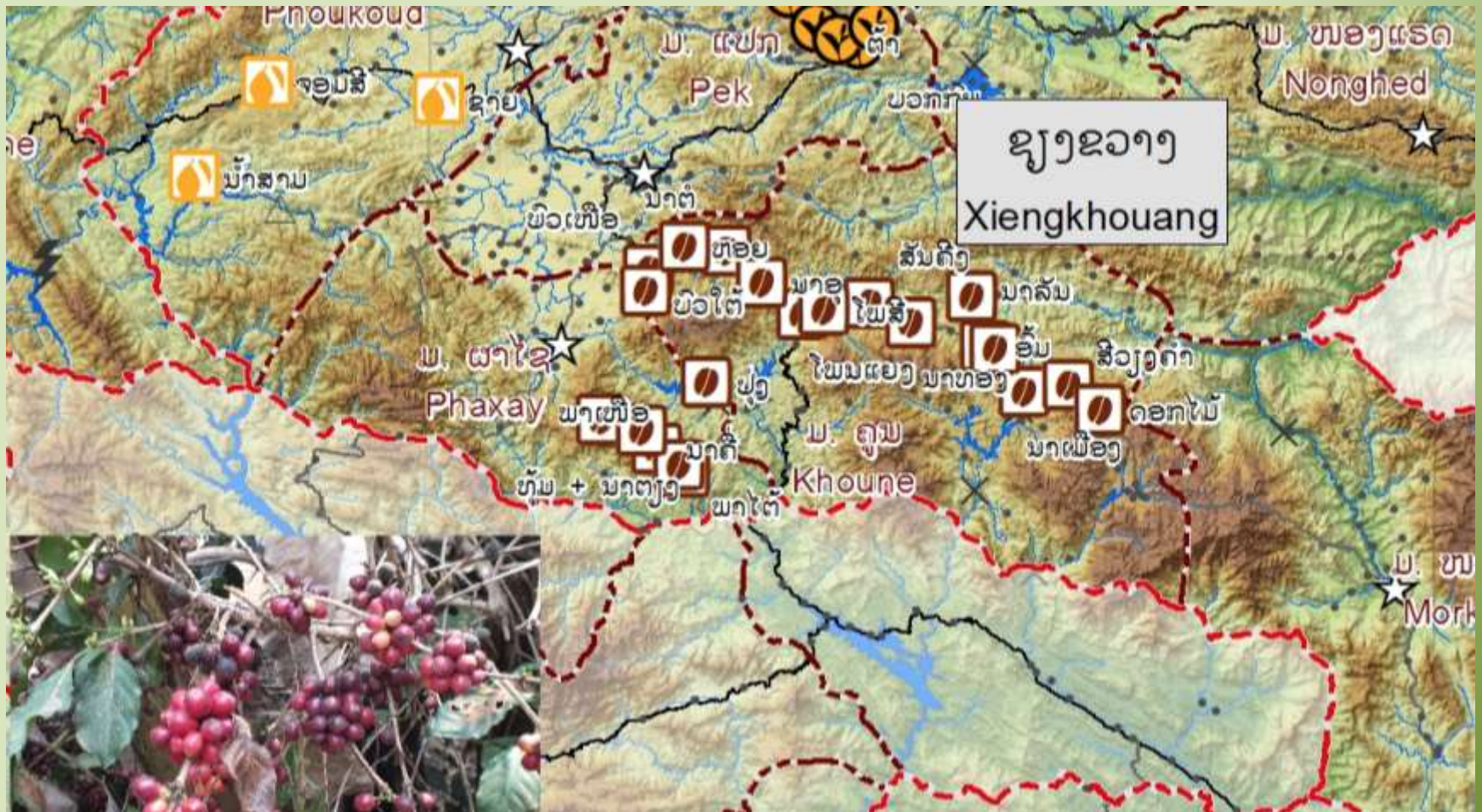


# Agroforestry Coffee





# Location



# Environmental Conditions

- ◉ Arabica Catimor is almost exclusive grown in XK. This cultivar is resistant to coffee leaf rust.
- ◉ Arabica coffee requires an elevation above 1,000 metres
- ◉ Optimum daily temperature is between 20 C and 24 C. Above 30 C will cause stress to the plant. Frost will cause serious damage.
- ◉ Rainfall should exceed 1200 mm per year. Ideally, this should be evenly spread over 7-9 months. A dry stress period is needed to induce flowering
- ◉ A free draining soil with a depth of at least one metre is needed. Coffee cannot tolerate water-logging. East or South facing slopes are preferred.

