HOW DO THE COOPERATIVES SUPPORT THEIR MEMBERS IN MANAGING AQUACULTURE RISKS? THE CASE STUDY IN THE NORTHERN COASTAL PROVINCES OF VIET NAM

NGO Thi Thu Hang, MAI Lan Phuong, TRAN Huu Cuong, Philippe LEBAILLY

Discussant: Chieko Umetsu, Le Canh Bich Tho
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Overall

The use of the propensity score matching (PSM) in estimating the impact of cooperatives on risk management of aquaculture production contributes to better understanding the current situation of the issue in the Northern Viet Nam. The results are particularly valuable given the evidence on the subject and will mark a step towards designing better support programs for aquaculture cooperatives and their members.
Specific Comments

1. The Introduction part needs more relevant statistics on risks of aquaculture in Viet Nam. Also, please provide more literature to support PSM approach and why this method is used in this study.

2. Why were these locations of the Northern region chosen as the study site? Please explain more about the importance of aquaculture production in these provinces.

3. Literature on aquaculture cooperatives in Viet Nam or other countries would be meaningful.
Specific Comments

4. Methodology: please provide more details of the PSM method (equations of probit model and ATT calculation). It would be nice if you can provide information of previous studies measuring impacts of cooperatives using PSM.

5. Data collection: please explain why you used these variables for the probit model. In Table 1, please separate the independent variables of probit model and the risk outcomes.

6. Results and discussion:
   ◦ Page 7 – paragraph 2: please provide more statistical figures of “difficult consumption of seafood” and “Covid-19 has disrupted the value chain”.
   ◦ Page 7 – paragraph 3: you wrote that “average losses caused by market risk of cooperatives’ members are higher than that of non-members”. However, in Table 3, the market risks of members was 38.13 mil VND and non-members was 86.89 mil VND, respectively. Please explain this information.
Specific Comments

6. Results and discussion (cont.):

- Page 8 – paragraph 2: please explain about the impact of propaganda program and how it contributes to the decision of farmers to join in cooperatives.
- Page 8 – paragraph 2: after the probit model to generate the propensity scores, please present the common support of the two groups of farmers.
- Page 9, 10 and 11: could it be possible to move the explanation of risks (production risk, financial risk, market risk) into the methodology section? Also, please explain the main findings of your study, not by mentioning the previous studies in the Discussion section.
7. Results and discussion (cont.):

- Please provide the information of bias correction after matching, if possible.
- PSM is based on the conditional independence assumption (CIA). There might be some unobservable confounders that could control the decision of farmers to join in cooperatives. How could you deal with this? Please provide more details on this issue.
- What are some policy implication towards sustainable development of aquaculture in the Northern coastal region in Viet Nam?
Thank you very much!