



Comité de Coopération avec le Laos

Boîte postale 4791, Vientiane, Laos

Tél : (856-21) 25 40 39 - Télécopie : (856-21) 21 69 25

Email : cclvientiane@ccl-laos.org

Site : www.ccl-laos.org

Revue de presse du 10 au 14 Août 2015



Vous trouverez ci-joint un choix d'articles publiés au Laos en anglais dans le quotidien "Vientiane Times"

Bonne réception et bonne lecture,
Cordialement,
Bureau du CCL à Vientiane

➤ **Vientiane Times** :

- Coffee group calls for stronger govt promotion
- Agriculture key to food security and poverty reduction
- Economists warn of rice shortage

Coffee group calls for stronger govt promotion

(By Times Reporters)

The Lao Coffee Association has called for the government to provide better promotional policies so that Lao products are more widely recognised in international markets. The Lao government is currently preparing growers and producers for membership in the International Coffee Organisation (ICO) but there are still many conditions to be met.



Mr Sinouk Sisombat speaks at the recent consultative meeting in Vientiane.

Association President Mr Sinouk Sisombat discussed various issues with the government recently at a consultative meeting chaired by Deputy Prime Minister Dr Bounpone Bouttanavong. “The coffee business has been making a crucial contribution to socio-economic development so the government should do more to support the industry, especially when it comes to allocating land to growers,” he said. He suggested that the government consider allocating areas for coffee growing that are actually suited to the crop rather than for use as rubber plantations. “The promotional policy on land allocated for coffee growing should be carefully re-considered so that it fully supports coffee

production,” Mr Sinouk said. Coffee exports generated more than US\$70 million last year along with indirect income generated by tourism in coffee growing areas. According to a report from the Ministry of Agriculture and Forestry, the total coffee growing area in Laos is about 83,495 hectares while the area harvested last year was more than 60,000 hectares. Total coffee output last year was 98,200 tonnes, an increase of 8 percent compared to the plan for the year. Laos faces various challenges in becoming a member of the ICO, including the fact that the government will have to pay a membership fee of US\$18,000 a year, Mr Sinouk said. “If we are accepted as an ICO member, we must also provide monthly reports of coffee exports to ICO and address the fact that the current export figures recorded by various government ministries do not match each other,” he added. He went on to say that Laos will also have more opportunity to enter the regional coffee market through the Asean Economic Community which comes into effect at the end of this year. “The Lao Coffee Association is working with the Ministry of Industry and Commerce to prepare for membership in the ICO in the near future but Laos must pay a membership entrance fee of US\$18,000,” he added. The association also called for the government to develop an appropriate management board structure with regard to Lao coffee as a key factor for ICO membership. “We could become a member of the ICO in the near future if all sectors are united and well prepared according to ICO guidelines,” Mr Sinouk said.

(Vientiane Times 10 Aout 2015)

Agriculture key to food security and poverty reduction

(By BounfaengPhaymanivong)

The Lao People's Democratic Republic will mark its 40th anniversary in December with achievements in various fields set to be highlighted to reflect the progress made in national development and defence over the past four decades. Vientiane Times is publishing a series of articles on the achievements of the Lao PDR in the lead up to the 40th anniversary celebrations. Over the past four decades, the economy of the Lao People's Democratic Republic has been developing rapidly and the increasing numbers of entrepreneurs in various fields of agriculture and food products are making a growing contribution. Based on the success of this field, the agricultural processing industry in Laos has the potential to become one of the key drivers of the economy in the years to come.



DrSisaliaoSvengsuksa explains the kind of food packaging that is required by foreign buyers.

The government has outlined a promotional policy for the development of commercial agriculture and provides farmers with access to integrated irrigation systems nationwide, so they can grow crops on a commercial scale. Although boosting production capacity remains a challenge, many entrepreneurs have formed groups that enable them to process raw materials through connections with local farmers. By processing food products, value is added and enhances their appeal to export markets. With farmers comprising 70-80 percent of the population, they are the backbone of the country in ensuring food security and driving commercial agricultural production.

