### Conservation and development of local Hoa Vang sticky rice with Collective trademark as a common property of Kinh Mon district, Hai Duong province

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#### Presentation page

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#### Framework

Hoa vang sticky rice is a traditional variety in Vietnam but its area is declining due to the effect of hoa vang sticky rice production is not high. Is collective trademark “Kinh Mon hoa vang sticky rice” managed and exploited by local community a useful tool to enhance the income of hoa vang sticky rice farmers?

To write this ECADIM, the research group from CASRAD collected secondary data on the Internet, reports, statistic data, etc by the method of desk study. In addition, we also interviewed farmer households inside and outside of Association of hoa vang sticky rice production and trading in Kinh Mon province in order to evaluate the impact of collective trademark to them.

#### Summary

This paper presents the model of conservation and development of Hoa vang sticky rice in Kinh Mon district, Hai Duong province, Vietnam through the Association of producing and trading hoa vang sticky rice in Kinh Mon. This model is built based on the demand from producers who are representatives of the local community to register collective trademark of “Kinh Mon Hoa vang sticky rice” as a local special product and then to exploit the collective trademark effectively to bring benefits to the members in the community. This common property right should be considered as a common good. By doing this, producers will raise the awareness about conservation and development of traditional rice varieties in their farm because of high economic effectiveness of rice production and marketing through collective actions.

This is a successful model in Vietnam in terms of collective actions in
agricultural production activity. However, to achieve the success, it is necessary to have active participations of local community because the support of government is still limited in conservation and development of this traditional rice variety.

<table>
<thead>
<tr>
<th>Keywords</th>
<th>Hoa vang sticky rice, collective trademark, collective action, Association, Vietnam</th>
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| For further documentation | - One video: Association of hoa vang sticky rice production and trading in Kinh Mon  
- 3 pictures: Selling Kinh Mon hoa vang sticky rice with collective trademark to the market; Tasting Kinh Mon hoa vang sticky rice at Big C Ha Noi; Visiting Kinh Mon hoa vang sticky rice field |

I. Background

Rice is the main food crop in agricultural development of Vietnam which ensures food security and export of the country. Currently, total areas of rice-land (2012) is about 4.3 million hectares, accounting for 46% of agricultural land while crop areas in 2011 was about 7.66 million ha and average yield was 5.53 tons/ha, producing volume reached 42.31 million tons, exportation of rice was 7.1 million tons equivalent to 3.5$ billion USD (Tuong, 2013).

Vietnam is one of original centers for rice production, so rice biodiversity is very high (Dao The Tuan, 1984). Vietnam has many rice varieties that are divided into 3 main categories: Hybrid rice, pure rice and traditional rice. Traditional rice was produced before 19th century (Nguu, 2010). The traditional varieties are characterized by high quality, low yield, long-time growth and disease susceptibility. Therefore, after the Green Revolution many traditional varieties of Vietnam reduced production areas or have been replaced by high yield, short-time growth but low quality.

Vietnam’s policies are not strong enough to encourage conservation and development of traditional varieties, and traditional varieties are not protected by copyright law due to being common property. Property right protection is just applied for new varieties so it leads to the fact that the scientists, seed producers only focus on creating new varieties for business purposes but forgetting the traditional varieties.

Cultivated areas for Hoa vang sticky rice as well as for traditional varieties are gradually reduced. In 2009, crop area of Hoa vang sticky rice was 14.094 ha, accounted for 0.19% of overall paddy area (Khoi, 2009). Therefore, the question is: How to preserve and develop Hoa vang sticky rice effectively and steadily?
As we know, there are two forms of conservation: in situ and ex situ conservation methods. Ex situ conservation is preserved in cold storage for short, medium or long term. However, ex situ method will not exploit the natural value of paddy trees and “frozen” natural evolution (Hue, 2009). In contrast, in situ conservation has overcome these above limitations. It is conserving at the production area and therefore is based on community (Hai et al, 2010). This method can only succeed when genetic resources for conservation is used effectively. In other words, in situ is a method of conservation through producing (Hue, 2011). For Hoa vang sticky rice, we also determine that in situ conservation should be applied at households. Besides, it’s necessary to help farmers produce and exploit effectively on their fields, so they will have more motivations to keep producing local special products in the future.

