

TRÁCH NHIỆM XÃ HỘI CỦA CÁC DOANH NGHIỆP CHĂN NUÔI TẠI VIỆT NAM

Mai Thị Phụng¹, Trần Trọng Hải²
Đỗ Anh Tài³

Tóm tắt

Trách nhiệm xã hội là một vấn đề đang được quan tâm tại Việt Nam, đặc biệt là trong ngành chăn nuôi. Tuy nhiên, việc thực hiện trách nhiệm xã hội của các doanh nghiệp trong ngành chăn nuôi ở Việt Nam hiện nay chỉ tập trung vào hai lĩnh vực: (1) Bảo hiểm xã hội; (2) bảo hiểm y tế cho người lao động. Chính vì vậy nghiên cứu này đã đi sâu phân tích thực trạng để từ đó tìm ra những hạn chế của thực hiện trách nhiệm xã hội trong các doanh nghiệp chăn nuôi. Nghiên cứu đã đưa ra tổng quan những tài liệu liên quan đến nghiên cứu và phương pháp nghiên cứu để làm sáng tỏ tổng quan về ngành chăn nuôi và vấn đề về trách nhiệm xã hội của doanh nghiệp trong ngành chăn nuôi. Bằng phương pháp thông tin tổng hợp và phân tích dữ liệu từ năm 2010 đến 2018, nghiên cứu đã mô tả được thực trạng về ngành chăn nuôi và chỉ ra 5 khó khăn khi thực hiện CSR. Từ đó nghiên cứu đưa ra các kiến nghị và đề xuất các giải pháp nâng cao hiệu quả trách nhiệm xã hội cho ngành chăn nuôi.

Từ khóa: Trách nhiệm xã hội của doanh nghiệp, CSR, Bảo hiểm xã hội, Bảo hiểm y tế, Doanh nghiệp chăn nuôi.

CORPORATE SOCIAL RESPONSIBILITY OF LIVESTOCK ENTERPRISES IN VIETNAM

Abstract

Social responsibility is an issue which has great interest in Vietnam, especially in the livestock sector. However, the implementation of social responsibility of enterprises in the livestock sector in Vietnam only focuses on two areas: (1) Social insurance for workers; (2) health insurance for workers. Therefore, this research analyzed the situation to find out the limitations of implementing social responsibilities in livestock enterprises. The research provided an overview of the related literature and research methods to shed light on the livestock industry and corporate social responsibility in the livestock sector. By the method of information synthesis and data analysis from 2010 to 2018, the research described the situation of the livestock industry and showed 5 difficulties in implementing corporate social responsibility (CSR). This research has made recommendations and suggestions solutions to improve efficiency of corporate social responsibility for the livestock industry.

Keywords: Corporate social responsibility, CSR, social insurance, Health insurance Livestock enterprises.

JEL classification: H32; J54; J83

1. Introduction

Livestock plays an important role in Vietnam, a nation with a high reliance on agriculture. Vietnam's GDP was VND 5,535.3 trillion (\$ 240.6 billion) in 2018. The period 2011-2018 shows the livestock sector had high growth rate from 4.5% to 5.3% per year. In 2018, the total livestock production value of the whole country was VND 210.35 trillion. The livestock sector creates jobs and income for 6 million to 7 million households, 43% of rural households. In the context of strong economic development today, the issue of CSR is the survival of the business. Activities of livestock enterprises directly affect the community. Some limitations

on CSR of livestock enterprises are: Awareness of livestock enterprises' CSR is not sufficient; Some livestock enterprises avoid CSR because CSR is a cost; Livestock businesses equate CSR to charity; Enterprises implement CSR passively and do not consider CSR as their strategy; Violations in CSR implementation with workers and the environment are still occurring in Viet Nam. There are still some limitations on CSR research of livestock enterprises in Vietnam such as it has not systematized the status of the livestock industry in Vietnam. The CSR limitations in Vietnam livestock companies have not been fully assessed. There has not been a comprehensive solutions system to improve the

CSR effectiveness of livestock companies in Vietnam. Therefore, CSR is a business mission to develop sustainable agriculture. For the above reasons, we conduct research on the subject: Corporate Social Responsibility of livestock enterprises in Vietnam.

