



IMPROVEMENT OF COFFEE PRODUCTION, PROCESSING, VALUE-ADDING AND MARKETING IN LAO PDR

The objective is to improve incomes and livelihoods of smallholder coffee producers, through technical interventions to add value to coffee via quality improvement and enhanced, diverse, sustainable farming systems and practices established with research, information, training and outreach programmes.

PROJECT FACTSHEET

What is the project about?

Coffee is a key industry of Lao. It is the fifth largest export earner for the country. World coffee prices have dropped to record lows, as there have been dramatic changes in the world production systems of coffee in the last ten years. New producers such as Viet Nam have emerged producing large volumes of low quality coffee. The world coffee market is segregating into quality specific markets. Lao is now at the beginning of a major change in its coffee industry, attempting to move from a mostly Robusta producer to more Arabica coffee. This dynamic coffee environment is complex. Short-term interventions are needed to improve farmers' incomes. Longer-term interventions are also needed to that ensure the Lao industry evolves in a sustainable direction.

It is critical for the development of the coffee industry in Lao that interventions are made in a whole range of areas to develop a firm base and guide for the future direction of the industry. Interventions are necessary in a range of areas, all focused on a central strategy to help develop a high quality, high value, coffee industry, which will improve incomes and livelihoods of small holder coffee producers in Lao PDR.

The FAO intervention is aimed at catalyzing the opportunities and securing longer term funding from other donors and a commitment from GOL to continue on this path of producing value-added high quality coffee as the central strategy. Thus the planned FAO intervention is designed to set the scene and future directions for industry development and probable donor support.

Period

Dec. 2003 to Nov. 2005

Actors and partners

MAF, NAFRI, CREC
NAFES, PAFO and DAFO of
Champasack

Budget/Donor

\$346,000 TCP/LAO/2903

Site

Coffee Research and
Experimentation
Centre (CREC), Ban Itou,
Champasack Province

Planned project Outputs

1. The coffee research reviewed and a research and development programme established
2. Standards for processing established
3. High quality coffee varieties introduced
4. Coffee tasting laboratory established
5. A country organic coffee certification programme evaluation and feasibility study completed
6. A marketing strategy established

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June 2005