

Agriculture Strategy 2025 & Long-term Vision of the Lao PDR

Presentation to the Sector Working Group on Agriculture and Rural Development

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VISION

The vision of the agriculture sector is:

“to ensure national food security through clean, safe and sustainable agriculture and build an agricultural production potential highly contributing to the nation economy according to its objectives of industrialization and modernization”



PERSPECTIVE

The party and government have recognized the agricultural sector as fundamental to the industry and service sectors and the basis to support national economic growth



OVERALL TARGETS

- 1) Economic growth is strongly based on industrialization and modernization. Agricultural production must be significant in terms of quantity and highly competitive in terms of quality. In order to ensure and stabilize economic growth, the norms and regulation must be improved and enforced, inflation must remain stable and food security and safety guaranteed in order to ensure good nutrition.
- 2) Agricultural production must comply with the elementary sanitary and hygiene norms in order to ensure healthy products production, safety and a consumer friendly environment.
- 3) Agricultural production can contribute to various areas such as: employment creation, income generation for communities and people, it can also decrease the disparities between urban and rural areas. It is contributing to rural development and new constructions will preserve the Lao culture, protect the environment and contribute to the stability of ecosystems.



GOALS AND TARGETS TO 2020

In order to achieve food and nutrition security people will get 2,600-2,700 kcal/person/day. This will be achieved through an increased availability, accessibility and stock of products such as: rice, vegetables, beans, sesame, fruits, sugar, meat, fish and eggs.

Goal 1: Food Production

1) Paddy rice production will reach 5M tons (sticky rice 70%, glutinous rice 30%)

- Domestic consumption: 2.1M t
- National Reserve: 700.000 t
- Seeds: 100.000 t
- Domestic processing: 600.000 t
- Export: 1.5M t



GOALS AND TARGETS TO 2020 (Cont'd)

Goal 1: Food Production (Cont'd)

- 2) Production of vegetables, beans, sesame and fruits for consumption: sweet corn will reach 228,000 t, taro will reach 304,000 t, fruit will reach 800,000 t and other plants-vegetable will reach 1.5 M.t
- 3) Production of meat and eggs will reach 258.000 tons/year and fish: 229.500 t/year in order to meet an average consumption of 65 kg/person/year, i.e. 70kg in urban and 50kg in rural area.
 - People will get an average of 422 kcal per day from meat and fish.
 - The production growing rate objective is:
 - 6% per year for livestock
 - 8% to 10% for fishery & aquatic animals



GOALS AND TARGETS TO 2020 (Cont'd)

Goal 2: Agricultural Commodity Production

The objective is to make agricultural sector growth ensuring both quantity and quality of products with focus on the domestic, regional and international markets, through the combination of various factors including the development of farmers' organizations and the associations of producers and processors:

- 1) Expected export rice is about 1.5 M.t. Besides, promote the potential local knowledge and varieties of rice and cash crops such as: khao Kham (dark rice), khao Khai noy (local variety) and other local aromatic rice varieties. New high quality hybrid seedlings answering other market needs will be developed. Increase non-glutinous rice to 35% of total production. Rice and cash crops production for export must follow the regional and international standards of GAP.
- 2) Other cash crops: Maize must reach 1.3 M.t, coffee 120,000 tons, sugar cane >2 M.t, cassava 1.5 M.t, soybean 50.000 tons and other potential cash crops...



GOALS AND TARGETS TO 2025

The growth pattern is sustained during the following 5 years

Food Production (tons per year)

- **Rice 5,5M t**
- **Meat, eggs, fish and aquatic animals: 581.000**
- **Sweet corn: 306,000; taro: 327,000; fruit: 825,000; other plants-vegetable: 1.57 M**
- **Meat & eggs: 307.100, fish & aquatic animal: 273.900**
- **Average consumption: 454 kcal /day from meat and fish**

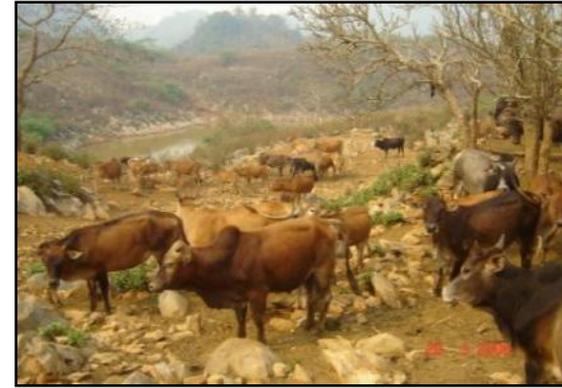
Other points relevant to subsistence & commercial farming

