



# Organic Agriculture in Lao PDR

## Faculty of Agriculture National University of Lao PDR

*Japanese Food Industry Tour For Development Food Value Chain In ASEAN*

*Sponsored by afh  
ASEAN Food Industries Human Resources Development Association*





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# Outline

## I. Overview of Agricultural System In Laos

### **I. Current situation of organic agriculture in Laos**

- Principle of organic agriculture
- Background of organic agriculture in Laos
- Lao organic market, Lao organic group farmers and Agroasie organic shop.
- Value chain of Agroasie organic shop.
- Opportunities and Challenge of organic agriculture in Laos

### **III. What have we learned from Japanese food industry tour**

# Overview of Agricultural Systems in Laos

- Government strategy has developed clean, safe and sustainable agriculture. (strategy planning 2015-2020 )
  - **Department of Agriculture, Ministry of Agriculture and Forestry (MOAF)**
    1. Natural Sustainable Agriculture (NSA)
    2. Good Agricultural Practice (GAP)
    3. Free Pest Pesticides (PFP)
    4. Organic Agriculture (OA)

**Clean Agriculture**

# Background of organic agriculture in Laos

**Since 1990s** Started with NGOs who introduced the concept “sustainable agriculture and organic farming”



**Mid 2000s**

## Supporting by external donor

- HELVATAS, Switzerland (2004-2011)
- JICA(2013-2016)
- SDC/ADB(2012-2016)
- OXFAM

## Promoting policy by government

- Lao organic standards was approved (2005)
- Lao Certification Body was established (2008)
- LCB started organic inspection/certification services(2009)

Lao organic agriculture promoting project (LOAPP)

Promoting organic farming and marketing in Lao PDR (PROFIL)

# Agricultural Cultivation Zones



**Low Land**  
NSA, OA, PFP, GAP,

**Middle Land**  
OA, PFP

**Upland**  
OA





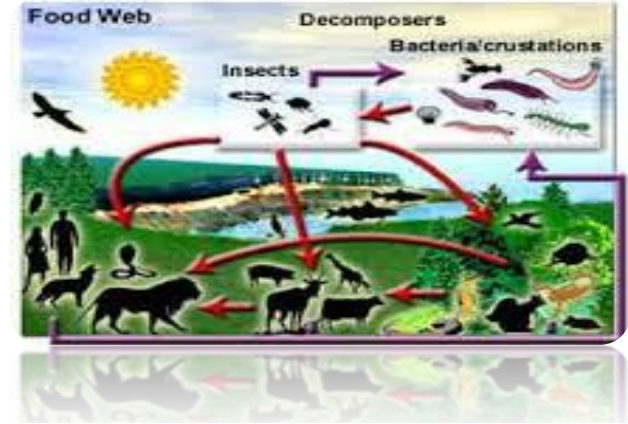
# Health

(soil, plant, human, animals and environments)