The conservation of Hoa vang sticky rice at households is significant for farmer’s livelihood, biodiversity and local culture. This is the source of genetic, indispensable materials for production, crossbreeding and developing new varieties with objectives of high yield, improved quality, resistance to disease and adverse natural conditions. And conservation at households also helped producers to increase income, to maintain high quality products to meet the rising demand of consumers.

II. Introduction about Kinh Mon and Hoa vang sticky rice production

Kinh Mon district located in the eastern province of Hai Duong. It is near Quang Ninh province to the north, Hai Phong city to the east, Kim Thanh to the south, Chi Linh and Nam Sach to the west. This district has a tropical climate, with 4 seasons (spring, summer, autumn and winter). Annual average rain fall is about 1000 – 1700 mm. Average temperature is 23.0 degree Celsius; number of annual sunshine hour is 1524; average humidity is 85-87%. The weather condition is favorable for agricultural production including food crops and fruits. Natural area of Kinh Mon is 12962.4 ha, overall rice productivity is 10.85 tons/ha so that the quantity is 70.317 tons.(Anh DT, Jaenicke H & Nghiep PC, 2010)
Hoa vang sticky rice was a special product of Kinh Mon which planted for a long time. Nowadays, Hoa vang sticky rice is planted in most of communes in the district. The overall cultivated area is about 400ha/year and average productivity is 3.5 tons/ha.

Kinh Mon Hoa vang sticky rice has a outstanding quality compared to other sticky rices in some features: the uniform width of rice, low percentage of broken rice, high proportion of protein and some amino acids; quality of Kinh Mon Hoa vang sticky rice is ranked at the first among sticky rice varieties. When it is cooked, grain is white and dry, soft but not flabby, the taste is fragrant. Therefore, Hoa vang sticky rice is famous inside and outside province and known as a specialty of Kinh Mon. Economic potential of Hoa vang sticky rice is very high. In recent years, Hoa vang sticky paddy price has risen. Hoa vang sticky paddy price is 15.000 VND/kg, twice as high as other paddies (about 7.000-8.000 VND/kg), while Hoa vang sticky rice productivity is only about 60-70% of other varieties. Therefore, income of Hoa vang sticky rice producers is 7.000.000 -10.000.000 VND/ha higher than others (Anh DT, Jaenicke H & Nghiep PC, 2010). However, producing and trading of Hoa vang sticky rice in Kinh mon still remains some challenges:

+ Small-scale production which producers do not follow a common technical process given by the Association results to low and unstable quality and productivity. Hoa vang sticky rice cultivated area of Kinh Mon is 800m2/ household on average and the area of a lot is 400m2 per one. Therefore, it can be concluded that Hoa vang sticky rice scale of production is still small. This leads to some difficulties in producing and applying mechanization in production. In addition, cultivation depends on experience and economic conditions of each household. The quality of products is not interested because there is not a price difference. In order to solve this problem, Hoa vang sticky rice producers had a meeting and founded a farmer association, called the Association of Producing and Trading Kinh Mon Hoa vang sticky rice. This association includes producers who want to participate in and comply to common technical process in order to have same and stable quality products.
Hoa vang sticky rice variety has been degraded. Up to 94% Hoa vang sticky rice producers assume that this variety has been degraded. Because of mechanization, naturally breeding, bad producing conditions and accumulation of plant pathology in cultivating process, Hoa vang sticky rice has lost particular characteristics such as reduction of fragrance, mixing rice with red color, smaller size of paddy, lower productivity, difference in flowering-time, seriously impact by pest, diseases…

The operation of quality management system of Hoa vang sticky rice is ineffective. Quality of products in the market is not controlled. One of the reason is that there are a lot intermediary traders mixing other low quality sticky rice to increase profitability and reduce costs. Mix ratio varies depending on specific market channels. Long channels (4-5 traders) usually have a mix ratio up to 50%, while short channels have 30% or lower.

