



MARKET ACCESS OF ORGANIC VEGETABLE

KEY TAKEAWAYS

- Collaboration between farmer groups, local authorities, and support organizations proved essential to maintaining supply, building trust, and ensuring stable market access.
- Establishing a sustainable market and fair pricing through formal contracts proved to be the most significant motivator for farmers to actively produce.
- Field-based, hands-on, and peer-to-peer training proved highly effective, improving both technical confidence and productivity, with monthly yields rising from 2 to 3.5 tons.

Scale up Agroecological Products Access to Sustainable and Integration Markets Project (SAPSISM)

📍 Location: Pek District, Xieng Khouang Province, Lao PDA
📅 Duration: 2023-2025
👤 Implemented by: PDDA.XKh and POCA

- 🌻 Agricultural system: Agroecological horticulture
- 🌻 Altitude: approx. 1,100 meters above sea level
- 🌻 Rainfall & temperature: Average annual rainfall ~1,446 mm; average temperature 19.7 °C

Agroecology Principles:



ALiSEA Knowledge Product Categories:



CONTEXT

Xieng Khouang Province is one of the Lao provinces with rich potential and resources for agricultural production. Pek District is the administrative center and the cultural and socio-economic heart of the province. According to the Provincial Environment and Natural Resource Department (PONRE, 2021, as cited in World Bank, 2023), about 76.76% of Xiengkhouang Province's population is employed in agriculture, with much smaller shares in services (5.47%) and industry (5.18%). Based on local conditions, the government prioritized organic agriculture for poverty reduction and sustainable market access. Local authorities in Xieng Khouang, especially Pek District, actively promote organic vegetables by helping farmers access markets, showcase their products, and benefit from local agricultural programs. Meanwhile, demand for organic vegetables in Xieng Khouang, especially in Pek District, has steadily grown, reflecting consumers' rising preference for healthier food. Sales volumes have shown consistent growth during 2023–2025.

However, despite government support and strong production potential, agriculture in Xieng Khouang still faces many challenges, such as weak value chain connections, limited production technology, and consumers' doubt about the quality of organic products. In other hand, farmers' production capacity is still not sufficient to meet market demand. Even though the number of consumers keeps growing, the local organic market operates only two mornings a week, which limits opportunities for access and sales. Moreover, many farmers still lack knowledge and skills in market access, contract-based selling, and agroecology production practices.



Figure 1: The organic vegetable market in Phonsavanh City, Pek District, Xieng Khouang Province

Over the past years, the People with Disabilities Development Association of Xieng Khouang (PDDA.XKh) and the Peak Organic Cooperative in Agriculture (POCA) have implemented various activities to support farmer groups in producing and selling organic products for local markets and household consumption. To further build on these achievements, PDDA.XKh and POCA have implemented the SAPSISM Project to support POCA members to promote sustainable access and participation of organic products in market value chains, contributing to improved livelihoods, poverty reduction, and social inclusion. The project selected four farmer groups of 40 members residing in 9 villages in Peak District to participate in core activities, among whom 32 individuals were identified as direct beneficiaries. These farmers are committed to implementing agroecological production and complying with organic agriculture rules. They cultivate a variety of organic crops, including leafy vegetables, flower vegetables, and fruit vegetables. They are able to grow vegetables throughout the year on a total land area benefiting from sustainable management of 5.2 hectares.

PROJECT APPROACH

In the SAPSISM project, numbers of activity interventions are identified in three different approaches: creation of cooperation and connection among stakeholders in relation on value chain; increasing capacity building of organic farmer groups in terms of knowledge and skills; and creation of consumer and public awareness on organic products and diets for increasing organic product demand.

CREATION OF COOPERATION AND CONTRACT FORMALIZATION

The project strengthened coordination with local authorities from the start. Through an orientation workshop within stakeholders, including the Provincial Agriculture and Forest Office (PAFO), the District Agriculture and Forestry Office (DAFO), the District Industry and Commerce Office (DICO), and government stakeholders, they formally committed to supporting project implementation. Each department appointed a focal person to facilitate coordination, provide technical monitoring, and smooth collaboration with farmer groups. Following this, a value chain workshop brought together 54 participants, including farmers, business representatives, and local government officials, to strengthen mutual understanding and discuss collaboration.

Building on this momentum, a market survey was carried out by three field teams with the involvement of 13 representative organic producers, 4 PDDA staff, 4 POCA staff, and offices from DAFO and DICO to explore collaboration opportunities between organic producers and local restaurants.

The 13 restaurants were selected based on the following criteria: their size, their need for young vegetables, and their location in town. Participants were divided into three teams trained on marketing concepts, interview techniques, and communication skills before conducting the fieldwork. The discussions focused on current vegetable demand, supply preferences, and interest in organic sourcing. The survey revealed that most local shops and restaurants required 10–20 kg of organic vegetables per day, with three—FaMai, SaoPhuan, and SabayChai—expressing strong interest in collaboration.



