



Agriculture &
Rural Development



Agricultural and Rural Development Policy Think-Tank

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About us



Public-private partnership of agriculture sector In Laos

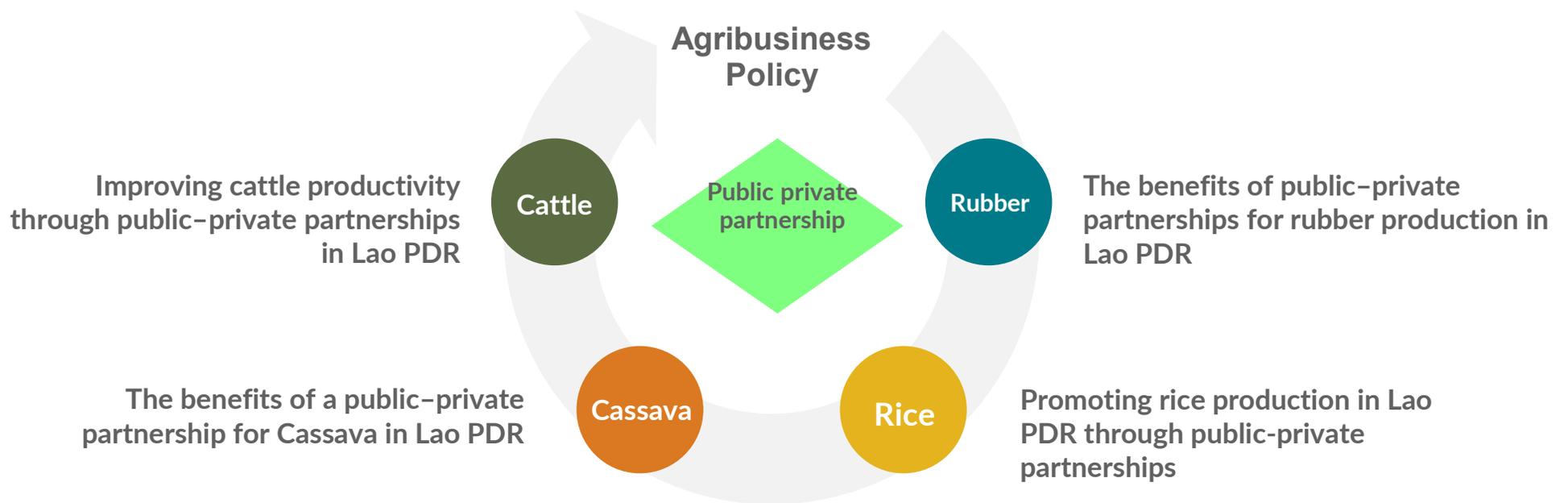


Agriculture and Rural Development Innovation in Lao PDR



Best Innovation in Laos is Coffee Producers Cooperative

Outstanding achievements of Public-private partnership (PPP) achieve the goal of the 9th National Social Economic Development Plan and the strategic goals of the Ministry of Agriculture and Forestry for 2025 and the vision for 2030



Agriculture and Rural Development Innovation in Lao PDR

- Innovation has played a crucial role in raising productivity and value added to agricultural products
- 9th NSEDP, the government strongly promotes the application of science, technology, and innovation to generate value added in production and services
- Disseminating existing technologies and innovations to farmers, production groups, cooperatives, and government authorities is included in the strategy of MAF.



- Studies only focus on specific products and technologies rather than a range of agricultural products and geographic areas
- This study promotes the application and exchange of existing agricultural technologies and innovations
- This would enable farmers, production groups, and communities to utilize such tools to enhance the quality and quantity of agricultural products.

Objectives

The overall objectives is to promote the adoption and exchange of Agriculture and Rural Development (ARD) innovations in value-added creation

▪To achieve this goal, the specific objectives are:

To review the application of various innovations related to variety development, production techniques and process, group management, marketing promotion, etc.

To characterize the impact of innovation and technology on farmers, communities, and government policies

Methodology

▪This research first define the meaning of innovations.

▪IFAD defines ARD innovation as

“a new process, products or approaches that add value and deliver a sustainable, equitable, inclusive and new contextual solution to rural development challenges.”

To include ARD innovations, the research team is reliant on a discussion with the National Agriculture and Forestry Research Institute (NAFRI) and the Ministry of Agriculture and Forestry.

Methodology (C...)

This research team consults with NAFRI to select ARD innovations from long-listed innovations based on the following criteria:

- **Criteria 1: Innovation features.** Farming production units included in the survey should be a unit that creates or implement an innovative technology, technique, process, and approach.
- **Criteria 2: Add value.** ARD innovations surveyed in this study should significantly add value to agricultural products.
- **Criteria 3: Accessibility.** This study mainly focuses on ARD innovations that are affordable and accessible for small-scale farmers.





Methodology (C.....)