# Farming system



- ◉ A good fit with Khao Kai Noi rice in terms of cropping calendar and labour availability
- ◉ NTFPs are also collected in these communities



# Production and markets

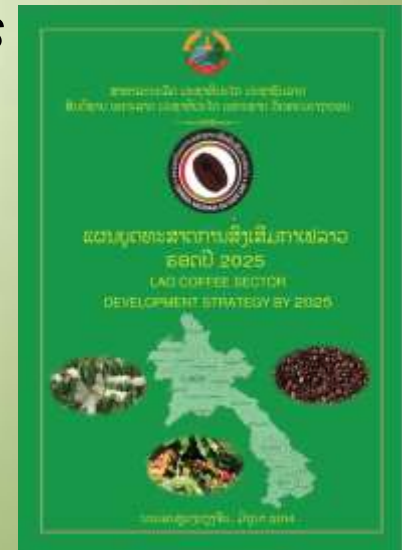
- ☉ Coffee is currently grown by 961 households in 46 villages of Khoun, over an area of 375ha
- ☉ Production of coffee parchment in 2014-2015 was 12 tonnes
- ☉ This fell to 9 tonnes in 2015-2016 due to frost damage.
- ☉ (NB: nationally, production is between 11,000 and 23,000 tonnes)
- ☉ Other production areas in XK are less significant, but there is high development potential in Nonghet, Phaxay, and Pek districts.
- ☉ Two companies are currently active in the province:
  - *Café Meuang Xieng* set up by a former partner of Saffron Coffee (Luang Prabang). Bought 6T in 2014-2015. Strong commitment to community development
  - *Café Xieng Khouang* is owned by a well-connected Lao businessman, with big ambitions: aims to buy 100 T per year

# This is what it looks like



# Policy

- ◉ The Lao Coffee Sector Development Strategy was published in 2014
- ◉ Vision: *“An expanding coffee sector, oriented toward quality and respect for the environment, providing sustainable and decent incomes for smallholder producers, as well as viable business conditions for private sector partners*
- ◉ The strategy states that land titles are essential to the development of smallholder coffee
- ◉ The Strategy does *not* mention agroforestry
- ◉ Implementation of the Strategy is overseen by the Lao Coffee Board



# Projects in XK

- ☉ Coffee was introduced into Khoun District by an IFAD project in 2001.
- ☉ Market chain was not developed and trees were neglected
- ☉ The SADU project (SDC+CIAT) assessed potential in 2010, and organised farmer visits to Bolaven
- ☉ Production has expanded in past 5 years and companies have taken an interest in the area
- ☉ In 2016, LURAS (SDC+Helvetas) developed a strategy for further development of coffee in Khoun District. Activities are now on-going, including construction of processing facilities to be managed by farmer groups.



# Local strategy

National policy goals	Potential in XK
<b>Goal 1:</b> Development of coffee production	<ul style="list-style-type: none"> <li>• Suitable conditions for coffee growing (volumes + quality)</li> <li>• Lands diversity and availability</li> <li>• Few phyto-sanitarian problems</li> <li>• Drivers for coffee production (Keoseth group, DAFO Khoun)</li> </ul>
<b>Goal 2:</b> Improvement of the quality and marketing in order to optimize the added value and profitability of the Lao coffee sector	<ul style="list-style-type: none"> <li>• Relevant initiatives of shade grown coffee models</li> <li>• No chemical inputs on coffee</li> <li>• Some other products certified in the province (or on the way)</li> </ul>
<b>Goal 3:</b> Optimization of the share of added value benefiting to producers	<ul style="list-style-type: none"> <li>• Presence of selling group(s), unity in pricing and minimum quality</li> <li>• General trend of coffee farmers grouping</li> <li>• Short value chain: +/- direct connection with buyers</li> </ul>
<b>Goal 4:</b> Improvement of the efficiency and of the resilience of the Lao coffee sector and development of a partnership spirit among stakeholders	<ul style="list-style-type: none"> <li>• Coffee progress in provincial agriculture development strategy Potential to target niche markets (economic resilience)</li> <li>• Potential to spread agroforest models (resilience to climate change)</li> <li>• Emerging sector with few actors (eased connectivity building)</li> </ul>

Ref: Kim Valakone, Aug 2016