There is not any trademarks for Hoa vang sticky rice. This product is very famous in the market and appreciated as high quality rice by 95% of consumers in Ha Noi. However, there is not any controls in terms of producing, processing and marketing so that it is difficult for consumers to Hoa Vang sticky rice having best quality. Therefore, it's necessary to establish a local organization to build and develop a trademark for Kinh Mon Hoa vang sticky rice.

III. How to conserve and develop successfully Kinh Mon Hoa vang sticky rice variety in household?

As mentioned above, for conservation and development Hoa vang sticky rice in the conditions of household, producers must exploit effectively Hoa vang sticky rice variety so that they have more motivations in promote conservation in local community. If producers do not benefit from Hoa vang sticky rice, this variety will gradually reduce in production.

Because of this hypothesis, CASRAD supported producers in Kinh Mon to exploit effectively Hoa vang sticky rice through registering and exploiting collective trademark “Kinh Mon Hoa vang sticky rice”. This common property presents its location, contributes to increase price and especially differentiates from other low quality products in the market.

3.1 Regenerating variety of Hoa vang sticky rice degraded

The first thing to do to conserve Hoa vang sticky rice is regenerate this variety with better quality. The restoring process was conducted in Kinh Mon district, Hai Duong province to ensure the best conditions for the growth and development of the variety and is in accordance with regulation of Ministry of Agriculture and Rural development, particularly. In 2006, from the source of local Kinh Mon Hoa vang sticky rice, we planted a restoring material garden and selected 150 distinguished samples (150 best plants). The second stage was conducted in 2007, these 150 samples were cultivated to evaluate first selected generation and select 8 super best quality
samples and in 2008. We did the same process to eliminate 3 and kept 5 samples in 2009. Seeds from these 5 super generations were mixed to create ultra-pure variety (150 kg ultra pure seed).

3.2 Seed production of Hoa vang sticky rice for local community

Up to now, seed companies and researching institutions have not restored and breed more Hoa vang sticky rice variety due to several reasons such as long-time growth, low productivity and pest risks, so that breeding is ineffective. Because of small cultivated area, seed production is difficult to sell or only sell at small amount. Furthermore, this variety is a specialty, as a result, it is associated with a certain geographical area. Therefore, it will be affected in seed quality and rice quality if seed production activities are carried out outside of this area.

Hoa vang sticky rice producers usually select seeds by themselves (100% of households) and this leads to the differences in seed quality among households (because they select by experience and each household has a different criteria). Therefore, the quality of Kinh Mon Hoa vang sticky rice is not uniform, stable leading to high producing cost. To solve this problem, local community had a meeting and agreed to appoint those who have land, labor, technique and enthusiastic in order to produce specialized seeds to supply to community, so that, the quality of local sticky rice had been stable and improved. 6 households in 3 different communes were selected to produce seeds. The amount of seed produced was sold at the price of 1.5 times higher than normal Hoa Vang sticky rice at the same time or producers can exchange seeds and normal sticky rice 1.5 by 1 ( 1.5 kg normal paddy of Hoa vang = 1kg seeds of Hoa Vang). The fixed price will ensure benefit for breeding households as well as commercial rice producers.

3.3 Building a farmer organization representing for local communities in the registration, management and exploitation of collective trademark “Kinh Mon Hoa vang sticky rice”

The Association of producing and trading Kinh Mon Hoa vang sticky rice was established on voluntary rules. Participating members must comply with the regulation of the association and technical process to ensure the quality of sticky rice produced. Every year, the association admits new members who are willing to join in and to comply rules of the Association to increase beneficiaries with the community. Consequently, in 2009, 304 members from 3 communes in Kinh Mon were admitted to the Association. In 2012, the number of members were 376. The Association is responsible for registering collective trademark “Kinh Mon Hoa vang sticky rice” on behalf of Nep cai Hoa vang sticky rice producers and traders; then, managing and exploiting the value of collective trademark to raise households’ income. This is motivations to conserve and develop sticky rice in a sustainable and effective way.

The process of establishing the Association of producing and trading Kinh Mon Hoa vang sticky rice:
This association was formally established under Decision No.3651/QD-UBND of Hai Duong People's committee on October 14th, 2008. And establishing process is according to Decree No. 88/2003/ND-CP July, 30th, 2003 of Government, as follow:

Association establishing steps:

**Step 1**: Establish a lobby board including enthusiastic members who devoted to conservation and development of local sticky rice. This board includes 5 persons elected by local community.