ARD innovations are categorized in different areas:

- New varieties
- New products
- Production techniques
- Sale promotion
- Group and cooperative management
- Waste management from production
- Information dissemination

Summary of ARD innovations

Name	Location	Products or services	Types of ARD innovations
Bolaven Plateau Coffee Producers Cooperative (CPC)	Champasack	Coffee	<ul style="list-style-type: none">- Cooperative management- Quality improvement- Marketing and branding
Jhai Coffee Farmer Cooperative	Champasack	Coffee	<ul style="list-style-type: none">- Cooperative management- Quality improvement- Marketing and branding
Organic Agriculture Cooperative in Xiengkhuang	Xiengkhuang	Organic vegetables	<ul style="list-style-type: none">- Cooperative management- Saving fund
Luangprabang organic vegetable group	Luangprabang	Organic vegetables	<ul style="list-style-type: none">- Cooperative management
Thong Mang Agricultural Cooperative	Vientiane Capital	Organic vegetables	<ul style="list-style-type: none">- Cooperative management

Summary of ARD innovations

Name	Location	Products or services	Types of ARD innovations
Buffalo dairy farm	Luangprabang	Buffalo farm and milk production	<ul style="list-style-type: none">- Buffalo milk- Buffalo-milk cheese products- Community cooperation
Essential Oils	Luangprabang	Essential oils	<ul style="list-style-type: none">- Essential oils- Creating a Steam-extracting machine
Sturgeon Fish	Champasack	Sturgeon farm	<ul style="list-style-type: none">- Alien fish farm- Farm environmental management

Summary of ARD innovations

Name	Location	Products or services	Types of ARD innovations
Saffron	Luangprabang	Coffee production	<ul style="list-style-type: none">- Production technique- Waste-minimization processing
Ork Pob Tok	Luangprabang	Silk production	<ul style="list-style-type: none">- Unique design- Fair trade
Rice Farmer Model	Vientiane Capital	Rice production	<ul style="list-style-type: none">- Production techniques
Lao Farmer Network	Vientiane Capital	General farming production	<ul style="list-style-type: none">- Technical and marketing supports- Sharing experience and expertise- Information dissemination
Lao Coffee Association	Champasack	Coffee	<ul style="list-style-type: none">- Knowledge transfer- Sale promotion- Information dissemination

Summary of ARD innovations

Name	Location	Products or services	Types of ARD innovations
Naphok Research Center	Vientiane Capital	Research Center	<ul style="list-style-type: none">- New varieties- Local variety conservation- Production techniques- International cooperation
Living Aquatic Research Center	Vientiane Capital	Research Center	<ul style="list-style-type: none">- Aquatic feeds- Production techniques- International cooperation
Beef Research and Development Farm	Vientiane Capital	Research Center	<ul style="list-style-type: none">- Cattle feeds- Knowledge and experience sharing
Agro Vege Farm	Champasack	Organic vegetables	<ul style="list-style-type: none">- Hydroponic farm- Public-private partnership- Agritourism

Summary of ARD innovations

Name	Location	Products or services	Types of ARD innovations
River weed in Luangprabang	Luangprabang	River weed	<ul style="list-style-type: none"> - Adopting machines in cleaning river weed - Packaging
Improving the productivity of mandarin trees in Nambak	Luangprabang	Mandarin production	<ul style="list-style-type: none"> - Improving productivity - Taking care of mandarin trees
Biogas from swine farms	Champasack	Biogas	<ul style="list-style-type: none"> - Integrating swine farming and biogas production
Food and Nutrition Security and Market Linkages Programme	Attapeu, Xekong, and Salavan	Food security program	<ul style="list-style-type: none"> - Inclusive rural finance support - Matching grants - Group lending



Problems and Challenges

Cooperative management

- The absence of a production group.
- A large gap in knowledge and understanding about the benefit and management of cooperative.
- Limited use of ICT in group management.
- Keeping transparency in financial management is a great challenge.

Problems and Challenges

Production and sale

- Limited knowledge about the advantages of innovative techniques.
- A rising cost of inputs and equipment.
- Vulnerable to natural disasters such as disease, flood, and drought.
- No trademark to guarantee the quality of products.
- Limited selling channels.
- Unattractive packaging.

Research and development

- Insufficient resources allocated to the area of research and development.
- Insufficient human resources, particularly specialists in breeding crops and animals.

Policy recommendations



Expanding collaboration with the private sector on investing in research and development.



Making agriculture and rural development innovations easier for farmers to get access.