# Care

# Principles of Organic Agriculture



# Ecology



# Fairness



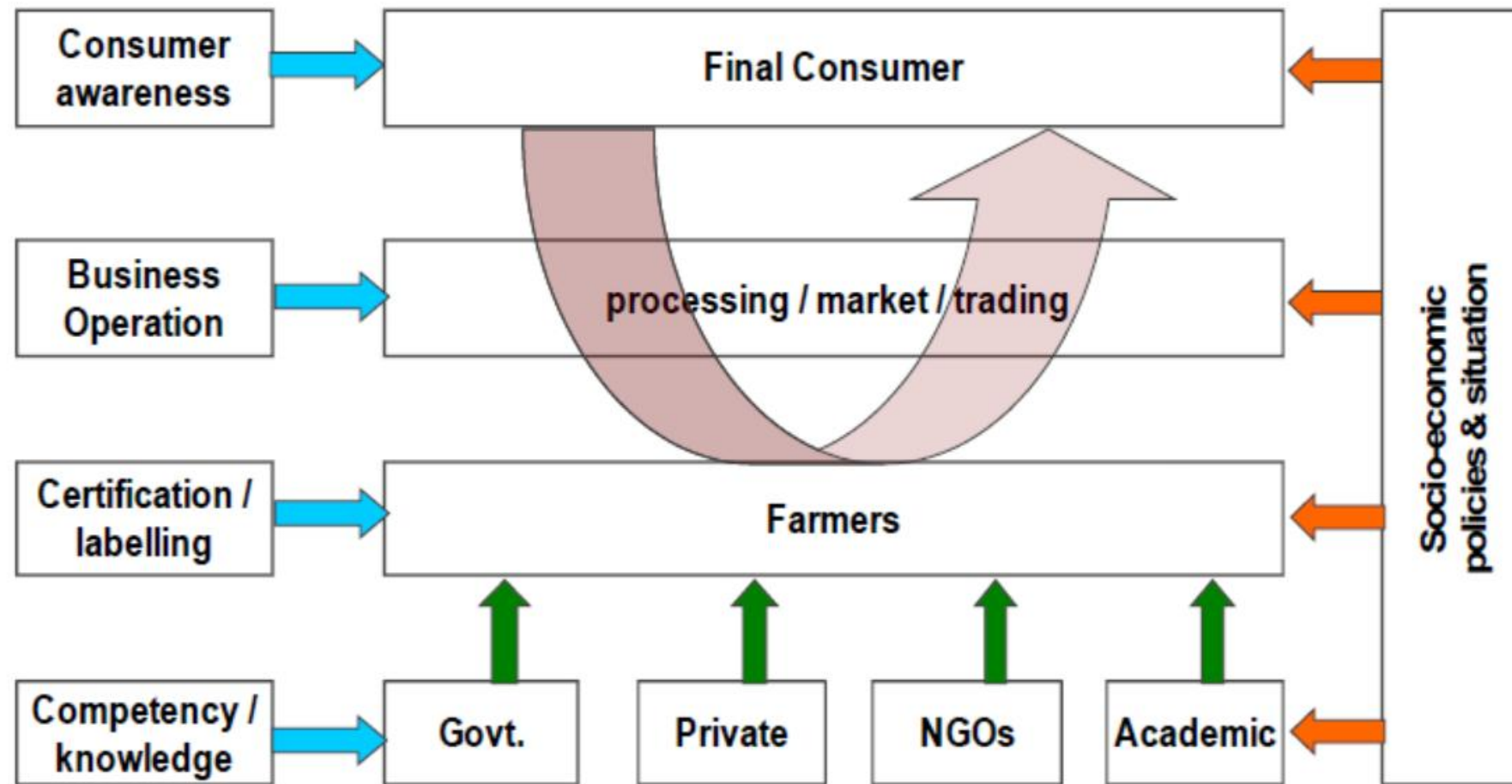
# Lao organic logo



Developed under IFOAM standard:  
(International Federation Organic Agriculture Movements)



# Structure and Mechanism for Organic Agriculture Development



# Organic Agriculture Market in Vientiane Capital





Weekend organic market in Vientiane



Farmer market in Xieng Khuang



Farmer market in Luang Prabang



AgroAsie Shop in Vientiane

# Organic Products in Lao

Product	Range	Leading brand	Certification
vegetables	50 – 60 kinds of vegetables with seasonal variation	Vientiane Organic Vegetable Group	Most have certification or are planning to do so
fruits	Less than 10 kinds	Vientiane Organic Vegetable Group	Most are produced on organic vegetable farms, no dedicated organic fruit orchards
rice	Less than 5	<u>Sangthong Organic Rice Group</u> , <u>AgroAsie</u>	All certified
grain	Only one (soy bean)	<u>AgroAsie</u>	Not certified
Coffee	Between 5 - 10	Lao Mountain, <u>Joma</u> , <u>Sinouk</u>	All certified
Tea	Less than 5	Lao Farmer Products	All certified
Mulberry tea	Between 5 - 10	Mulberry, Silk Tea	All certified
Herbal tea	Between 5 - 10	none	Not certified
Jam	Between 5 - 10	Lao Farmer Products	Not certified (*)
Wine	Only one (mulberry wine)	Mulberry	Not certified (*)
Cereals and corn flakes	Between 5 - 10	Imported products	All certified
Silk textile products	Between 10 - 20	Mulberry	Not certified (*)





**Agroasie shop in Vieantiane Capital Laos**

## 2. What do we sell, where is it from?

ເຮົາຂາຍຫຍັງ, ມາຈາກຢູ່ໃສ ?

- We sell ~150 products including: ສິນຄ້າເຮົາຂາຍລວມມີ ປະມານ 150 ຊະນິດ
  - Fresh vegetables and fruit
  - Tea and coffee
  - Nutrition supplements
  - Healthcare products
  - Handicrafts
  - Lao lao...