Laos has the potential for large-scale agricultural production but processing methods are still largely undeveloped, making it hard for Laos to compete with other countries in terms of quantity. Meanwhile other countries have already incorporated modern technology into their processing systems on a large scale. Lao Farmers' Products, an agricultural processing factory and distribution operation, expects to see an increase in the quantity of crops produced by local farmers which can be processed into instant products for export to various European countries. Founder and President of Lao Farmers' Products (LFP), DrSisaliaoSvengsuksa, told *Vientiane Times* this week that his company can be likened to a collective group because it is owned by all the stakeholders. "We don't have a huge production capacity but we view quality as a priority," he said, but pointed out that banks will not give the group a loan because they cannot provide any form of guarantee. DrSisaliao said the factory manufactures products according to the orders it receives from European countries, who pay 50 percent of the full price of the order up front. "We don't have a fixed export quota because our products are based on seasonal fruit harvests," he said, adding that product prices are quite high due to transport costs and the imported materials that are used for packaging. Exports to Europe account for about 80 percent of the factory's output with the remaining 20 percent sold on the domestic market. Government policies determine the success or otherwise of local producers in finding markets. "While Laos has local production on a small scale, finding markets is a challenge," DrSisaliao said. Access to finance is also an issue for manufacturers because failure to meet the demands of customers is related to the availability of capital. "If possible, the government should have a taskforce committee

to help various small and medium sized enterprises (SMEs) so they can sustain their businesses,” DrSisaliao said. DrSisaliao, who is also President of the Association for Support for the Development of Farmers Society (ASDSP) said that in order for development to forge ahead, farmers needed access to micro-credit and better irrigation systems. “We need to help farmers to build irrigation systems and give them rice and seeds for native fruit trees so that we can grow enough to meet the needs of overseas customers,” he said. The Lao Farmers' Products factory currently makes organic orange, tamarind, lime, pineapple, passion fruit, lime and coconut jams. “Most of these products are on sale at various supermarkets and minimarts in Vientiane but are rarely seen in the provinces. They are also readily available for buyers in Europe,” DrSisaliao said. The government is addressing the industry's concerns and is encouraging technical personnel to work at the grassroots level to boost crop yields and production capacity. LFP was established in 1994 with the aim of encouraging the development of farming communities, which would work with foreign donors and export their products to stable foreign markets. To maintain the initia-

tive, which kicked off in 2001, French company Bapro offered a steady income and fair prices to farmers while encouraging agricultural diversification. Since 2006, products have been certified as organic for European markets. To ensure that LFP and Bapro products remain chemical free, both cooperatives engaged in numerous training activities with all their partner producers, who depend on a stable number of purchasers. “Under the leadership of the Party and Government, socio-economic development has made good progress but the government should make agricultural production a priority,” DrSisaliao said. He added that he was proud of the leadership of the Party, which was able to unify the solidarity of the people and dispel hatred and conflict in the wake of national liberation in 1975. This had fostered solidarity and united the population in working together for their own and the nation's prosperity. “The government should carefully consider the potential strength of agricultural products and try to promote the processing industry intensively so that farmers can move to a higher level of agriculture and have better and more sustainable livelihoods,” DrSisaliao concluded.

(Vientiane Times 14Aout 2015)

Economists warn of rice shortage

(By SomxaySengdara)

Lao economists have warned the relevant sectors of the government to prepare measures for augmenting the rice supply next year after farmers around the country have been badly affected by drought and then flooding during this wet season. The late arrival of the rains this year forced some farmers, especially those without access to irrigation systems, to delay the planting of their rice crop and this was followed by thousands of hectares of planted rice being destroyed by flooding from the frequent heavy rains in the last few weeks. This could lead to a shortage of rice in the country next

year and a rise in pricing, a senior economist from the National Economic Research Institute, DrLeeberLeebouapao, has said. So the Ministry of Agriculture and Forestry needs to prepare measures to cover for these potential problems, he advised. DrLeeber suggested that one of the more important measures would be for the government to encourage farmers in suitable areas to produce more rice in the next dry season to compensate for any shortfall. The ministry may also authorise the importation of rice from neighbouring countries to maintain stability in pricing, he said. He felt sure that the drought

and flooding this year would have an effect on rice production and pricing in the coming dry season. The cost of rice in Vientiane markets is currently showing a slight rise of 2-3 percent over normal levels the Vientiane Foodstuff state enterprise Director, MrKhamlaSaengdara, told *Vientiane Times* yesterday. The current rice price is around 70,000-90,000 kip per 12 kg bag, which is considered a stable price. "We still have a surplus of rice for consumption and sufficient to supply market demand for the present because a lot of farmers have stored their paddy rice after harvesting last time," he said. Different rice traders are also bring-

ing polished rice for sale after they bought it for stockpiling when the price was low at the beginning of the year. MrKhamla commented that he would be happy if a price increase meant that the farmers benefited because that would help to promote more rice growing but the main beneficiaries are the middlemen or rice traders who take any opportunity to raise pricing by themselves when there is a shortage of supply. The impact of the drought and flooding will also present a major problem for the ministry to reach its target of 4.2 million tonnes of rice this year.

(Vientiane Times 14 Aout 2015)