

# Linking Poor Farmers to Vegetable Quality Chain in Vientiane Market Lao PDR

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Value Chain Capacity Building

Network (VCB-N)





# Regional Value Chain capacity building network













### **About VCB-N**



#### **Present members**

14 CoE members

#### Network's scale

China, India, Bangladesh, Myanmar, Vietnam, Laos, Indonesia (open to others)

#### **Implemented**

By Helvetas and Hivos







#### **Establishment**

The Value Chain Capacity Building Network (VCB-N) is established in 2016.

#### Origin

PROJECT: Regional Training Facility for Scaling-up of pro-poor value chains.

#### **Funded**

By IFAD.













VC analysis and intervention design





M&E, research and value-chain studies



Hand-holding and accompaniment during VC project implementation



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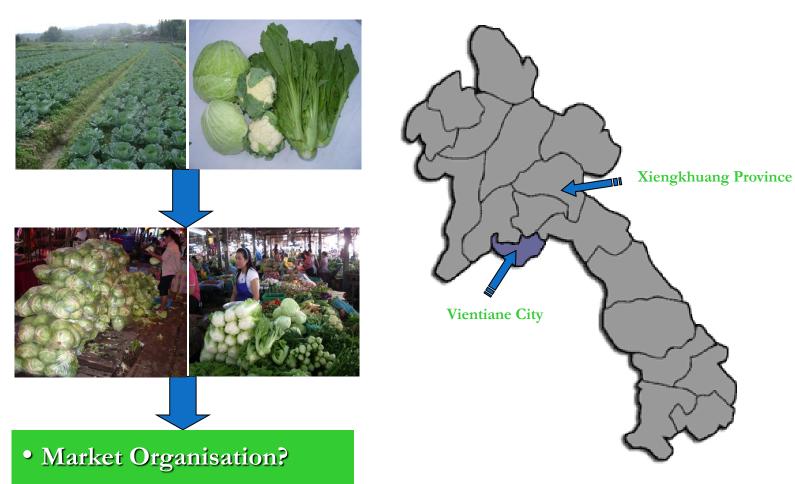


# Background



- The Supermarket Chain or SUPERCHAIN
   Project was implemented by Markets and Agriculture Linkages for Cities in Asia
   ( MALICA) and supported by IFAD between 2006 and 2010;
- The objective of project was to facilitate poor farmers having access to agricultural products quality chain.

# **Background (cont.)**





Consumption ?





## The result of market studies:

- There was the impact of preferences and awareness on chemical content by consumers for food safety;
- Xiengkhuang vegetable origin had a problem of traceability in Vientiane market;
- There was the demand of indication on the JUFAN egetables that they are chemical-free.





## **Good Practice**

Facilitating the recognizing of Xiengkhouang- origin vegetable through the labeling.

Activity 1: Building a traceability system by organizing the workshop where 30 people joined, representing different actors of Xiengkhouang vegetable chain

Activity 2: Testing the concept

Activity 3: Measuring the impacts of traceability system throughout the chain by doing an qualitative survey



## **Good Practice (cont.)**



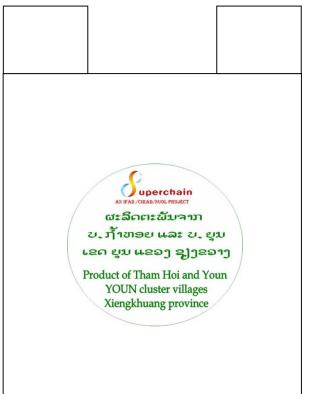
**Model 1: Sticker** 





**Model 2: Plastic bag** 

# **Good Practice (cont.)**



The white color is intended to facilitate the recognizing and the differentiation from other origins







**Vientiane Origin** 





## **Impact**



The result of the study on the impact of activities shown:

- Producers and traders had learned new system of product traceability,
- Label was established;
- Network between actors in the value chain was built to guarantee the integrity of the label;
- Consumers recognized better the vegetable from Youn Claster village of Xiengkhouang.





## **Facilitating factors**



- The market oriented policies of the Lao government facilitated the implementation of the project activities,
- Active involvement of community and leaders of community in the project activities,
- Active involvement of the local authority (DAFO).





# **Challenges**



- Who will pay for the package after the support of the project and owner of the package;
- Create the added value on the product by responding more to the consumer needs on certification but it need to conduct the consumers survey on if they will be willing to pay higher price.





## **Lessons learned**



## The success of the project came from

- Using the bottom up development approach for identifying problems and finding the solution and systemic approaches for looking at problems,
- Project's role is facilitating and consulting but not the actor of the development itself,
- If actors in the value chain see their benefits and opportunity of intervention, they will involve actively in the project activities, and
- Involvement of the local authorities (DAFO) will be IFABactive when they feel ownership of the project.





## Recommendations



To the development agency and government:

- No single solution for all problems, understanding the diversity and complexity of situation in the project area before intervention is important.
- Involvement of local people since the beginning of the project in problem finding and solving process will create the synergy and sustainable development.
- The development projects should start the activities in pilot area to learn and adjust before
   IFAREXTENDING TO larger area and in different context.



