

(MECHANIZATION) POLICY TOOLS AND RELATED ACTIONS

For whom?	Objective	Tool	Action
International manufacturers Domestic manufactures Machine operators	To ensure safety and quality of the machineries suit the local situation	<ul style="list-style-type: none"> <li>• Test &amp; evaluation, safety inspection and certification of quality of machinery (MOA)</li> <li>• Appropriation and standardization of machineries imported / locally produced (MOI)</li> </ul>	<ul style="list-style-type: none"> <li>• Disseminate measures on test and evaluation plus certification &amp; standards</li> </ul>
International manufacturers Importing agents	To make imported machineries / spare parts more affordable	<ul style="list-style-type: none"> <li>• Reduced import tariffs and VAT for machinery and spare parts that cannot be produced locally (MOF)</li> </ul>	<ul style="list-style-type: none"> <li>• Lobbying at parliament level in order to approve law modification on tariff reduction for international manufacturers</li> </ul>
International manufacturers	To ensure appropriate maintenance of the imported machineries		<ul style="list-style-type: none"> <li>• Impose after-sales service, warranty and supply of spare parts as pre-conditions</li> </ul>
International manufacturers Domestic manufactures Dealers	To prevent overpricing of machineries / spare parts	<ul style="list-style-type: none"> <li>• Introduction of 'appropriate retail price'</li> </ul>	
International manufacturers Domestic manufactures Dealers	To encourage private investment in setting up businesses	<ul style="list-style-type: none"> <li>• Suitable investment code encouraging the business of agricultural machines</li> </ul>	<ul style="list-style-type: none"> <li>• Disseminate this investment code</li> </ul>
International manufacturers Domestic manufacturers	To protect their products from counterfeit	<ul style="list-style-type: none"> <li>• Trade mark and copy rights</li> <li>• Licensing system</li> </ul>	<ul style="list-style-type: none"> <li>• Need specific terms for mechanization (for some countries)</li> </ul>
International manufacturers Domestic manufacturers Dealers / Distributors / Retailers / Traders (including transportation)	To promote competition amongst manufacturers and dealers To improve the business practices of the enterprises	<ul style="list-style-type: none"> <li>• Fairness committee under the Ministry of Trade / Commerce to oversee the bad business practices CONDITIONAL OF: Sufficient demand to allow operation of many manufactures / dealers</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
International manufacturers	To make imported machineries / spare parts more affordable through competition	<ul style="list-style-type: none"> <li>• Licensing system</li> </ul>	
Importing agents	To reduce the time of custom clearance (and reduce the price of		<ul style="list-style-type: none"> <li>• Enhance efficiency of the custom clearances for shorter</li> </ul>

	the merchandise)		<ul style="list-style-type: none"> <li>period at the port</li> <li>Define minimum required for SAV (after selling services)</li> </ul>
Domestic manufactures Material suppliers	To reduce the cost of production	<ul style="list-style-type: none"> <li>Reduced import duties and VAT for raw materials (MOT) which cannot be obtained locally</li> </ul>	
Domestic manufactures	To make the quality of domestic machineries better and consistent	<ul style="list-style-type: none"> <li>Engineering standard (MOI)</li> </ul>	
Domestic manufactures Milling service providers	To facilitate setting up of factories	<ul style="list-style-type: none"> <li>Incentives of infrastructure (e.g. land, electricity, machineries for rent / procurement with loans)</li> </ul>	
Domestic manufactures	TBC	<ul style="list-style-type: none"> <li>Manufacturers association CONDITIONAL OF: Sufficient demand to allow operation of many manufactures / dealers</li> </ul>	
Domestic manufactures	To ease the financial burden at the initial stage	<ul style="list-style-type: none"> <li>Tax holidays for small- and medium enterprises</li> </ul>	
Domestic manufactures Dealers / Distributors / Retailers / Traders (including transportation) Custom hiring providers	To improve the access to financial resources for capital investment / cash flow	<ul style="list-style-type: none"> <li>Improved credit facilities, schemes (start-up funds, seed funds, soft loans, guarantee fund etc.) CONDITIONAL OF: capacity of financial management and profitability of business</li> </ul>	
Dealers	To ensure the quality of services	<ul style="list-style-type: none"> <li>Licensing system</li> </ul>	<ul style="list-style-type: none"> <li>Enlist minimum qualifications and pre-requisites (workshop, human capacity)</li> </ul>
Dealers / Distributors / Retailers / Traders (including transportation) Local workshops for maintenance Custom hiring services	To facilitate setting up business in the areas required	<ul style="list-style-type: none"> <li>Package of start-up incentives in remote and rural areas (higher credit limits, functional linkages with government , soft loans, training, insurance, registration / licensing) CONDITIONAL OF: capacity of financial management and profitability of business</li> </ul>	
Dealers / Distributors / Retailers / Traders (including transportation)	To improve the value for money of their merchandise	<ul style="list-style-type: none"> <li>Fairness committee to oversee the pricing (MOT)</li> <li>Associations</li> </ul>	

Financiers	To facilitate lending	<ul style="list-style-type: none"> <li>• Two step loans (MOI, MOF)</li> <li>• Common collateral system</li> </ul>	<ul style="list-style-type: none"> <li>• Elaborate soft procedures</li> <li>• Sensitize financiers</li> </ul>
Custom hiring providers	To institutionalize privatized services	<ul style="list-style-type: none"> <li>• Introduction of system of privatized hiring service (MOA)</li> <li>• Custom hiring providers' association</li> </ul>	
Custom hiring providers	To make privatized services affordable	<ul style="list-style-type: none"> <li>• Tax incentives (VAT)</li> </ul>	
Custom hiring providers	To make business start-up more efficient	<ul style="list-style-type: none"> <li>• Simplified registration system of farm machineries</li> </ul>	
Milling service providers	To improve quality of rice, particularly for urban consumption	<ul style="list-style-type: none"> <li>• Rice quality standard (MOA, MOC)</li> </ul>	
Machine operators	To ensure the quality of skills	<ul style="list-style-type: none"> <li>• Licensing of machine operators</li> <li>• Organization of machine operators</li> </ul>	
Small scale farmers / association	To promote group use of machineries	<ul style="list-style-type: none"> <li>• Farmer association</li> </ul>	
Small scale farmers / association Animal draught power users	To facilitate procurement of machineries / animals	<ul style="list-style-type: none"> <li>• Soft loans (MOA, MOF)</li> <li>• Purchase subsidy (MOA)</li> </ul>	<ul style="list-style-type: none"> <li>• Need Subsidies from government and financial partners</li> </ul>
Small scale farmers / association	TBC	<ul style="list-style-type: none"> <li>• Land consolidation</li> </ul>	
Small scale farmers / association Animal draught power users	To prevent theft	<ul style="list-style-type: none"> <li>• Security</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce tracking tools for draught animals</li> </ul>