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A REVIEW OF ONE VILLAGE ONE PRODUCT (OVOP) - RURAL DEVELOPMENT STRATEGY
AND THE EARLY ADAPTION IN VIETNAM, THE CASE OF QUANG NINH PROVINCE

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1. Introduction

- ▶ Challenges for rural development: labor immigration, access to credit, market, social inequality
- ▶ many rural development policies have been issued by the Vietnamese Government, due to "exogenous" projects namely new varieties, new techniques, and new loans to produce
- ▶ chorus "high yield, low price - high price, low yield"
- ▶ "endogenous development" point of view shows that Vietnam has also many comparative advantages, especially in rural areas
- ▶ each municipality has each localities, such as traditional plants, animals or the transmitted techniques from generations of traditional production

2. Literature review

2.1. The One Village One Product (OVOP) concept

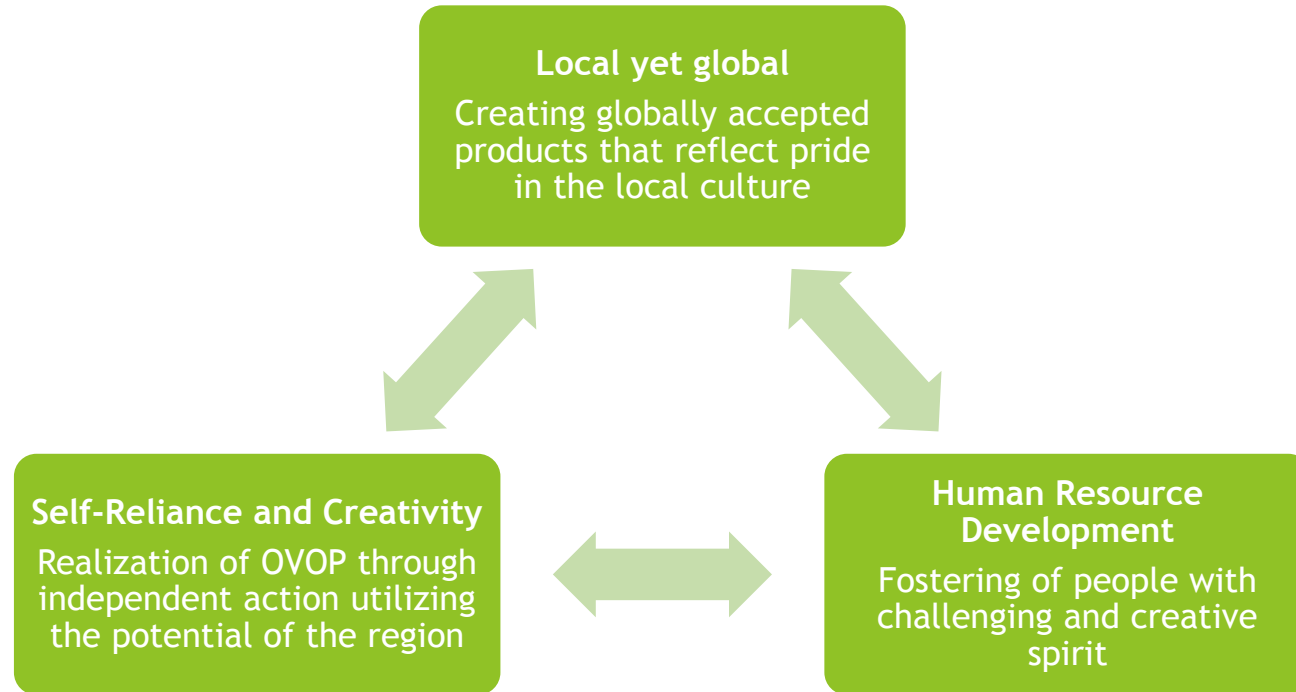
- ▶ Initially started in Oita Prefecture, Japan, in 1979
- ▶ One village to product one competitive and marketable product with regards to their local resources
- ▶ Achieve sales revenue in the market, thus creating income for the residents in the villages and enhancing the local economy
- ▶ 143 goods with total values of \$330 million in 1980 to 336 products with total values of \$1,300 million in 2001
- ▶ Bridging the gap between urban and rural areas in developing countries through community-based development
- ▶ Recently, the OVOP approach has been implemented in many Asian countries and further developing nations, including Africa and Latin America as alternative economic development path