Figure 2: The greenhouse in Yuan Village, supported by PDDA.XKh.

THE RESULT OF CREATION OF COOPERATION AND CONTRACT FORMALIZATION

As a result, a formal buying and selling contract agreement was concluded with FaMai Restaurant, committing the farmer group to supply 10 kg of mixed young vegetables daily at the agreed price. The contract also clarified roles and responsibilities — POCA covering transportation costs, DAFO providing production and quality inspection support, and DICO verifying market prices. Famai was contracted because it was already a loyal daily buyer. As producers cannot yet supply all three restaurants, only this existing customer was contracted. The other two will follow when supply allows. The successful finalization of the formal contract farming agreement stands out as a critical achievement, effectively mitigating risks and ensuring market stability for the organic producers. This stability is structurally guaranteed by specific components within the contract. For instance, the protection against price fluctuations is ensured by the explicit Payment Terms, which fix the price at 20,000 kip per kg (or 22,000 kip in the rainy season), thereby protecting both parties from market price volatility. Moreover, the inclusion of Agreed Product Quality Standards supports the consistent maintenance of product quality, which enhances marketability and builds customer trust.



Figure 3: The organic vegetable garden in Yuan Village, Pek District, Xieng Khouang Province

CAPACITY BUILDING AND PRODUCTION SUPPORT

In addition to technical knowledge, PDDA and POCA supported the construction of 17 new greenhouses, helping farmers maintain year-round production.

Beyond agriculture practices training, the capacity building also covered fundamental marketing concepts, including the definition and importance of marketing, the code of conduct in marketing, and the value chain of the vegetable market. Understanding these basic marketing principles is essential for producers to engage effectively in the marketplace. In addition, the training included modules on communication skills, coordination, and follow-up strategies to enhance producers' ability to connect with buyers and maintain professional relationships. The practice also strengthened group leadership and record-keeping capacity, helping farmers manage production plans, track outputs, and

coordinate deliveries. PDDA.XKh and POCA provided continuous mentoring, promoting peer learning and problem-solving within and between farmer groups. These efforts helped create a more confident and self-reliant network of organic producers capable of maintaining product quality, meeting market demand, and ensuring compliance with organic standards.

PUBLIC AWARENESS AND MARKET PROMOTION

Public awareness and market promotion played an important role in increasing consumer understanding of organic products and enhancing the visibility of local farmer groups. Activities under this approach combined direct outreach campaigns with participation in provincial exhibitions and public events to strengthen market recognition and stakeholder engagement. The awareness campaigns on organic production and its benefits to consumers were conducted at high-traffic locations such as Xiengkhouang Market Center, NamHung Market, and the Public Park. Various communication channels were used including publishing short news pieces, producing promotional video clip, and sharing updates on social media platforms through the PDDA.XKh and POCA Facebook pages. In addition, more than 500 brochures, posters, and leaflets on agroecological practices and organic standards were produced and distributed to the public.

To further promote market opportunities, the project supported farmer groups in participating in provincial exhibitions and festivals, including the Laos Tourism Year 2024 celebration, the 49th National Day anniversary, and the Khao Kai Noy Festival. These events provided valuable platforms for farmers to display and sell their organic products, engage directly with consumers, and connect with government stakeholders, who have since expressed continued support for organic production initiatives.



Figure 4: Advertising organic vegetables at Namgum market, Pek District, Xieng Khouang Province.

PROJECT RESULTS

The SAPSISM Project achieved significant and measurable results, contributing to better livelihoods and poverty reduction for farmers in Pek District, Xiengkhouang Province.

TECHNICAL AND PRODUCTION CAPACITY

The project successfully enhanced the technical capacity of farmer group members, particularly new participants, through intensive training sessions. A total of 32 farmers strengthened their knowledge of agroecological practices. Pre- and post-training tests showed a remarkable 48% increase in farmers' average understanding of organic vegetable production techniques, including greenhouse construction, soil preparation, and composting.

Farmers were also trained in seven herbal pesticide formulations and two compost fertilizer types. With enhanced knowledge and the provision of materials for constructing 17 new greenhouses as demonstration models, both the quality and quantity of organic products increased significantly. The average monthly yield rose from 2 tons to 3.5 tons per month. There are 32 family farms that have adopted agroecology systems in 12 hectares with at least two criteria, such as crop diversification and reduced chemical use. Notably, two families expressed interest in establishing seed storage centers to distribute seeds within the community after completing their training.



Figure 5: A garden using compost and natural insecticides in Yuan village Pek District, Xieng Khouang Province.

