

“ Rice production is very important for the economy and culture of Laos. In fact, rice is so important that many rural people say hello by asking:

“*Gin khao leo bor?*”
(Did you eat rice yet?) ”



QUICK FACTS

Location:

Vientiane Capital, Bolikhamxay, Khammouane, Savannakhet, Salavan, and Champasak Provinces, Lao PDR

Project Start:

January 2010

End of Current Phase:

October 2011

Budget for Current Phase:

2.3 Million Euros

Main partners:

- Department of Agriculture (DOA)
- Ministry of Agriculture & Forestry (MAF)
- Small and Medium Enterprise Promotion and Development Office (SMEPDO), Ministry of Industry and Commerce
- SNV Netherlands Development Organization

Major Donors:

European Union (EU), SNV, HELVETAS Swiss Intercooperation

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THE PERSPECTIVES

Rice production has been one of the most important targets for development support in Lao PDR.

While there has been a large increase in paddy rice production, less attention has been paid to handling and milling this rice efficiently. As a result, 1 kg of paddy rice milled in Laos produces about 10% less edible rice than rice milled in neighboring countries. Poor quality also reduces the selling price of Lao rice, reducing profits for both millers and farmers.

Production of better quality paddy rice and improved milling practices can increase the supply of rice in Lao PDR and improve the profits and livelihoods of millers and smallholder rice farmers.



EMRIP



“Enhancing Milled Rice Production in Lao PDR”

“ Small rice farms are the economic, social and cultural heart of Lao society. The objective of EMRIP is to bring rice millers together with smallholder rice farmers to revitalize this critical sector through improvements to quality rice production techniques and improved milling practices. This leads into improvement in income for both small holder farmers and rice mills.”



WORKING AREA

The project recognizes that the private sector and the public sector both have important roles to play. The project works with progressive and socially committed millers with existing links to small holder rice farmers. Each participating miller will provide inputs, credit, training and extension to approximately 1,000 small holder rice farmers and will pay a premium price for good quality paddy rice. In return for their co-investment with small farmers, millers will receive project support to improve milling facilities and equipment. The millers will also receive capacity building support from EMRIP to improve their business management skills. Improved milling efficiency and higher prices paid for good quality rice will provide millers with the surplus needed to continue supporting farmers and pay premium prices after the project ends.

Government also has an important role to play in facilitating and supporting development of the rice sector.

The role of government is mainly creating an enabling environment for the market actors in the rice value chain.

Responsibility for rice production and milling is split between different government departments, and there is no forum to bring all stakeholders together to discuss policy issues facing the rice industry.

A “bottom-up” approach to policy formulation is being implemented, starting with multi-stakeholder meetings in the target provinces to be followed by national level meetings.



THE CONTEXT

Rice is the staple food in Lao PDR, and rice is produced in almost all the agro-ecological regions of the country. Laos' diverse ethnic groups, wide variety of production environments and long history of rice production have blessed it with the second largest stock of rice varieties in the world. While glutinous rice (also known as sticky rice in English or khao niao in Lao) is very popular, white rice, black rice and other specialty varieties are produced for personal consumption and as a cash crop.

Rice production environments in Laos include lowland paddy rice and upland rice. Relatively low yielding upland rice systems are usually used for subsistence production in hilly and mountainous areas. Most commercial rice is produced in flooded paddies in the lowland plains and mountain valleys. Paddy rice production is much higher yielding, and is able to support two crops per year in many areas with access to irrigation.

THE PROJECT

The Enhancing Milled Rice Production In Lao PDR Project is supported by the European Union's Food Facility program. The remainder of project funding is provided by the implementing partners, HELVETAS Swiss Intercooperation and SNV Netherlands Development Organization.

The national project counterparts are the Department of Agriculture, Ministry of Agriculture and Forestry and the Small and Medium Enterprise and Promotion and Development Office, Ministry of Industry and Commerce.

ACHIEVEMENTS SO FAR

- 21 progressive and committed rice millers are selected through **open and transparent process**.
- These **millers** are able to **organize over 12,000 farming households** in the six target provinces in the year 2010.
- **20 Inclusive Business Plans** have been developed to help millers to improve their businesses while sharing benefits equitably with the farmers they work with.
- The millers are receiving support to **improve milling facility** based on these business plans.
- **Millers have provided** good quality seed, production credit, fertilizers, small equipment and rice farm management trainings to **their network of farmers**.
- **Millers, farmers and local government staff** have been **trained** in:
 - Farmer Collective Action and Group Formation,
 - Rice Value Chain Development
 - Rice Field Management
 - Entrepreneurship and Business Development
 - Basic Record Keeping
- **Provincial and national policy dialogue** workshops have identified priority public policy issues facing rice producers and millers in target provinces and are working to implement sustainable solutions that will benefit all stakeholders.