- **Reinforce & promote farmers cooperatives and associations (for production and processing)**
- **Promote GAP for domestic and foreign market**
- **Promote other cash crops (cassava, sugar cane, coffee, fodder)**
- **Promote modern technic for livestock farming (objective 35%) and export up to 15.000 t of cow and buffalo meat.**

GENERAL AND SPECIFIC MEASURES

General Measure

- The measures are based on policies promotion and dialogue. They also includes policies on taxes, credit and subsidy, guaranteed prices, stock creation, improvement of legislation, better coordination mechanism, better promotion and cooperation for investment, improvement of the organization and development of human resources though gender balanced promotion.
- At national level, the government has identified a number of priority commodities: 1) rice, 2) corn (maize fodder), 3) coffee, 4) sugar, 5) cassava, 6) rubber, 7) medicinal herbs and NTFPs, 8) wood processed products and 9) cattle production.
- In parallel, the government has identified other priority crops that are specific to some area: that includes some local rice varieties (aromatic, golden and khao kai noy), tea, cardamom, sesame, local varieties of fruits and beans and some other organic products.



GENERAL AND SPECIFIC MEASURES (CONT'D)

Specific (Technical) Measures

- Development of technical aspects, application of new technology and land zoning for agricultural production;
- MAF has identified 7 big plains, 16 medium plains and 12 small plains, beside this there are also 3 main plateaus and other flat land areas. Among the big plains the GoL has identified Khammouane and Savannakhet plains to be the pilot (Chout Soum) areas for rice and food crops production to secure food security and also to produce commodity.
- Additionally, agriculture planning will also benefit from measures in the area of research, laboratories and extension support.
- Development and improvement of power generation, rural infrastructure, irrigation and roads.



GENERAL AND SPECIFIC MEASURES (CONT'D)

Specific Measures (2)

- **Promote contract farming;**
- **Promote domestic and foreign Investment through adapted policy measures;**
- **Improve access to finance (including micro credit);**
- **Work with financial institutions to promote adapted credit schemes and rates for producers and processors.**



MOST RECENT ADDITION TO THE STRATEGY

- ✓ **Irrigation, objective by 2025 (detailed per zone in the full doc*)**
 - 400.000 Ha during the dry season
 - 500.000 Ha during the wet season
- * Zoning: 7 Big Plains, 16 Medium Plains and 12 Small Plains*
- ✓ **Agricultural extension services (main points raised)**
 - Improve services related to production techniques, farmers' organization (FO), access to market and inputs
 - Promote FO capacity and links with the private sector
 - Encourage the private sector to deliver agricultural services
 - Develop the farmer field school approach based on the existing network of 272 local service & information centers
 - Reduce post-harvest loss
 - Promote mechanization and modern production / post-harvest technics

MOST RECENT ADDITION TO THE STRATEGY

- ✓ **Research will focus in 4 areas:**
 - **Forest and agro biodiversity management**
 - **Climate change resilient agriculture and forestry**
 - **Seeds production**
 - **Policy and information**
- ✓ **Research program will focus on:**
 - **Study, collect and preserve varieties of plants and crops**
 - **Varieties and technics resilient to drought and flood**
 - **Improving productivity of local rice varieties**
 - **Food and nutrition security in the uplands**
 - **Improve production and supply of seeds (food and non-food crops) through the promotion of private networks**
 - **Clean agriculture and food safety (GAP, SPS)**
 - **Improve information management system**

GENERAL AND SPECIFIC MEASURES (CONT'D)

Operational Measures

In order to fulfill the two goals:

- 1) food production and
 - 2) agricultural commodity production,
- as well as to contribute to the development of rural area and eradication of poverty, 16 programs including 120 projects were formulated:
- 9 programs / 62 projects for crop cultivation,
 - 7 action plans / 58 projects for livestock and fisheries.