MARKET LINKAGES AND ECONOMIC PERFORMANCE

A key achievement was the strengthening of market connections through survey and promotional activities. Based on the results of market assessments and buyer engagement, the project successfully linked organic vegetable producers with restaurants that had purchasing demand. The market survey helped farmers save time and resources by reducing the need to constantly search for new buyers. In addition to identifying buyers and establishing agreements, the project facilitated the signing of one formal contract farming agreement with a local business. This arrangement provided mutual benefits by reducing risks for both producers and buyers, ensuring a stable market and

setting fixed prices well above market rates (22,000 kip/kg in the rainy season and 20,000 kip/kg in the dry season, compared with general market prices of 15,000–18,000 kip and 5,000–8,000 kip respectively). At the same time, community awareness activities helped increase the number of customers at the organic market and build consumer trust in the reliability of supply. The campaigns reached around 50 new consumers who had never purchased organic vegetables before. Consumers were also able to place direct and online orders for home delivery. As a result, all 32 family farms improved their economic performance. Production rose from 62,500 kg in 2023 to 96,000 kg in 2025, increasing total income from 937,500,000 kip to 1,920,000,000 kip, an increase of 982,500,000 kip.



Figure 6: Organic market in Pek District, Xieng Khouang Province, on Wednesday and Saturday mornings

STAKEHOLDER ENGAGEMENT AND SOCIAL INCLUSION

The project gained strong support from local government partners, notably DAFO and DICO, through an official cooperation agreement. This collaboration enabled farmers to sell organic vegetables at two main markets (Xiengkhouang Market Center and NamHung Market) without paying fees or taxes. Socially, the project promoted gender equality and social inclusion: among 40 direct beneficiaries, 39 were women, and the selection of new members prioritized households with persons with disabilities. Overall, the project created a sustainable platform for collaboration, strengthened trust among stakeholders, and fostered motivation for farmer groups to continue expanding organic production in the future.



Figure 7: Product exhibitions at Thurn Village, Pek District, Xieng Khouang Province.

STRENGTHS, WEAKNESSES AND CHALLENGES

STRENGTHS

- Stakeholder engagement: Involving government offices, producers, and entrepreneurs fosters collaboration and increases project credibility.
- Comprehensive training: Equipping producers with marketing knowledge, communication, and coordination skills to strengthen their capacity to engage with buyers effectively.
- Market survey-based planning: Conducting a well-organized market survey ensures that production aligns with actual market demand, reducing the risk of oversupply or unsold goods.
- Contract farming model: Signing formal contracts helps secure stable markets for producers, reduces risk, and encourages fair pricing.
- Clear roles and coordination: Dividing tasks among agencies/organizations improves efficiency and data accuracy of the market survey.
- Focus on quality and standards: Emphasizing product quality builds trust with buyers and supports sustainable market growth.



Figure 8: Group discussion on market access planning in Phonsavanh Town.

WEAKNESSES

- Short project duration: The 15-month implementation period may be insufficient for long-term behavior change, capacity building, and market development.
- Training scope: Training lacked sufficient coverage of contract negotiation and business management skills.

CHALLENGES

- Restricted market access: The organic market operates only two mornings per week, which may constrain sales opportunities and limit consumer access.
- Limited supply capacity: Producers currently can supply only one entrepreneur daily, limiting market expansion despite demand from multiple buyers.
- Dependence on few entrepreneurs: Reliance on a small number of entrepreneurs for daily supply increases vulnerability to market fluctuations or contract cancellations.

CONCLUSIONS & RECOMMENDATIONS

The SAPSISM project successfully demonstrated that focused intervention, combining technical capacity building with robust market linkage, leads to improved economic outcomes and increased production of organic vegetables. The project achieved initial success in upgrading skills and knowledge and established a network for sustainable market participation. To ensure the long-term viability and scalability of this model, the following recommendations are crucial:

- Expand production capacity and group collaboration: Support the expansion of greenhouses and provide additional training and resources, such as improved seeds, organic inputs, and farming techniques. Encourage farmer group collaboration and collective marketing to meet buyer demand and ensure a consistent supply.
- Strengthen business and contracting skills: Provide training on contract negotiation, management, and financial literacy to help producers manage costs, improve profitability, and build strong, transparent relationships with buyers.
- Diversify market access: Work with local stakeholders to extend organic market days and explore additional channels such as farmers' markets, supermarkets, or direct-to-consumer sales. Engage more entrepreneurs, retailers, and institutional buyers such as hotels and schools to diversify demand and reduce dependency on a few buyers.
- Ensure continuity and sustainability: Establish mechanisms to sustain POCA's support role and ensure regular communication between producers and buyers beyond the 15-month project. Longer-term support from local government or cooperatives should also be considered to maintain project momentum.
- Promote consumer awareness and strengthen market communication: Expand consumer awareness campaigns through workshops, media, and community events to build understanding of organic products. At the same time, maintain regular communication platforms between producers and buyers to exchange feedback, strengthen trust, and ensure market alignment.



Figure 9: The organic vegetable garden in Yone Village, Pek District, Xieng Khouang Province

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