2. Literature reviews

Corporate social responsibility (CSR) is understood as the behavior and activity of businesses beyond the requirements of law, economic benefits and science and technology. There have been some domestic studies on CSR such as Dang Thi Hoa, Giap Thi Huyen Trang (2016), Corporate Social Responsibility: case study at the company in Long Ha, Bac Giang. The Vietnam governments's goal to 2020 is for Viet Nam to become a modern industrial country. In 2020, the average growth rate of gross domestic product (GDP) is expected to reach 7 - 8% / year. With the development of society, businesses in general, and enterprises in the livestock industry in particular, need to improve CSR.

In the world, there have been many research studies on CSR which affirmed the role of enterprises in the implementation of social responsibility having a direct impact on the process of social responsibility. Caitlin C. Corrigan (2015) has basically analyzed the situation of CSR in Southern Africa between 2009 and 2012. The author has based on the situation of Southern Africa businesses and the reality of implementing CSR to improving solutions to improve CSR in Southern Africa. Finance Magazine (2018) pointed out the outstanding issues of CSR in the livestock sector include:

- Responsible for workers
- Responsible for markets and consumers
- Responsibility to protect the environment

Ethical, humanitarian and charity responsibilities

CSR follows a pyramid scheme that includes the wages law; social insurance regulations; health insurance regulations; environmental protection charges.

However, research on CSR of livestock enterprises in Vietnam in the current context is

new research. This research also proposes solutions to improve the effectiveness of social responsibility for livestock enterprises in Vietnam.

To the best of our knowledge, there is no systematic research, clarifying the theoretical basis for social responsibility of livestock businesses associated with specific characteristics in Vietnam. Further, there has been no research providing a comprehensive system of solutions to improve the social responsibility of livestock enterprises in Vietnam in general.

3. Research Methods

The research model is expected to be pyramid-shaped. The Pyramid base is the legal regulation on CSR, it is as high as other CSR of livestock enterprises within society. The hypothesis is that a livestock business ensures which optimal level of CSR will meet these conditions? Measurement methods include expert reviews, single and multi-issue indicators, and managers' surveys. CSR approach: reputation index or database, a problem index and multiple issues, analyze the content of the company's publications. The CSR scale is described at the individual level and at the organizational level.

Collect information methods:

Collect secondary information and Primary information gathering.

Investigation methods:

Participatory assessment (PRA). In-depth interviews follow the form to collect information related to the topic. Group discussion and investigation.

3.2. Methods of data analysis

Descriptive statistics method and comparative statistical method.

4. Results and conclusions

4.1. Overview of Vietnam's livestock sector

The livestock sector of Vietnam can be illustrated by figures by graph of the change in the number of some livestock from 2010 to 2018 and graph of changes in the number of poultry from 2010 to 2018.

Table 1: Changes in population of some livestock herds from 2010 to 2018

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Pig	27373.1	27056	26493.9	26261.4	26761.6	27751	28312	27406.7	28152
Buffalo	2913.4	2412	2627.8	2559.5	2511.9	2524	2519	2491.7	2425.1
Cattle	5787.7	5293.9	5027.2	4970.3	5234	5367	5497	5654.9	5668

Unit: Thousand heads, Source: Vietnam Statistical Yearbook

According to figure 1, the number of pigs raised in Vietnam has increased from 27373.1 (thousand heads) in 2010 to 28152 (thousand

heads) in 2018. The corresponding increase is 102.85%.