**Step 2**: Determine the form of farmer organizations representing for local communities. The lobby board held meetings with local communities to consult on selecting the form of farmer organizations. As a result, the majority of members selected the model of a farmer association instead of a cooperative, farmer groups…

**Step 3**: Organize a meeting with members to discuss about the development of the Association: the content focused on discussing the forms and mechanisms of the Associations.

**Step 4**: The lobby board drafted regulations and action plans of the Association.

**Step 5**: Organize a meeting for members to discuss and reach agreement on the regulation and action plans of the Association.

**Step 6**: The lobby board completed profiles, administrative procedures for establishing the Association in accordance with Decree 88-CP and submitted to the Department of Home affairs (Hai Duong province) for approval.

**Step 7**: Organize the first congress of the Association of producing and trading Kinh Mon Hoa vang sticky rice to elect the leading and supervising boards. After the People's Committee of Hai Duong province had agreed the establishment of the Association in December 13, 2008, the first congress was held and the local community elected the leading board (five people) and supervising board (3 people).

The association was initially established with 131 members located in three communes of Kinh Mon District, including An Phu, Pham Menh, Long Xuyen. The organization of the Association including the leading board, supervising board and professional groups such as the production group of commercial rice, the breeding group which is responsible for producing Hoa Vang seeds, commercial group which is responsible for looking for partners trading Hoa Vang sticky rice and the accounting-finance group (figure 2).
The main functions of the Association:

+ Representing local communities of Kinh Mon in registering as a collective trademark owner "Kinh Mon Hoa vang sticky rice" for all sticky rice produced in Kinh Mon district, Hai Duong province.

+ Building a set of standard for Kinh Mon Hoa vang sticky rice, which is the base for members to follow technical process in cultivating and processing in order to meet the requirements of the quality standard. This document is based on the approval of the local community through workshops so that everyone can contribute to. Households who do not meet the standard for sticky rice quality will not be labeled for their products.

+ Producing and supplying the seeds of sticky rice to the local community: the Association with the breeding group of 6 households, is responsible for seed production to
supply to local communities. Producers can buy seeds from the Association at reasonable prices but with good and guaranteed quality of seeds. Therefore, the productivity and quality of rice will be improved in the whole community so that the cultivating area of rice will increase and the conservation and development of this kind of rice is implemented by producers themselves in their field.

The Association manages the quality of sticky rice seeds and concentrates on supplying to the community: To ensure seed quality and prestige to the buyers, the breeding group was established and the Association is responsible for managing seed production activities and selling sticky rice seeds. Sticky rice ultra-pure seeds are given to 6 households to produce Hoa vang seeds. During the breeding process, the Association will regularly check the quality of the seed field, the qualified field will be collected in the association's warehouse and the seed will be sold at a fixed price to the community by the Association.

+ Developing the value of collective trademark "Kinh Mon Hoa vang sticky rice” through marketing activities to increase income for producers.

3.4 . Registration of the collective trademark “Kinh Mon Hoa vang sticky rice” as a common property of Kinh Mon local community

* The definition of collective trademark: According to Clause 17, Article 4, the Law of Intellectual Property of Vietnam, collective trademark is a label used to distinguish goods or services of a organization's members who are owners of the goods or services from whom are not the members of that organization.

* The Association of producing and trading Kinh Mon Hoa vang sticky registered "Hoa vang sticky rice Kinh Mon” as a common property of the community.

The local authority has agreed that the Association, on behalf of the community, will register the collective trademark "Kinh Mon Hoa Vang sticky rice " and will be the owner of that trademark.

+ The Association is the owner of the collective trademark "Kinh Mon Hoa Vang sticky rice" so its members can use the collective trademark to promote their products . The Association established a set of quality standards for products to label with collective trademark and members can use the label for their business as long as their products meet those standards. These standards are based on the approval of whole community.

