



BUILDING A NATIONAL STRATEGY & GOVERNANCE

The Lao coffee experience

LAUNCHING THE LAO BAMBOO PLATFORM
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1. Lao coffee sector initial situation

Strengths

● Production

- Development potential for the production of quality coffee
- Majority of natural production methods

● Processing

- Current development of wet processing
- Significant investments for processing and export

● Commercialization

- Existence of several companies involved in the processing and export, some with important processing and financial capacities
- Some stakeholders oriented toward premium quality coffee, with a benefit for the image of the Lao Coffee
- Existing cases of Fair Trade and Organic certification

● Business_environment

- Existence of a private sector-representative association (Lao Coffee Association) and of important smallholder producer associations (CPC,...).

1. Lao coffee sector initial situation

Challenges

◎ Production

- Limited technical knowledge & resources available for extension services
- Insufficient or still weak farmer organizations

◎ Processing

- Limited technical knowledge on processing & wet processing facilities
- Persistence of bad practices at harvest and post-harvest level that (quality issues)

◎ Commercialization

- Still low international recognition of the quality of Lao coffee
- Lack of market information and of regulation of local trade

◎ Business environment

- Need to strengthen the sector governance and articulation from central to local levels
- Land access issues for farmers and for investors to extend their plantation
- Lack of financial mechanisms to support the development of the production (high interest rates)
- High labor costs and lack of labor force, high transportation and exportation costs

2. Lao coffee sector development strategy

Leading objectives of the approach:

- Initiate a participative process and multi-stakeholders reflection
- Develop a national strategy based on stakeholders inputs and consensus
- Suggest institutional set up for coffee sector governance
- Identify priority interventions and shared framework
- Facilitate dialog, collaborations and coordination among various relevant stakeholders

2. Lao coffee sector development strategy

A process involving each category of stakeholders in:

- Coffee supply/value chain assessment
- Consultation / discussion workshops gathering various public and private actors
- Definition of priority objectives, monitoring by LCB secretariat
- Decentralized workshops to share results then to adjust Strategy contents (for each profession)
- Strategy endorsement to ensure ownership by Central, Provincial authorities and stakeholders representatives

2. Lao coffee sector development strategy

Elaboration approach summary

1. Sector and value chain analysis through consultation of all categories of stakeholders
2. Multi-stakeholders workshop #1: findings and definition of priority areas
3. Consolidated document reviewed by MAF (draft 1.1)
4. Decentralized workshops per profession / department: contents review, inputs, ownership
5. Revision of Strategy document (2.0)
6. Multi-stakeholders workshop #2: final consensus, actions ranking, governance options
7. Review of Strategy 2.1 by LCB secretariat and official validation
8. Mobilization of relevant ministries, legal works and ratification, edition of the official version