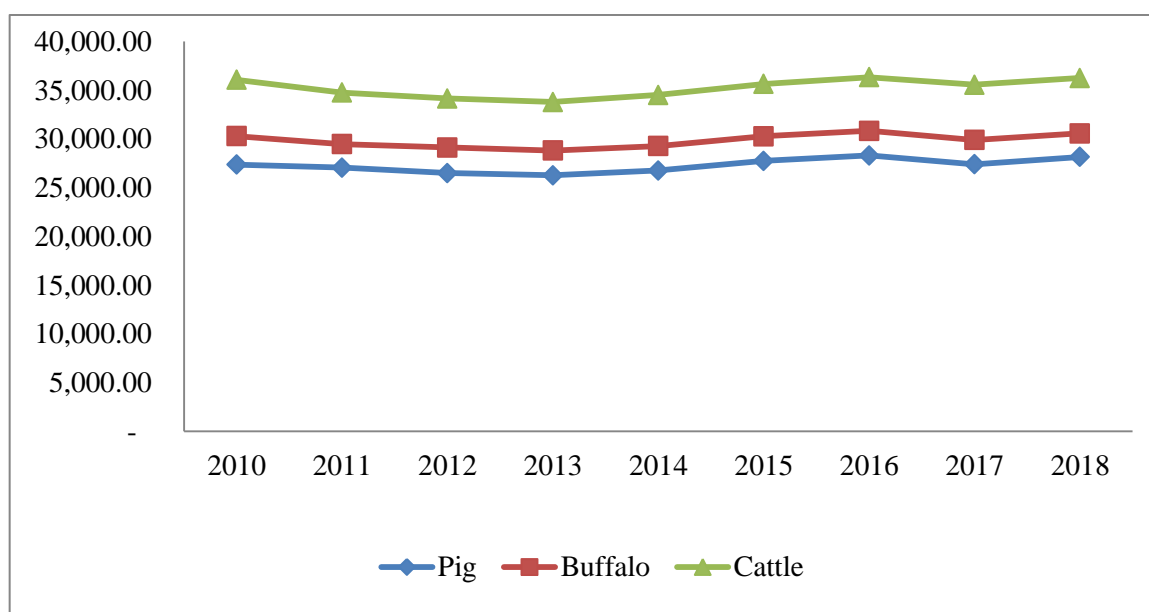


Figure 1. Changes in population of some livestock herds from 2010 to 2018

Source: Authors

The above data shows that the demand for pork in Vietnam is very high and stable over the years. Vietnam has also slightly reduced the number of buffalo from 2913.4 (thousand heads) to 2425.1 (thousand) for nearly a decade. The

number of buffalo reduced is also one of the reasons for the decrease in cattle in Vietnam from 5787.7 (thousand) in 2010 to 5668 (thousand) in 2018.

Table 2: Changes in population of poultry flocks from 2010 to 2018

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Poultry	300.5	322.6	308.5	314.7	327.7	341.91	341.89	385.46	408.97

Unit: Thousand heads, Source: Vietnam Statistical Yearbook

According to figure 2, the number of poultry in Vietnam increased sharply from 300.5 (thousand) in 2010 to 322.6 (thousand) in 2011. then the number of poultry has decreased slightly to 308.5 (thousand).) in 2012. From 2013 to

2018, the number of poultry increased continuously from 314.7 (thousand) to 408.97 (thousand) in 2018. Thus, the number of poultry in Vietnam has increased by 136,09% in a decade.