COOPERATION AND INVESTMENT IN THE SECTOR (FORECAST ESTIMATION IN MILLION DOLLARS)

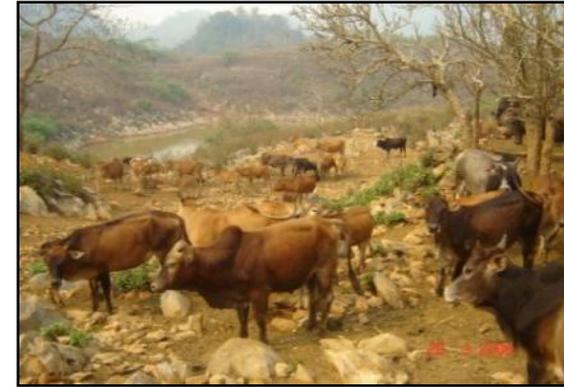
	2020 Amount / % / increase per year	2025 Amount / % / increase per year
ODA	1,625 / 16,4 % / + 20 %	3,125 / 13.37 % / + 20 %
PIP	150 / 1.5 % / + 15 %	250 / 1.07 % / + 15 %
FDI and Domestic	8,125 / 82.1 % / + 25 %	20,000 / 85.56 % / + 30 %
<u>Total</u>	<u>9,900</u>	<u>23,375</u>

Specific measures related to investment:

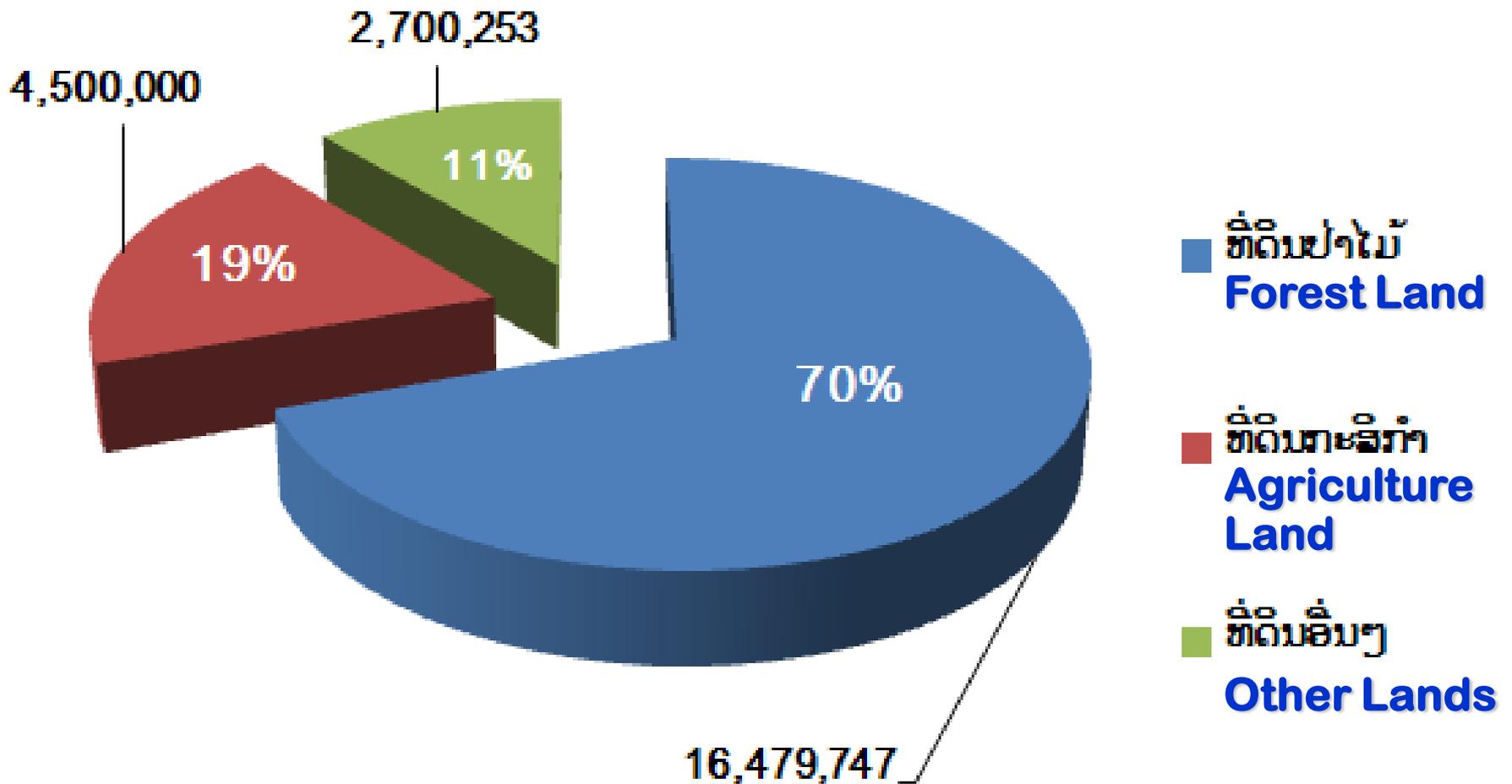
- Develop and promote cooperation and partnerships in line with ASEAN and WTO obligations;
- Enforce the Decree No.75/PM, dated 20/3/2009 on the Management and Use of ODA. Promote the “sam sang” approach;
- Use ODA to reach the MDGs and focus on the poorest Districts;
- Improve project efficiency through better management and M&E.