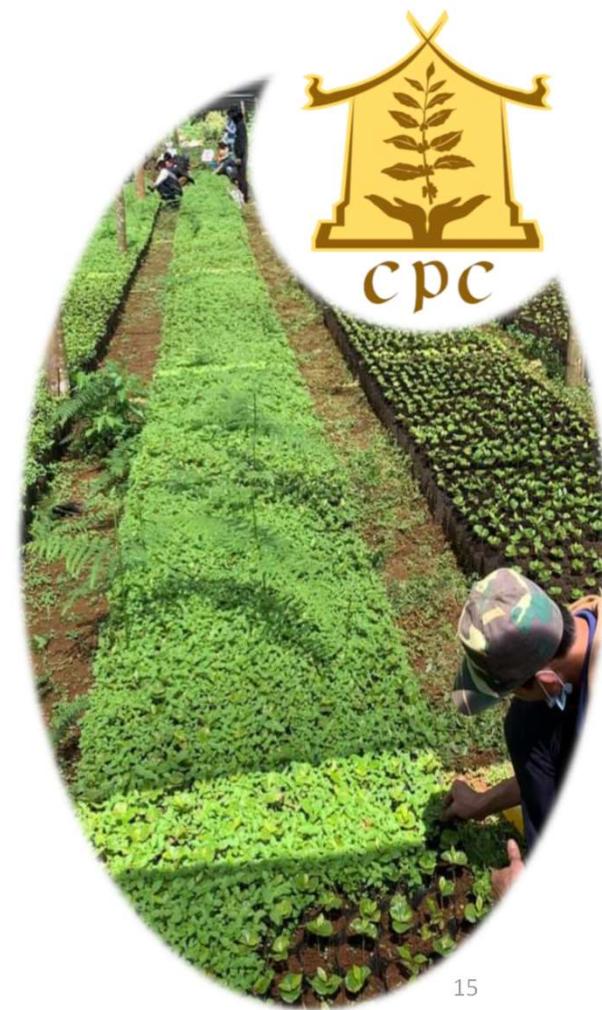
Promoting a platform for innovation and technology sharing.



Formulating policies that promote fair trade, reduce trade barriers, and encourage the adoption of sustainable agricultural practices.

Best Innovation in Laos is Coffee Producers Cooperative

- Established in 2007 with the support of the Ministry of Agriculture and Forestry and the French Development Agency
- Firstly, it was named the Association of Coffee Producer Group in Bolaven Plateau, then the name of this association was changed to Bolaven Plateau Coffee Producer Cooperative in 2014
- Now, there are around 36 staffs, more than 1,800 household members from 55 villages across three provinces, Champasack, Saravan, and Sekong



- CPC has become a model for other production groups and cooperatives
 - Organizational management
 - Value-added product creation
 - Environmentally friendly production methods
- CPC's success is evidenced by numerous accolades
 - Organizational management
 - Lao Best Coffee Exporter 2012 Award
 - Certifications for Fair Trade
 - Certification for Organic Products



INNOVATION OF CPC

1. Strong management and inclusive organization

- Bolaven Plateau CPC is a real organization of farmers
- All members can directly vote for their representatives through the official election in every three years
- Coffee farmers and their representatives are involved in all levels of the administration hierarchy, planning, managing the organization, and sharing benefits



2. QUALITY-BASED PRODUCTION

- CPC provides its members with technical assistance in selecting seeds, planting, taking care of, applying organic fertilizer, harvesting, and processing
- CPC invested in constructing a processing plant and an organic fertilizer plant
- There are around 39 collective wet processing centers across communities
- Farmers bring freshly harvested red bean coffee into the wet process (pulping and fermenting process) which enables them to get high-quality coffee



3. SUSTAINABLE PRODUCTION

- Farmers are strongly encouraged to produce organic coffee
- The area of organic coffee production covers more than 4,000 hectares
- CPC promotes the application of integrated crop-forestry production
- The integrated crop-forestry system increases productivity, enhances farmers' adaptive capability and makes their coffee production resilient to climate change



BENEFICIARIES FOR CPC



- Farmers gain direct benefits from the Bolaven Plateau Coffee Producer Cooperative in terms of increased income and improved infrastructure
- Significant increase in their household income. CPC gets the Certificates of Fair trade and Organic which can guarantee the minimum price (higher than general market price by around 45 percent)
- CPC contributes to community development such as building more than 11 schools, drilling 15 ground waters, donating more than 220 water filters for 42 schools, building a health dispensary, and donating medical equipment for hospitals.

CHALLENGES FOR CPC

- Financial management is a sensitive issue that determines the sustainability of CPC. Maintaining transparency in financial management is a great challenge
- CPC consists of many staffs and farmers, it requires a high unity in organization management. Decision-making sometimes takes a long time



CONCLUSIONS

- The failure of cooperatives in the 1980s still affects farmers
- The success of the CPC demonstrates that production cooperatives can improve farmers' bargaining power and enhance their livelihoods
- Achievements in organizational management, value-added creation, and environmentally and socially conscious production are noteworthy examples
- The lessons and experiences should be disseminated through various channels to other cooperatives
- Manuals and toolkits should be created to facilitate the widespread adoption of CPC's innovations and knowledge by other cooperatives