

ACCELERATING POST COVID-19

Recovery and Building Resilience in the Greater Mekong Subregion

October 18–19, 2022 Pullman Raja Orchid, Khon Kaen, Thailand

Strengthen the resilience of small farmers to respond to future economic, climate and health disruptions during post Covid-19 pandemic

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Outlines

- Overview about Lao agriculture sector
- Rural poverty and small farmer
- COVID-19 impact and resilience
- Climate change adaptation
- Small farmer with safety standard
- Conclusions and Suggestions

Overview of Lao Agriculture Sector

- Lao People's Democratic Republic is a landlocked country in Southeast Asia with abundant of biodiversity. There are population of roughly 6,5 million people (Lao Statistics Bureau, 2015).
- The majority about 70% of the population lives in rural areas and involve in agriculture activities and contribute 16% of the GDP, yet its sectoral growth has been limited with only about 3% annual increase.
- Agriculture exports are growing rapidly (15.5% per annum) and represent 22.7% (2020) of total export. In 2021 (Jan.-Oct.)
- The major agri-food export market is China (over 80%), Thailand and Vietnam. Main products are banana, cassava, coffee, sugar, fruits, vegetables, maize and rice (high value). Main drivers for export expansion are improved transport infrastructure and strong demand by agricultural niche markets in China.
- In Lao PDR, climate change has resulted in higher temperatures, variable rainfall, longer dry seasons and droughts, and more severe and frequent flood and drought.

Impact on rural poverty and small farmers

- Rural poverty reduction in the Northern region has progressed over recent years largely thanks to improved connectivity with China, and the recent rural poverty assessment found that agriculture significantly contributed to poverty reduction in the northern region. On the other hand, the central region of Lao PDR has been experiencing poverty reduction at slower pace compared to the north.
- Agricultural commercialization plays a key role in rural poverty reduction, and agricultural exports have great potential to support commercialization.
- Lao agricultures sector already demonstrated successful cases where small holder farmers are integrated into value chains (WB's LACP and SDC's LURAS). This kind of value chain development model was well received by local farmers and could be scaled up throughout the country. The Lao Upland Advisory Service (LURAS) project is one of the longest project in the country which has demonstrated effective green value chain development models to integrate small farmers through provision of green extension services, which enabled farmers to access to niche specialty tea and coffee markets.

COVID-19 impacts and resilience

- COVID-19 issue is multi-perspective impact, not only health but also economic, food and nutrition security.
- Many small farmers in locked-down areas are unable to bring their products to the markets during this harvest season because of strict, transportation protocol.
- Since many small farmers do not have sufficient cooling and storage facilities, some of their vegetables have to waste. Thus, many of them may have less income to spare after this harvest season.

COVID-19 impact and resilience

- Agriculture sector is recovering faster than other sectors,
 - normal farm operations in 2022 nearly 20% higher than in late 2021. However, nearly 90 percent of farm households said their operations are affected by rising prices for fuel and farm inputs.
- While the bad effects of COVID-19 appear to be fading, Laos is experiencing new and emergent difficulties, some of which are pandemic aftershocks.
- COVID-19 has caused worldwide inflationary pressures as a result of interrupted supply chains and rising food and fuel costs.

Are agriculture activities going on as normal?



Source: WFP 2020

Are there problems with supply of essential inputs; seeds, fertilizers,





Source: WFP 2020

Covid 19 impacts to rural farm household's food security

- COVID 19 impacts to the community
- Social networking weakened resulting in weakened safety net and increased food insecurity

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Climate Change adaptation

• Food insecurity already affected thousands of people in Lao PDR due to a combination of droughts and floods in 2019, paddy crop, irrigation systems and sown land coupled with a rise in the price of rice was estimated to push 67,800 people to food insecurity by early 2020.



Climate change adaptation

Crop varieties (rice and vegetables) that are resilient to floods and drought are being researched and developed.

climate-smart agriculture techniques have been piloted, such as direct seeding, use of greenhouse, water management practice using water harvesting techniques, agroclimate information service, enhancing agribusiness value chain by improving the resilience of agricultural infrastructure, crop diversification, and commercialization.







The key barriers and challenges

1) limited information and knowledge on climate change, vulnerable and impacts, adaptation and mitigation technologies in sectors including communities and ecosystems;

2) Ineffective climate change mainstreaming and cross-sectorial coordination;

3) Lack of effective and sustainable financial resources and mechanism to implement actions and measures in all sectors and areas;

4) Limited institutional and staff capacity, ineffective management tools, including a robust policy framework;

5) Lack of an effective system for the measurement, reporting, verification (MRV), and promotion of an effective climate change management and best practices.

Agricultural value chains with safety standards

- Farmers and producers are not able to follow good quality and phytosanitary standards due to
 - Limited capacity and knowledge;
 - Lack of full adoption of Good Agriculture Practices and organic farming, and overuse of chemicals in farms;
 - Challenges and high costs for local authorities and some buyers to provide training and have producers adopt recognized agricultural standards due to fragmented and small-scale farming;
 - Insufficient training and technical extension services by agriculture departments.

Several suggestions

1) Increasing community understanding of COVID-19, particularly who to contact for emergency assistance;

2) Acting as local governments' partners in the distribution of emergency food and cash assistance;

3) Enhancing agricultural productivity through agro-ecological and climateresilient techniques and systems, as well as in assuring seed and other production input supply;

4) Food processing and distribution via post-harvest and logistic system, as well as financial access;

5) Improving capacities in policy and program involvement with local government units for water, health, and sanitation facilities, as well as agricultural policies during and after COVID-19 outbreak;

6) Constant contact and sharing of experiences to learn from good approaches and capture lessons learnt

Thank you for your attention

Q & A

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