MILESTONES

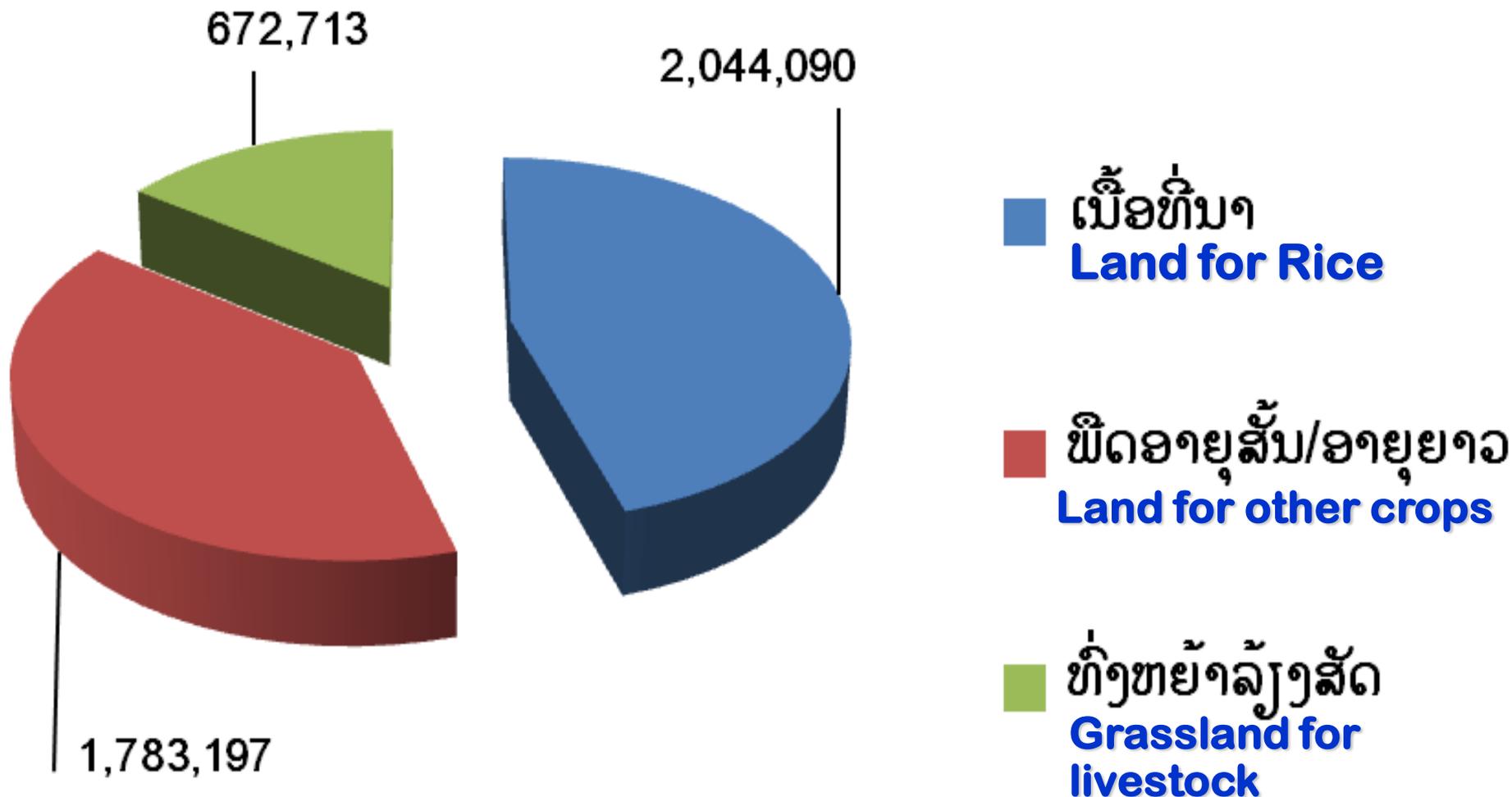
- ✓ **The Agricultural development strategy to 2025 and vision to 2030 was approved in principle by the Government mid May 2014.**
- ✓ **Some minor updates, based on the most recent inputs from various stakeholders are still to be included before official endorsement.**
- ✓ **The final version will be endorsed by the Government (Prime Minister Decree), then translated into English and shared with all relevant stakeholders.**