+ The collective trademark "Kinh Mon Hoa Vang sticky rice" is a very efficient tool to promote products of the community and to build the trust from consumers because the labeled products ensured to meet quality standards given by the Association. Therefore, the Association is responsible for supervising to ensure labeled products having highest quality.
The collective trademark "Kinh Mon Hoa Vang sticky rice" is used as a marketing tool for cooperation between the growers to produce high-quality products. Thus, it brings benefits for all members of the association and for the community as a whole.

The registration process of "Kinh Mon Hoa vang sticky rice":

**Step 1:** The Association prepared documents for the protective registration process of "Kinh Mon Hoa vang sticky rice" in accordance with the Intellectual Properties laws, including registration declaration, registration form, management and usage regulations; the description specific characteristics of the product protected; List members using the collective trademark; approval of the association establishment from provincial People Committee. These documents were consulted with the community through meetings to obtain approval.

**Step 2:** Applying for collective trademark protection of "Kinh Mon Hoa vang sticky rice" to the Department of Intellectual Property on October 15th, 2010. On December 27th, 2010, the Department of Intellectual Property has also approved application of the Association.

**Step 3:** On August 2nd, 2011, the Department of Intellectual Property has decided to sign the certification No 24917/QD-SHTT to issue trademark registration No.168 850 for the Association of producing and trading Kinh Mon Hoa Vang sticky rice. Since this day, the Association officially became the owner of the collective trademark "Kinh Mon Hoa Vang sticky rice" and had rights to manage and exploit that trademark to bring benefits to the local community.

3.5. Management and exploitation of "Kinh Mon Hoa vang sticky rice" through commercial activities

- Conducting market research to determine the demands, tastes and potential markets for the products. Consequently, the annual sticky rice sale is 47 kg per household per year and consumers are willing to pay 25 percentage higher price for high quality rice packed in 2kg-bags and labeled with the collective trademark.
- Organizing central rice processing to meet market’s demand is an initiative of the community. All products marketed by the Association were centrally processed in the processing area of the Association and were packed in 2 kg-plastic bags. The collective trademark is labeled on the bags to distinguish from other similar products in the market and to avoid fake products. The central processing also helps to ensure the management and quality control of the Association.
- The product quality management system comprises 2 systems:
  * Inspecting product quality internally: It is the quality management system inside the Association, in which members inspect their products to each other to ensure quality of the product before selling to the market.
To produce high quality Kinh Mon Hoa vang sticky rice with safety and hygiene standards, products have been tested through many stages, from the production in the field to the milling and packing process. Each of stage has different inspecting tools.

* Inspecting quality externally: this is implemented by individuals or groups outside the Association. The National Center for Investigating and Inspecting seeds, crops and fertilizers (NCII) supports the Association to assess seeds quality in the field based on the criterion such as the proportion of truth, purity and uniformity of seeds and also to analyze quality criteria in lab such as the purity, viability and germination of seeds. In addition, the traded products are sent to analyze quality, hygiene and food safety in Hai Duong Department of Health. After these steps, if the product meets regulations of the health and hygienic food, it will be packaged in the bag before selling to the market.

In addition, regarding disputation and commercial fraud, all stakeholders including traders and consumers can contact directly to the Association based on the information printed on packages. There are specified address and phone number of the Association on the bag, so, consumers can ask any questions about the quality.

- Promoting, introducing products on posters, leaflets, documentaries.
- Introducing products to the partners through fairs, customer conferences, offers to rice stores.
- At the moment, the amount of Kinh Mon Hoa vang sticky rice sold by the Association is packed 2kg per plastic bag and labeled collective trademark. The price is 30.000VND per kg, 25% higher than that of normal Hoa vang sticky rice sold in markets.

Therefore, through the establishment and activities of the Association, Hoa Vang sticky rice in Kinh Mon is labeled with collective trademark to help consumers to choose the best quality product and to increase the income for producers by selling higher prices. As a result, the motivations for conservation and development of Hoa Vang sticky rice at the local community are created. It would be difficult to conserve and sustainably develop natural resources by only government policies without positive participation and initiatives from local community.

IV. The achievements from the conservation and management of Hoa vang sticky rice by exploiting the collective trademark

4.1. Raising community awareness

Improve knowledge about producing techniques of Hoa vang sticky rice: We organize training workshops on technical processes of Hoa vang sticky rice. In addition, members in the community who wish to have collective trademark labeled on their products to sell at high prices have to comply with the technical process to produce high quality products in accordance with the Association’s regulations (or community).