2. Literature review

- ▶ 2.2. Theoretical basis for OVOP concept
- ▶ Targets at motivating rural development across community-based movements by utilizing indigenous resources and knowledge
- ▶ This strategy could be observed as being “endogenous”, instead of “exogenous” scheme
- ▶ While exogenous approach emphasizes on the function of central government and foreign companies, investment, thoughts and new knowledge to transform the resident economy, endogenous movement takes into account the responsibility and ability of local businesses and residents together with their control at the regional level
- ▶ Endogenous development denotes a progress of local social mobilization
- ▶ Where there is local control over the development process
- ▶ Where the development options are regionally decided
- ▶ The welfares of growth are retained within a region

2. Literature review

2.3. Three principles for OVOP approach



2. Literature review

2.3. Three principles for OVOP approach

- ❖ **Local yet global:**
 - ✓ Creating globally accepted products that reflect pride in the local culture'
- ❖ **Self-Reliance and Creativity:**
 - ✓ This principle emphasizes independence of local actors and the attitude of government for it
 - ✓ Local initiative, decision making, and risk-taking are keys of OVOP
 - ✓ Government only provides supplementary support such as technical assistance and marketing
- ❖ **Human Resource Development:**
 - ✓ Fundamental element of the initial OVOP idea
 - ✓ Local residents are expected to have a capability for alleviating poverty issues by themselves
 - ✓ Community leaders are expected to play a role to draw out the vitality of the localities and to facilitate their self-reliance

2. Literature review

2.4. The OVOP movement in Asian context

Nations	OVOP movement
China	One Hamlet, One Product Movement (Shanghai)
	One Town, One Product Movement (Shanghai)
	One Region, One Vista Movement (Shanghai)
	One Village, One Treasure Movement (Wuhan)
	One Community, One Product Movement (Jiangsu Province)
	One Product Movement (Jiangsu Province)
	One Village, One Product Movement (Shaanxi Province)
	One Village, One Product Movement (Jianxi Province)
Philippines	One Barangay, One Product Movement
	One Region, One Vision Movement
Malaysia	Satu Kampung, Satu Produk Movement
Indonesia	Back to Village (East Java)
Thailand	One Tambon, One Product Movement
Cambodia	One Village, One Product Movement
Laos	Neuang Muang, Neuang Phalittaphan Movement
Mongolia	Neg Baag, Neg Shildeg Buteegdekhun

3. The early adaption of OVOP in Vietnam, the case of Quang Ninh province

3.1. Context of adaption

- ❖ Since 2000, scientists and policy makers in Vietnam have been making efforts on applying the OVOP concept, especially in agriculture context
- ❖ "One Village One Profession" with the highlight on craft villages in Vietnam, namely Thua Thien Hue, Binh Dinh, Ho Chi Minh City, Vinh Long,...
- ❖ However, the results have not been as the expectation for a number of reasons.
 - Firstly, the limitation on understanding the OVOP approach: basic theory and principles of OVOP, implementation and application OVOP by lessons learnt in different countries
 - Secondly, the inadequate knowledge of the current realities has also been a concern

3.2. The One Commune One Product (OCOP) strategy in Quang Ninh province

- ❖ In 22/10/2013, Quang Ninh, the first province in Vietnam decided to approve the program of “Quang Ninh province - One Commune One Product (OCOP)” period of 2013 - 2016
- ❖ **Objectives and principles of the OCOP program**
- ❖ The OCOP program aims to developing the forms of organization and production of traditional and comparative products in communes, wards and townships, which contribute to the restructure Quang Ninh economy towards the endogenous development concept and increasing added value.

❖ Principles

➤ *Local Action - Towards Global*

- ▶ This principle encourages people to recognize and take advantages of available locally resources. Thus, municipalities could develop products that have the ability to access to global markets by increasing added value for these products to meet standards for the international demand.

➤ *Self-Reliance, Self-Confidence and Creativity*

- ▶ In order to compete in the global market, local residents need to continually develop their own unique values by the spirit of self-reliance, self-confidence and creativity.

➤ *Human resources development*

- ▶ Thanks to the OCOP program, community leaders, heads of economic organizations (enterprise directors, co-operatives, and co-operative groups), qualified human resources as well as networks are created and developed in a sustainable way.