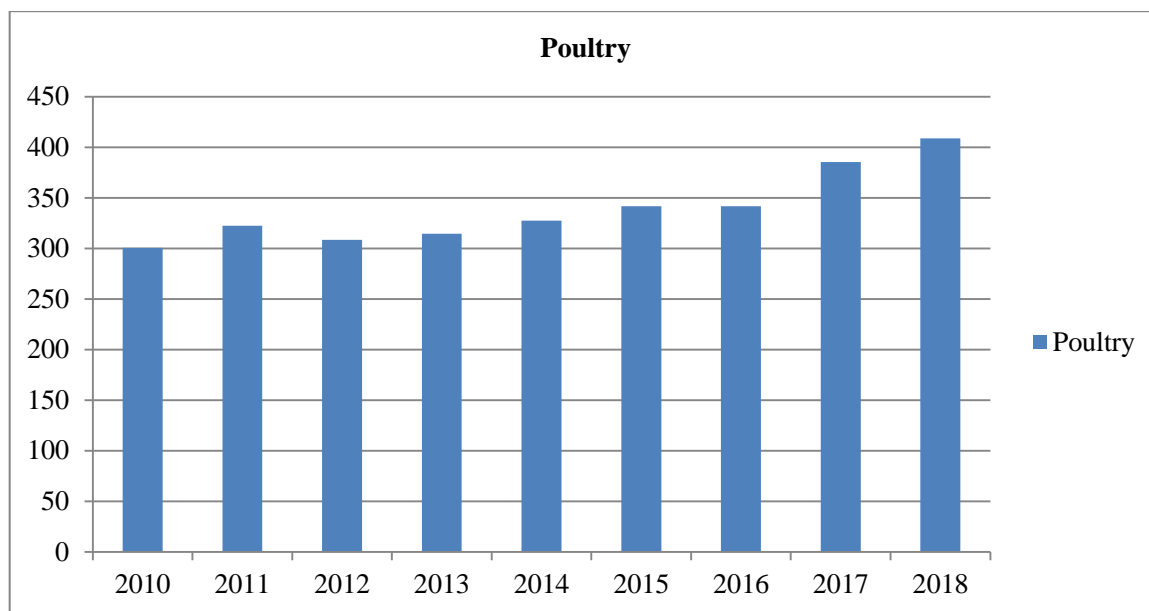


Figure 2. Changes in population of poultry flocks from 2010 to 2018

Source: Authors

4.2. Corporate social responsibility of livestock enterprises in Vietnam

Corporate social responsibility is stipulated in the labor law including: Paying social insurance for employees, paying health insurance for workers, paying environmental protection fees. Currently, businesses are also interested in other issues in the community such as contributing to environmental protection funds; participate in learning promotion funds; support community programs.

According to the General Statistics Office of Vietnam, the area for livestock accounts for 26% of Vietnam's total. In addition, Vietnam uses 33% of agricultural land to produce feed for the livestock industry. Livestock industry causes great pollution to the living environment of Vietnam. The livestock sector generates a large amount of waste including liquid waste and solid waste.

Box 1: People's assessment of environmental pollution

"The water in this area is polluted by feed mills and livestock farms discharging water into the environment. People here do not dare to use river water for drinking water like we still used 20 years ago"

Interview Ms. Nguyen Thi Yen (56 years old),
Ngo village, Yen Bang commune, Y Yen district, Nam Dinh province
At 08.30 am on July 28, 2019.

Estimates of the amount of solid waste that livestock can release are: Cow 10 (kg / head / day), buffalo 15 (kg/head /day), pig 2 (kg/head/day), poultry 0.2 (kg/head/day). According to the General Statistics Office of Vietnam, in 2018 Vietnam had 36,788.9 (thousand animals). So, every year, the livestock discharges into the environment about 73 million tons of solid waste (dry feces, leftovers). At the same time, 36,788,9 thousand animals discharged 25-30 million cubic meters of liquid waste including liquid manure, urine, and water for cleaning cages. According to calculations, about 50% of solid waste equivalent to 36.5 million tons, 80% of liquid waste equivalent to

20-24 million m3 without treatment is discharged directly into the environment and has been causing serious environmental pollution. Currently, most of the resources such as land, water, and discharging lakes are being used freely by the livestock industry at no charge or at a much lower cost than its real value. This has prompted the livestock industry to grow massively, without planning and causing many environmental problems. According to calculations, every 1 ton of fresh manure will discharge into the air about 0.24 tons of CO₂. Thus, the total volume of livestock waste in Vietnam in a year discharged into the air is 17.52 million tons of CO₂.

Table 3 shows that enterprises in the agricultural sector surged from 2569 enterprises in

2010 to 5268 enterprises in 2018, a corresponding increase of 205.1% within a decade.