Improve knowledge about economic cooperation. In the context of small-scale production, it need to cooperate to improve productivity, product quality and cost so that to increase production efficiency. The Association a model to raise awareness about the collaboration for a common purpose, for the purpose of the best managing and exploiting common property, community property, which is Hoa vang sticky rice.

4.2 Increasing productivity and efficiency of Hoa vang sticky rice production in community

Before our support for conservation and development of Kinh Mon Hoa vang sticky rice in 2006, the average income of Hoa vang sticky rice production is 2.432 million VND/ year/ household and in 2012 the average income increased to 6.734 million VND/ year/household. The added incomes resulted from: The cultivated area of Hoa vang sticky rice increased from 0.08 ha to 0.13 ha per household (economic efficiency of scale), the yield increased from 3.2 tons/ha to 3.7 tons/ha and trading price increased from 9.500 VND/kg to 14.000 VND/kg.

Comparing the economic efficiency of Hoa vang sticky rice production in Kinh Mon district, Hai Duong province with Dong Trieu district, Quang Ninh province where there are similarities in terms of climate and land conditions, the economic efficiency of 1ha in Kinh Mon is 33.130 million/ha, 10.196 million higher than in Dong Trieu. The economic efficiency of Hoa vang
sticky rice for producers in Kinh Mon is high because they used good variety sources, so the productivity is higher, pesticide costs are lower, costs are reduced and trading price is 500 VND/kg higher than these in Dong Trieu.

Table 1: The economic efficiency of conservation and development of Hoa vang sticky rice for producers in Kinh Mon

<table>
<thead>
<tr>
<th>Items</th>
<th>Hoa vang sticky rice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
</tr>
<tr>
<td>Total revenue/household (vnd)</td>
<td>2 432 000</td>
</tr>
<tr>
<td>Production area/ household (ha)</td>
<td>0,08</td>
</tr>
<tr>
<td>The productivity (tons/ha)</td>
<td>3,2</td>
</tr>
<tr>
<td>Quantity harvested/household (kg)</td>
<td>256</td>
</tr>
</tbody>
</table>

Table 2: Comparing the economic efficiency of Hoa vang sticky rice producers between Kinh Mon district and Dong Trieu district in 2012

<table>
<thead>
<tr>
<th>Items</th>
<th>Kinh Mon district</th>
<th>Dong Trieu district</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenditure (1.000VND/ha)</td>
<td>18.670</td>
<td>20.266</td>
</tr>
<tr>
<td>Seed</td>
<td>830</td>
<td>950</td>
</tr>
<tr>
<td>Fertilizer</td>
<td>9,194</td>
<td>9,798</td>
</tr>
<tr>
<td>Pesticide</td>
<td>3,272</td>
<td>3,844</td>
</tr>
<tr>
<td>Others</td>
<td>5,374</td>
<td>5,674</td>
</tr>
<tr>
<td>Total revenue (1.000VND/ha)</td>
<td>51.800</td>
<td>43.200</td>
</tr>
<tr>
<td>Profit (VND/ha)</td>
<td>33.130</td>
<td>22.934</td>
</tr>
</tbody>
</table>

The model of Hoa vang sticky rice conservation and development is now widespread in Vietnam to other products and to other local communities, such as the model of conservation and production of Hai Hau fragrant rice, Thanh Ha Thieu litchi, Dai Hoang King banana… The sticky rice of Kinh mon now is in the negotiation process for exportation to Germany and EU market. This common good contribute importantly to the local economic development and poverty reduction.

V. Conclusion
It should be based on inventions and collective activities in the community to conserve and develop traditional Hoa vang sticky rice as a common good. The more dynamic the community is, the more successful conservations and natural resources development activities such as Hoa vang sticky rice are. The marketing of local varieties was important method for raising of common good in this case (Thomas & Anh, 2013). The government and other organizations would probably have difficulties in conserving and developing those resources by their own without the community participation. But the support of policy is crucial for the common good development in this case of Kinh mon sticky rice.
References

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