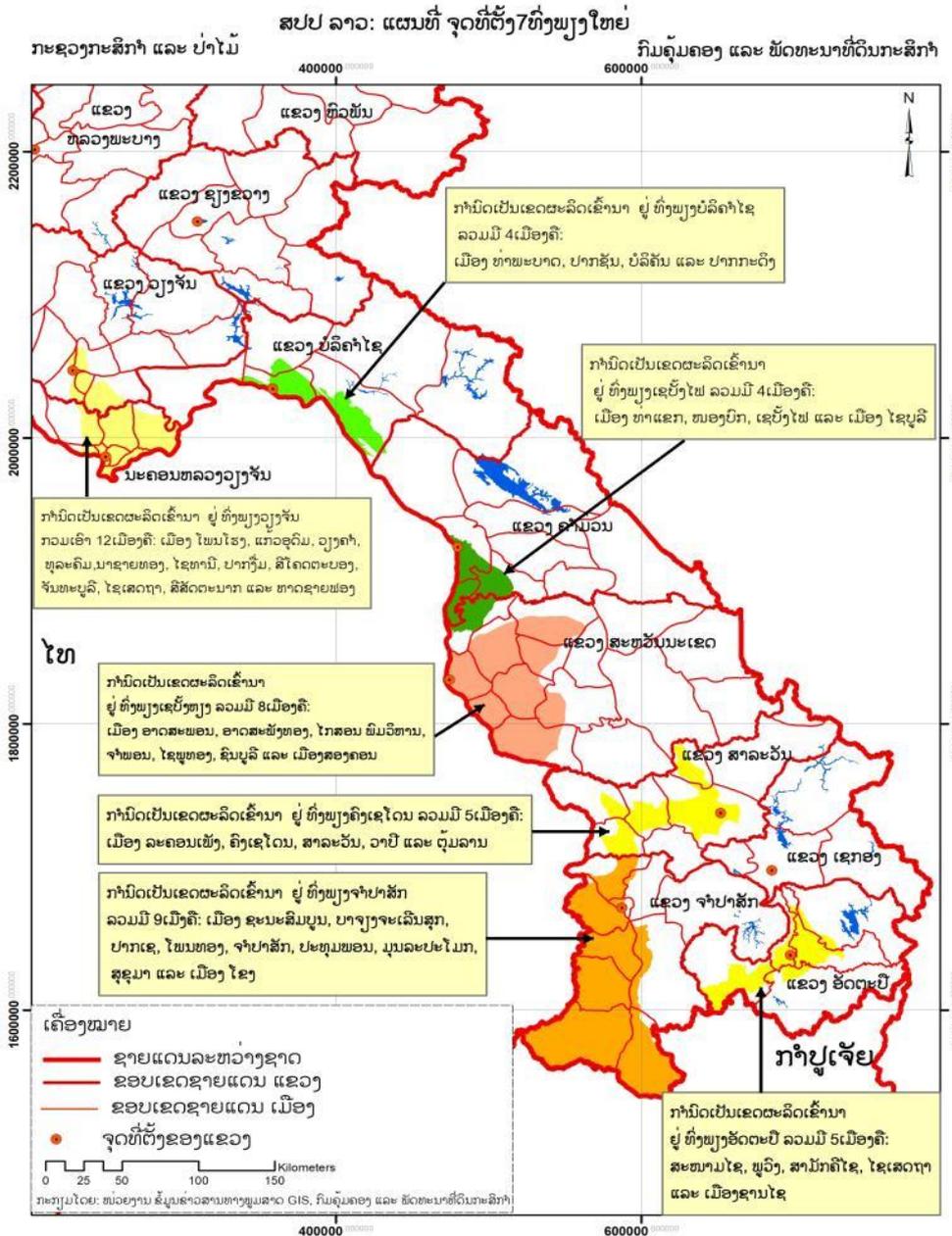
Land Use Condition of the Lao PDR (Plan for 2020)