Agrosie organic shop



# Agrosie organic shop



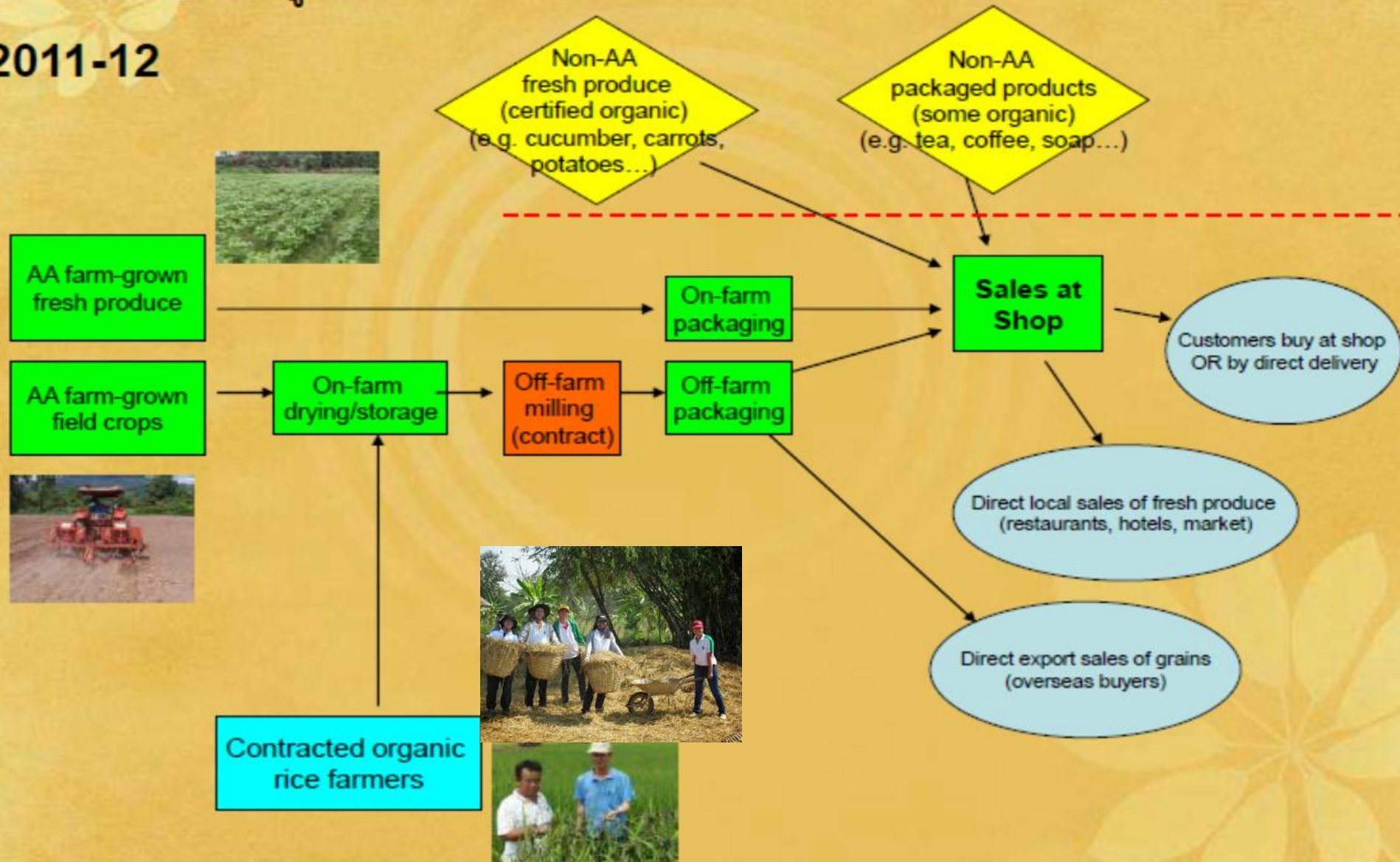




# AgroAsie Value Chain

ລະບົບຕ່ອງໂສ້ ມູນຄ່າ

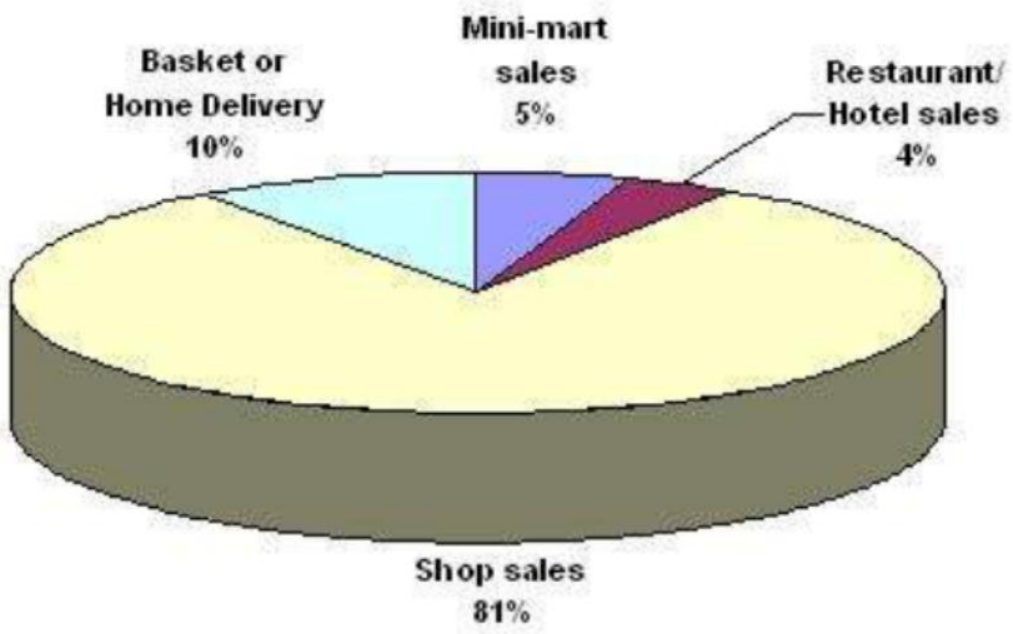
2011-12



- Customers who come to the shop ລູກຄ້າທີ່ມາໃນຮ້ານ
  - 95% expatriates
    - » 85% Europeans / Americans
    - » 10% Japanese / Koreans
  - 5% Lao
- Most are temporary residents, not tourists



Types of Customers: 2012



# What are the opportunities?

- Abundance of national Resources (large cultivable land, clean water, many farms are less and non-chemical use).
- Increasing demand of organic agricultural products in EU countries, USA, Japan, ASEAN and China markets.
- Organic products carry price premium, helping to improve farmers' income and reduce poverty.
- Synergy among international development partner to assist rural development.
- Developing the agro- and eco-tourism

# What are the challenges

- Individual Small Farmer Cannot Achieve scale Economic By Themselves.
- Knowledge Transfer and Information Flows Are Not well organized.
- Lack of packing and branding prevents organic farmer for receiving premium prices.
- Insufficient information about domestic and export markets.
- Cross border trade and invest opportunities are not being exploited.
- Currently cultivated varieties are unsuitable .
- Biotic (pests and disease) and Abiotic(extreme weather patterns due to climate change)
- Most of organic has fail due to quality problem.
- Difficult to develop export vegetable market without cool chain and export facilities.

# III. What we have learned from Japanese food industry tour

agriculture

Processing

logistic

marketing

- Six industrialization is good concept of agriculture for farmers in Japan so, we can adopt this idea to Lao farmers or Lao agriculture.

- We have learned that all the processing foods in Japan has been used very high technology to manage with the standard of food safety which is very big different in Lao that we do not have technology for manufacturing and not concern much on food safety.

- It is very amazing for us and first time to see the logistic management as Yamato company for shipping the parcels for customers with very high responsibilities and standard.
- Thus, we have learned that to manage the good logistic must combined technology and high responsibility to customers.

- We have learned that many the products of Japan are based on culture, making story for added value to the product e.g: concern on health, environment etc..
- Good advertising of products by giving information for customers is very good idea.

# III. What we have learned from Japanese food industry tour

- Finally, we can conclude that we have learned a lot of things in Japan  
Thus, as **we are Lao student** we will bring the experiences from Japan to expand to Lao society to let Lao people know more about Japan especially, **Agriculture, Food Value Chain, Culture, Technology and etc..**
- Moreover, what we really appreciate is “**responsibility of Japanese people to the society**” and **toilets.**



# Organic agriculture activity in NUOL





Thank you very your attention



ຂອບໃຈ  
Thank You

