



Bringing Agroecology to the Market: Innovative Market Approaches and Institutional Settings to accompany the agroecological transition in Lao Uplands

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Agroecology & Market Concepts

Agroecology:

- A scientific discipline, a set of agricultural practices, and a social movement focusing on various dimensions (agronomic, environmental, social, economic, and ethical) and at various scales (e.g., the plot, the farm, the landscape and the food system).
- Not only about transforming agriculture, but also about transforming the relationship between agriculture and the society.
- Focuses on social values, such as trustworthiness, health, food sovereignty, youth development and improved livelihoods for farmers and their communities.

Economic benefits and market access:

Key drivers for farmers' adoption of innovative practices such as agroecology. It offers promising options to promote sustainable livelihoods, and to address the challenges faced by upland communities (e.g., increased vulnerability related to the impacts of climate change, remoteness, difficulties in accessing markets, migration).

Adoption of agroecological innovations:

Involves a complex mix of learning, new ways of thinking and a considerable amount of risk taking. Important to identify ways to provide visibility and to reward the efforts made by farmers and other stakeholders in building agroecological alternatives to conventional food and agriculture systems.



Three critical issues, illustrated by the case studies hereafter, have been identified to bring agroecological products to market: **1. Creating trust**, **2. Encouraging inclusive learning practices**, **3. Sharing value(s)**

Cases Studies



Branding and community development: Agro-forest and organic coffee promotion in the Northern Uplands of Laos

- **Stakeholder involved:** Foreign profit-for-purpose company (Saffron coffee) + 800 rural farming households in Northern Lao uplands, Focus on smallholder farmers & quality production
- **Products / commodities addressed:** Natural forest shaded quality arabica coffee, certified organic by Lao Certification Body (LCB), demand > supply
- **Target consumers / market outlet:** Domestic market (Laos -> tourists and emerging upper class) and exports
- **Innovations implemented:** Partnership between Private sector (Saffron coffee) and Non-Governmental Organization (Wildlife Conservation Society) in Houaphanh Province (Nam Et-Phou Louey National Protected Area).



A Social Enterprise by Young Local Farmers: the case of Panyanivej Organic Farm

- **Stakeholder involved:** Lao private social enterprise
- **Products / commodities addressed:** Seasonal organic vegetable and rice (not certified)
- **Target consumers / market outlet:** Domestic markets -> Local schools' canteens, parents & student through direct sales, tourists and urban population (eco-tour)
- **Innovations implemented:** Multipurpose social enterprise producing organic vegetable and rice, designing and providing learning process for children and adults about sustainable agriculture, and organizing eco-tours. Trust and close partnership with its clients instrumental for the farm to sell its organic vegetable (not certified). Marketing strategy closed to a Community Supported Agriculture (CSA) Scheme.



Bringing agroecology to conventional markets: the approach of the Agro-Processing Development (APD) Co. Ltd

- **Stakeholder involved:** Agro-Processing Development (APD) Co. Ltd (Lao majority-owned private company), XP Trading Lao-China Co. Ltd,
- **Products / commodities addressed:** 1) Local production of pork, eggs, poultry and beef for the local and urban centre demands 2) Lao-produced raw commodities, targeting proteins production for concentrate feeds (soy bean)
- **Target consumers / market outlet:** Domestic market
- **Innovations implemented:** Public-Private Partnership working in collaboration with Hungarian tied aid loan program. The profit of the production is realised through the marketing of final high quality and safe meat and fish products.



Vientiane Organic Market: Collective use of national standards for organic agriculture

- **Stakeholder involved:** Several producers' groups gathered under an umbrella association and the municipality of Vientiane capital (which provide the access to the market places)
- **Products / commodities addressed:** Seasonal organic fruits and vegetable (Organic certification issued by the Department of Agriculture)
- **Target consumers / market outlet:** Domestic markets -> urban consumers from Vientiane capital
- **Innovations implemented:** Direct sale 5 times a week of organic products in 2 different locations across Vientiane. All producers are certified organic and use the same logo from the Lao Certification Body (LCB) / standards. Premium price for vegetable ranges from 20 to 50 %.



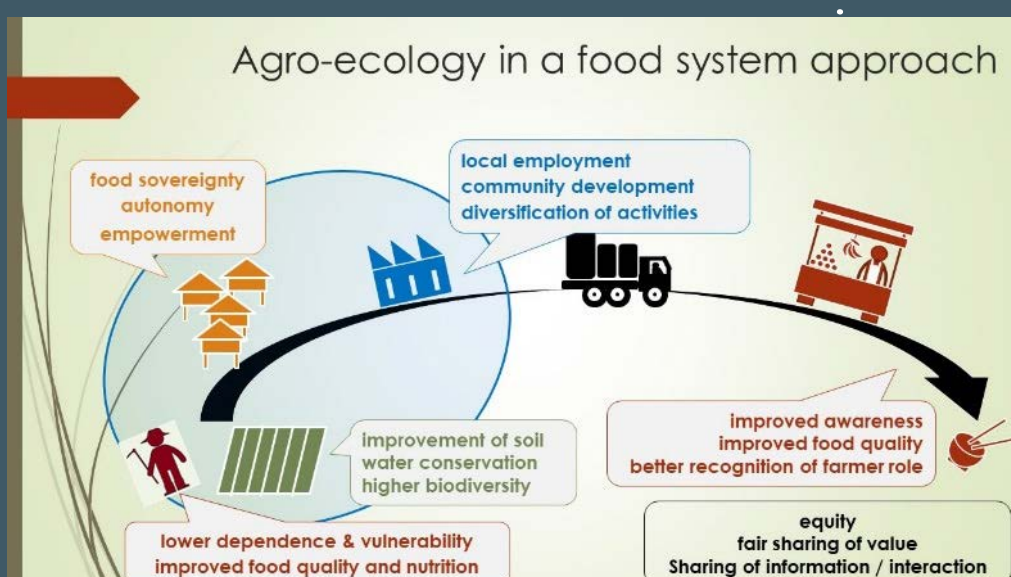
Going to Scale: lessons learnt & recommendations

Bringing agroecology to markets requires

- Farmers willing to change the way they do farming and/or the way they interact with the rest of the food chain
- Consumers willing to buy products that have desired quality attributes (e.g., safe, fresh, nutritious, tasty, environmentally-friendly, organic, traditional)
- Support from other stakeholders (government, associations, enterprises, etc.)

3 dimensions instrumental to develop sustainable market access for agro- ecological products:

- 1/ Fostering specific partnerships** between farmers, market intermediaries / brokers and consumers sharing similar values (social business, committed intermediaries, CSA, PGS...) and rooted locally;
- 2/ Developing incentive systems** that value positive externalities of agroecological products and enable **price/cost differentiation** between conventional and agroecological products or sustainable and unsustainable products;
- 3/ Mitigating and sharing risk:** Innovation and agroecology in farming induce important risk taking as it involves taking immediate risks for hypothetical returns later. Need to help farmers and traders cope with uncertainty and risks.



And conducive enabling environment that helps designing policies to encourage agroecology, exploring new market channels, investing in productive infrastructure (roads, farmer market spaces, storage areas, Internet...)



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