Table 3: Agricultural enterprises from 2000 to 2018

	2013	2014	2015	2016	2017	2018
Farms	23774	27114	29389	33477	34048	35126

Starting from the goal by 2020, our country will become a modern industrialized country; social - political stability, democracy, discipline, consensus; the material and spiritual life of the people is enhanced; independent ethnicity, ensuring sovereignty, unity and territorial integrity; Vietnam's position in the international arena continues to grow; creating a solid premise for higher development in later stages. In 2020, the average growth rate of gross domestic product (GDP) will be from 7% to 8% / year. GDP in 2020 at constant prices is about 2.2 times compared to 2010; GDP per capita at current prices is about 3,000 USD. With the development of society, businesses in general and enterprises in the livestock sector in particular need to improve social responsibility (CSR).

In fact, Vietnam is very interested in CSR. Specifically, every year, Vietnam encourages businesses with reputable brands, sustainable development, good social security policies, and environmental protection. However, most businesses are honored as import-export enterprises. Some enterprises in the livestock sector in Vietnam have not willingly paid attention to CSR. Many livestock enterprises are also acting irresponsibly, such as hiring short-term labor (less than 3 months) and constantly replacing new employees to avoid paying health insurance and social insurance for workers. This behavior causes direct damage to the state and infringes on labor rights. Some livestock enterprises cause serious pollution to the environment due to direct discharge into the environment. According to the Vietnam National Environment Report in 2018, the number of enterprises with environmental treatment systems is low, accounting for 6-8% of businesses, the average investment rate for this is only 5-7 % of investment capital (Ministry of Natural Resources and Environment - 2018). In 2018, there were about 3 million workers working in livestock enterprises on short-term basis who are not allowed to participate in social insurance and health insurance. VCCI's report shows that up to 50% of businesses in the livestock sector evade social insurance at different levels.

Source: Vietnam Statistical Yearbook

Currently, Vietnam is facing with serious problems on CSR in lots of province. In Thai Nguyen province has more than 188 thousand employees working in enterprises in the area (2018). As of 2018, the province has 246 enterprises and farms in the field of livestock. Most of them have less than 50 employees. On average, each year, the province organizes nearly 300 conversations between enterprises and workers. The inspection and supervision of the implementation of labor policies by enterprises are quite tight. However, in 2018, the Thai Nguyen Labor Federation conducted 119 inspections at enterprises, thereby making records of administrative violations against 50 enterprises in the livestock sector for violations in implementing the regime of health insurance, social insurance for laborers, making mistakes on environmental pollution and paying taxes to the State.

Quang Ngai province currently has nearly 4,000 operating businesses, of which businesses in the livestock sector account for about 47%. According to the Labor Federation of Quang Ngai Province, in 2017, more than 80 livestock enterprises in the province owed tax arrears. The province has recovered more than 120 billion dong of tax debt in 2018. In addition, the situation of environmental pollution, livestock waste also affects the lives of people. Meanwhile, businesses do not really have a sustainable environmental protection strategy.

Hanoi capital has a total of 200,000 businesses. In which enterprises in the livestock sector (mainly enterprises processing finished products from livestock farms) accounting for 30%, about 60,000 enterprises. The rate of tax arrears in general and businesses in the field of raising debts in particular are quite high. Accordingly, in 2017, the Hanoi Tax Department published in the press the information of 627 large tax debt units, the City issued a decision to enforce more than 1 thousand businesses. As of December 31, 2018, Hanoi had 311 units that were publicly repaid with nearly VND 1,771 billion.

The issues of social responsibility (CSR) of some small and medium-sized enterprises in the livestock sector in northern Vietnam include:

- Not fully paying taxes

- Evading social insurance for employees
- Evading health insurance for employees
- Causing environmental pollution
- There is no responsibility to the community such as: encouraging learning, expanding meaningful movements

There are two main groups of factors affecting corporate social responsibility. They are internal factors and external factors

Internal factors are awareness of CSR and legal awareness of business leaders; Size and competence of the business; The level of international integration of enterprises; Perceptions of employees in the business.