4. Results and discussion

4.1. Administration

- ▶ The OCOP Quang Ninh Program Management Unit (Steering Board at all levels) from provincial to district level has been established
- ▶ Provincial OcoP Steering Committee: chaired by Standing Vice Chairman of the Provincial People's Committee and 19 members are leaders of departments
- ▶ Established four committees to assist the Board of Management, including: Product Development; Promotion; Training - Communication; Administrative - General to implement the tasks according to the objectives of the scheme

Organizational system of the OCOP program



4.2. Take initiative in studying, promulgating and guiding the implementation of the OCOP Program Management Tool in line with local production practices

- Built the intellectual property trademark identification mark for OCOP Quang Ninh
- Issue the OCOP Annual OCOP Cycle and OCOP Implementation Guideline, in line with the proposed bottom-up approach
- Issue the evaluation and classification of OCOP products

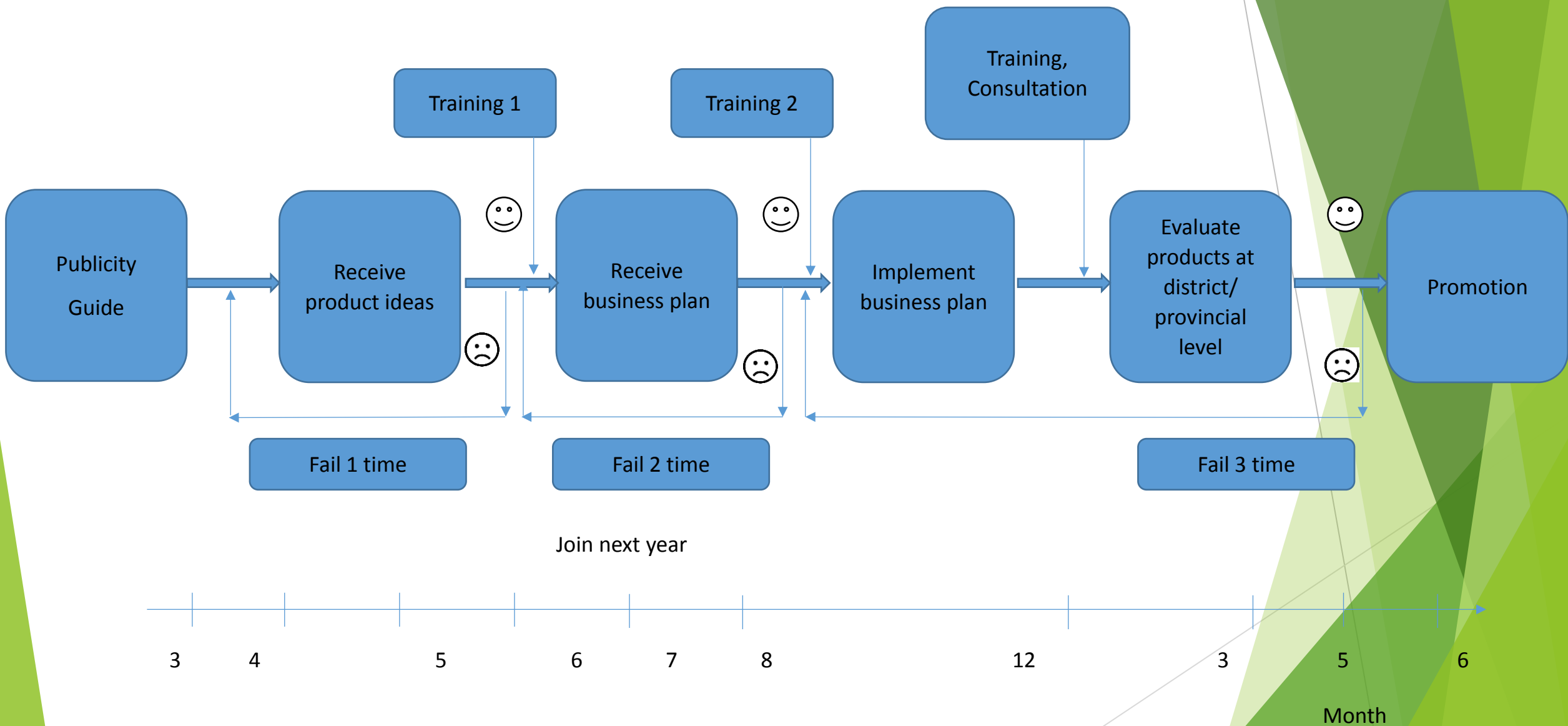


Figure 4. The annual OCOP implementation in Quang Ninh

4.3. Economic organizations

- (small and medium enterprises, cooperatives, cooperative groups, groups of production households) have rapidly developed in size and quantity in the direction of raising the value of their products and developing production according to the value chain.
- The OCOP sales reached over 672 billion VND.
- Job creation increased by over 2,000 workers.
- Additionally, the OCOP program has introduced 180 new economic organizations (94 households, 36 cooperatives, 32 enterprises, 11 group production, and 7 associate production).
- More than 210 products were registered to participate in the OCOP program. These products were granted with the OCOP brands, of which 99 products met standards from 3 to 5 stars.

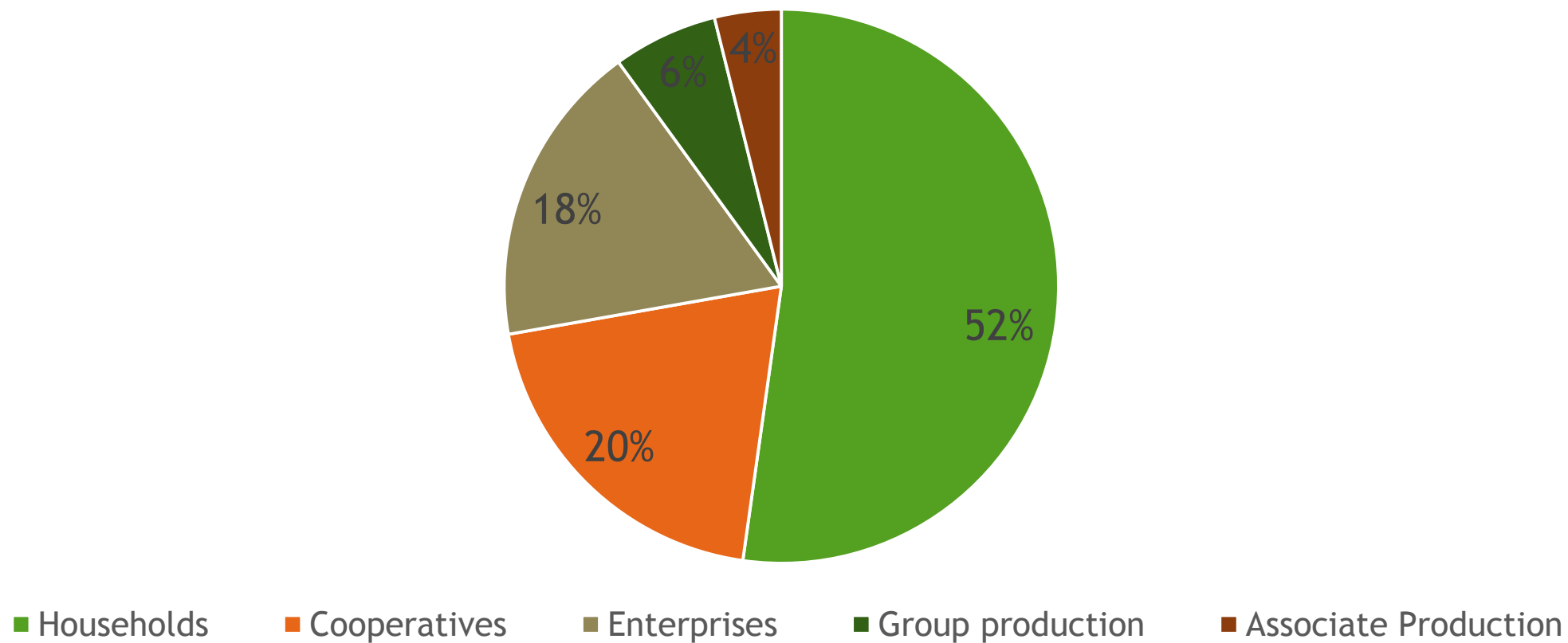


Figure 3. Type of producers under OCOP program in Quang Ninh (2013-2016)

OCOP Products 2014-2016

