the food supply and be responsive to both consumers and food businesses”

Goals

- ❑ High quality, safe and nutritious food supply
- ❑ Harmonized standards
- ❑ Cost effective inspection system
- ❑ Enhanced access to markets by Viet Nam food producers
- ❑ Risk based inspection system
- ❑ Common regulatory, standards and certification programs

Guiding Principles

- ❑ Government has the responsibility
 1. To set and enforce standards pertaining to health and safety based on sound scientific risk assessment and management principles;
 2. To ensure that food products entering the country are safe and meet quality standards.
 3. To develop and deliver food safety information and training to food businesses and consumers
 4. To interact internationally and represent the interests of Viet Nam's consumers and food businesses
 5. To ensure that resources allocated to food inspection are effectively and efficiently managed
 6. To ensure the elimination of gaps and overlaps in services, focusing on the areas of highest risk.
 7. To be accountable for assigned areas of responsibilities.

8. Implement a planned and coordinated emergency response system that will effectively mitigate food emergencies such as food recalls and food borne illness outbreaks.
 9. To enhance coordination and communication between stakeholders
- ❑ Food businesses have the primary responsibility
 1. For the safety and quality of their products
 2. To provide a reasonable level of descriptive product information to allow consumers to make informed decisions.
 - ❑ Consumers have a right to be informed and the responsibility to store and prepare food safely.
 - ❑ The setting and enforcement of quality standards will be market driven and sensitive to national implications.
 - ❑ The food safety system must balance the need to protect the public's health, maintain cultural practices and support food businesses' competitiveness both domestically and internationally.
 - ❑ The food safety system will be transparent, responsive and flexible.
 - ❑ Standards will be outcome and performance based where practical.
 - ❑ Inspections will be prioritized to focus on the areas in the food system of highest risk

The Benefits

The benefits to consumers, food businesses and government of a food safety system that employs the vision and guiding principles contained above are:

- ❑ Greater assurance of the safety and quality of the food supply
- ❑ More efficient and effective use of human resources and public funds
- ❑ Better scientific capacity in institutions and human resources
- ❑ Enhanced protection from product misrepresentation and economic fraud
- ❑ Reduced impediments to internal competitiveness
- ❑ Improved market access
- ❑ Reduced regulatory burden
- ❑ Redirected resources to risk based inspection systems
- ❑ Reduced gaps and overlaps in government services
- ❑ Improved stakeholder communication and cooperation

Key Issues

- ❑ How to streamline and integrate programs between stakeholders
 - Building trust

- Building partnerships
 - Building reciprocity
 - Acceptance of a shared vision by all stakeholders
- Breaking down the political and social barriers to change
 - The implications of national standards on the viability of smaller food businesses
 - The willingness to harmonize and integrate legislation and inspection activities, while recognizing the need for flexibility in implementation
 - Program and product standards will need critical review
 - The changing roles of government, food businesses and consumers
 - Resource implications – capacities and training of staff
 - Ongoing consultation

System Integration

The paramount goal is to ensure the continued enhancement of MARD’s food safety system in order to effectively control current and emerging challenges. Priority should be placed on clarifying the necessary partnerships and lead responsibilities. Specifically, enhancements will include the following:

1. Standards

- (i) **Food Safety** – the goal is to have risk based food safety regulations that are nationally recognized, are reflective of international developments but will also allow the continued viability of small volume food businesses and respect the Vietnamese culture.
- (ii) **Food Establishments** – the various ministry process and structural standards will be reflective of international developments where practicable for the Viet Nam circumstance. Standards will reflect food safety outcomes or be performance based where practical. Commonality will extend to the manner and environment under which food is produced, processed and distributed.
- (iii) **Laboratories** – the goal is to further develop laboratory capacity for analysis of key food borne microbiological and chemical contaminants in accordance with standard methods (or equivalent) and is reflective of international developments.

- 2. **Inspection Methods** – food safety inspection systems will be based on assessment of risks throughout the food system. The goal is to develop more uniform procedures and practices in delivering inspection programs. Included in these inspection systems are education, inspection methodologies and frequencies, sampling, laboratory analyses, training programs, enforcement and reports.

3. **System Delivery** – the goal is to identify and rectify gaps in services through coordinated discussion and agreement on areas of highest risk. Costs and benefits will continually be evaluated as integration progresses to ensure optimal efficiency and effectiveness of government services and support for food businesses’ competitiveness.

Recommendations To The Minister

Endorsement of this agreement on the strategic principles for MARD’s mandate in Viet Nam’s food safety system is sought from the Minister including .

- a) A commitment to the need to manage MARD’s responsibilities for ensuring the safety of the food supply as a partnership that recognizes the legitimate needs of the respective departments, and other Viet Nam ministries to effectively carry out their mandate.
- b) The creation of a streamlined food safety enterprise that has as its primary goals the clarification of national, provincial, district and communal responsibilities, the elimination of duplication and gaps in services, and one which brings accountability to all levels of administration for their defined areas of responsibility.