External factors are legal system; Inspection and supervision activities of management agencies; Awareness of the community; Participation of related organizations and media agencies..

Vietnam is in a period of strong economic development, the issue of corporate social responsibility is increasingly of concern.

5. Findings and recommendations

Enterprises in the livestock sector in Vietnam today still face some difficulties when implementing CSR, of which main challenges are: Inadequate awareness of CSR, stopping at funding activities; Lack of incentives and support policies from the Government; CSR activities are limited, sometimes causing negative effects in the community. The legality of assessing the implementation of CSR in Vietnam is still limited and inadequate. Some businesses lack of financial and technical resources to implement CSR.

In the context of Vietnam's strong economic development today, the issue of CSR is increasingly of concern. Livestock enterprises in Vietnam need to be more concerned with CSR because the operation of livestock enterprises directly affects the community.

The livestock industry causes pollution to the living environment of Vietnam. Animal and livestock production generates a large amount of waste including liquid waste and solid waste. The amount of animal waste needs a comprehensive and effective management and treatment system. However, in Vietnam today a high percentage of animal waste has not been managed and handled well. It is estimated that about 50% to 60% of animal waste in Vietnam is discharged directly into the environment, causing serious environmental pollution.

The Livestock industry always plays an important role in Vietnam's economy. Livestock

businesses in Vietnam are always a focus of government. Activities of implementing social responsibility of enterprises are increasingly recognized properly and comprehensively. Corporate social responsibility is not only legal activities such as settlement of social insurance, health insurance for workers but also community activities, environmental responsibility and people. local. These activities are not small and seasonal but require continuing and long-term commitment to the interests of society.

Implementing social responsibility is both a responsibility and a right of the business. Through the implementation of social responsibility, the livestock enterprises bring out the message and culture of businesses with Vietnamese people.

Therefore, livestock enterprises in Vietnam need to continue to improve the effectiveness of social responsibility such as environmental protection, encourage people to study and progress, and implement useful activities for the society.

Solutions to improve the social responsibility of livestock businesses in Vietnam are:

Firstly, the Government needs to have clear laws and sub-laws system.

Requesting the enterprises to ensure the basic rights and benefits for employees, including: Signing labor contracts and employees insurance participating; Strictly comply with the terms of the contract on job placement, resignation; Full and timely wages payment.

Comply with regulations on the working regime of employees: working time, break time, vacation time, insurance leave.

Severely sanctioning prohibited acts in the use of labor such as forced labor, distinguishing between male and female workers, and using child labor.

Secondly, encourage businesses to make voluntary decisions and actions, showing ethical responsibility for their employees.

Thirdly, the Government should define environmental obligations for livestock businesses

Propagating, educating and raising awareness of environmental protection

Finally, corporate social responsibility is also expressed through the common good cause, through community participation and development, and the expansion of initiatives and activity in the implementation of common community goals such as protection. and sustainable development of culture, education,

poverty reduction, donation to social funds, funding of socially oriented programs. With that meaning, businesses have a responsibility to contribute to the community through

participation and support of social organizations and movement activities; actively participate in cultural propagation activities, promote education in a positive way.

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Thông tin tác giả:

1. Mai Thị Phụng

- Đơn vị công tác: Học viện Nông Nghiệp Việt Nam
- Địa chỉ email: maiphuong8408@yahoo.com.vn

2. Trần Trọng Hải

- Đơn vị công tác: Tập đoàn Trang Khanh

3. Đỗ Anh Tài

- Đơn vị công tác: Trường ĐH Kinh tế & QTKD
- Địa chỉ email: doanhtaitnu@gmail.com.

Ngày nhận bài: 05/07/2019

Ngày nhận bản sửa: 15/9/2019

Ngày duyệt đăng: 25/9/2019