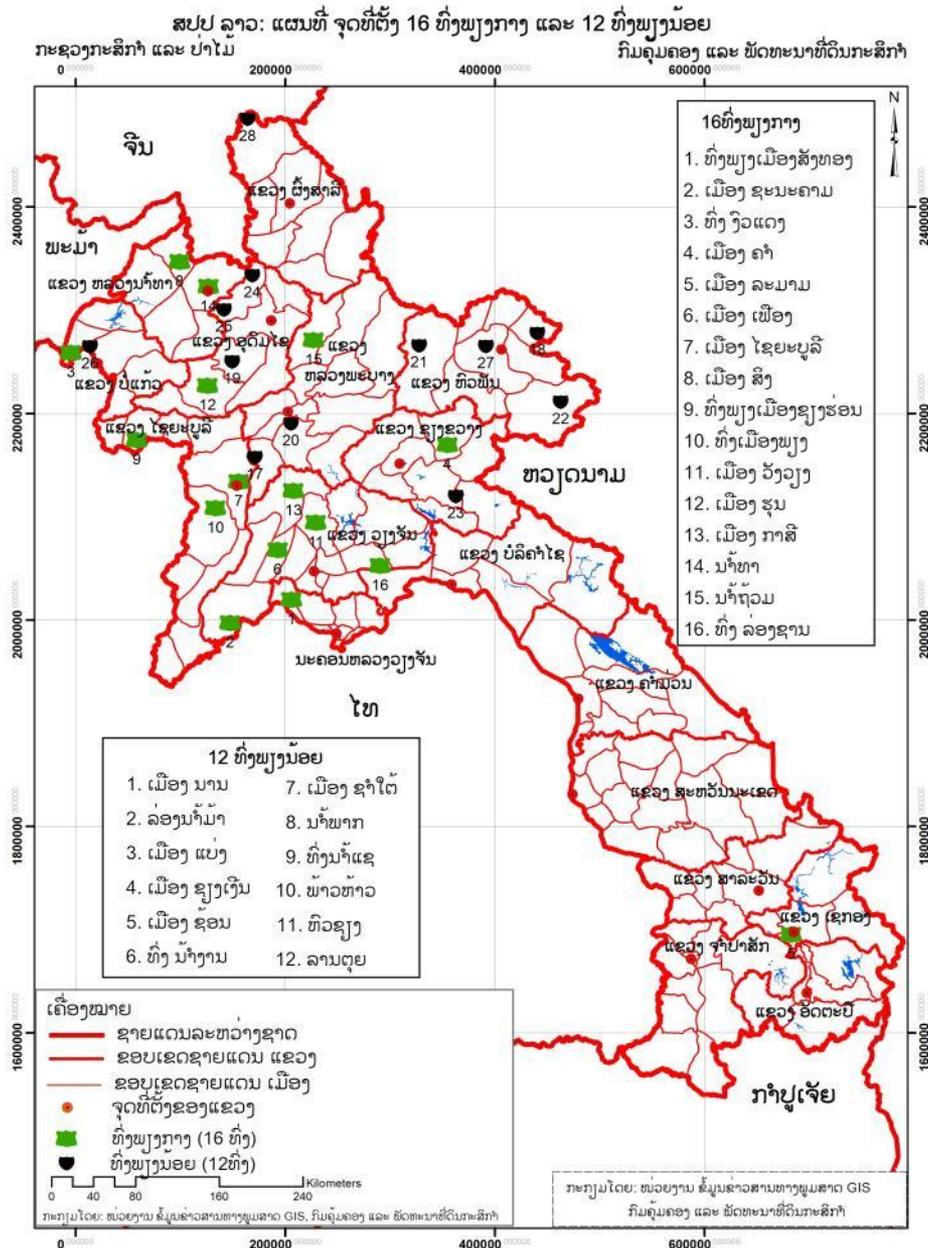
Agricultural Land Use Condition of the Lao PDR



Location of 7 Big Plains in Lao PDR



Location of 16 Medium Plains and 12 Small Plains in Lao PDR





THANK YOU

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