April
2012

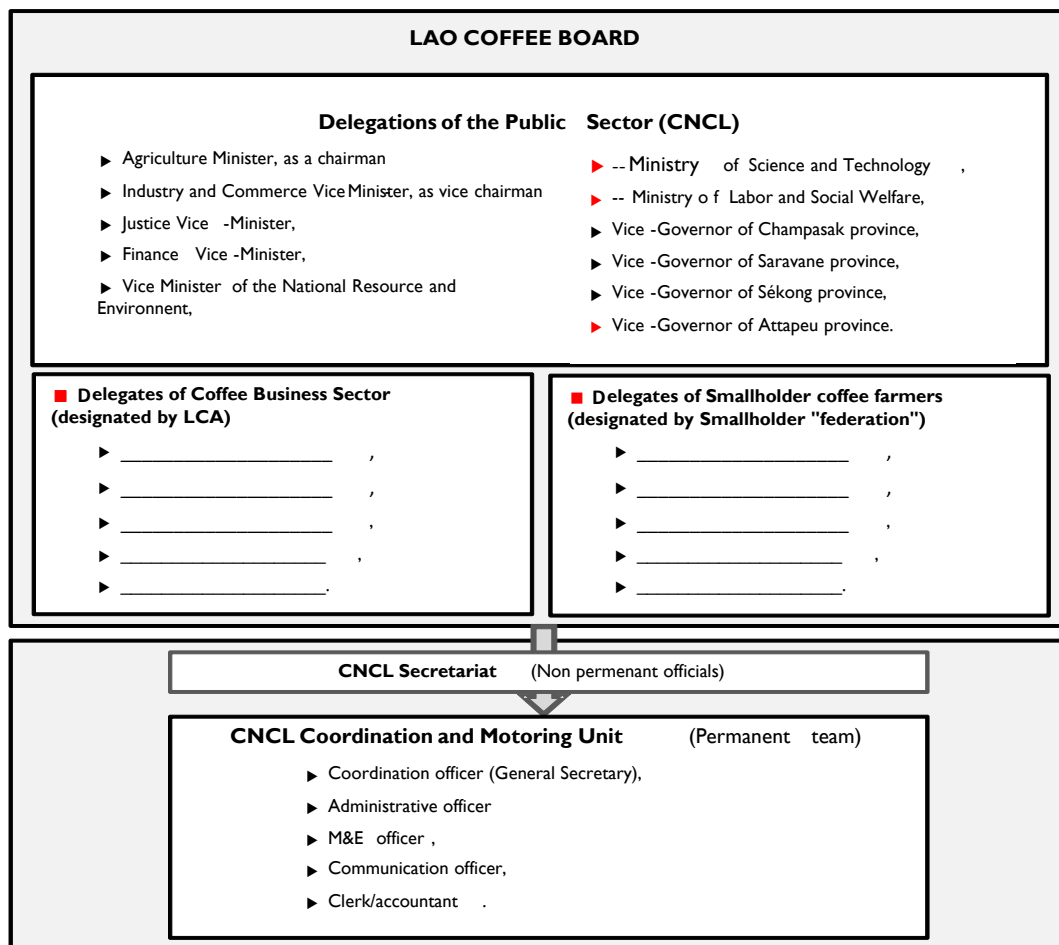


October
2012



June
2014

3. Lao coffee sector governance & management: suggested structure



Provincial / District Support Committees

(set-up to coordinate actions related to the strategy implementation in a given territory)

- Chaired by Governor or Vice - Governor;
- Facilitated by the Lao Coffee Board Secretariat / Executive Unit.

Ad -hoc Commissions / Task -Forces

(set-up to work on specific activities or pillars)

For instance:

- Commission for GI establishment;
- Commission on Research Orientation;
- Commission for the organization of Lao Coffee Festival...

LAO COFFEE FORUM

Network / "think -tank" of all public and private stakeholders:

- ▶ Public institutions ,
- ▶ Economic stakeholders,
- ▶ Development partners, projects, NGOs ,
- ▶ Experts.
- ▶ Others .

3. Lao coffee sector governance & management

Enhanced collaborations

- Creation of a **"Coordination and Monitoring Unit"** whose main roles are to:
 1. Centralize information on the on-going initiatives (both public and private)
 2. Contributing to the strategy implementation through the coordination of such initiatives
 3. Provide information and feedback to coffee stakeholders
 4. Monitor the coffee sector data and indicators
 5. Facilitate of a permanent dialog within the Lao Coffee Sector.

4. Lessons learnt

- ✓ Importance of early involvement of protagonists in preliminary works and strategy design
 - Ownership, dialog/negotiation, “*sector spirit*”
- ✓ Clear vision of actual sector and suitable development orientations
 - Relevant and realistic Strategy pillars
- ✓ Shared framework and sector coherence to be facilitated or regulated by an entitled and recognized governance organization
 - Clear and simplified institutional setup, commitment of members

4. Lessons learnt

- Necessary efforts to promote Strategy goals and contents, “encourage” compliance of stakeholders activities
→ Limited knowledge, poor application level of the Strategy so far
- Crucial consideration of stakeholders’ voice and representation in the constitution of governance body, including in operations
→ Institutional complexity and legitimacy issues blocked actual creation of steering and executive bodies
- Sector’s autonomy to be seek in terms of resources and in compliance with related National policies
→ No resource allocated to recruit or run a coordination unit, no participation of coffee sector partners

THANKS FOR YOUR ATTENTION

More information?

Download the Lao Coffee Sector Development Strategy

www.laocoffeeboard.org

More questions?

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