Empowering youth to revitalize agrifood systems in the Lao People’s Democratic Republic:

Stories from young agri-entrepreneurs
The potential of Lao youth in agriculture

The Lao People’s Democratic Republic has one of the youngest populations in the region, with youth (15-35 years old) representing around 40 percent of the population (Lao Statistics Bureau, 2016). Youth are considered essential for the country’s development and the achievement of the Ninth National Socio-Economic Development Plan (2021–2025) as well as for the global Sustainable Development Goals (SDGs) (Lao Youth Union, 2021).

Food insecurity and poverty remain major challenges in the country, with recurrent droughts and floods and the socioeconomic effects of the COVID-19 pandemic further exacerbating the situation (FAO, 2020).

While the agriculture sector, including crops, forestry, fisheries, livestock and aquaculture, is a cornerstone of the development strategy of the Lao People’s Democratic Republic and employs more than 60 percent of the population (ILO, 2022), it contributes only 16 percent to the country’s gross domestic product (World Bank, 2022). Reasons for this discrepancy comprise low productivity and lack of modernization, among other issues. In addition, the sector is characterized by an ageing labour force.

Responsible investment in agriculture and food systems (RAI) is considered one of the most effective strategies to reducing hunger and poverty and generating economic growth (FAO, IFAD and WFP, 2015). Besides, the growing youth population can be a key player in reducing poverty and ensuring food and nutrition security (IFAD, 2019).

Therefore, responsible investments by and in young women and men need to be scaled up to ensure food security and nutrition, reduce youth unemployment, combat rural out-migration and contribute to sustainable development (Fiedler, 2020).

Grounded in the Committee on World Food Security Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI Principles), the Association of Southeast Asian Nations Guidelines on Promoting Responsible Investment in Food, Agriculture and Forestry (ASEAN RAI) provide guidance on how to improve the quality and quantity of investments in agriculture and food systems in ASEAN.

ASEAN RAI Guideline 3 highlights the importance of empowering and engaging youth in agriculture and recommends attracting more young people into the sector by increasing their access to services (extension, advisory and financial), education, training, markets and information. This may include on-farm, technical and entrepreneurship training as well as enhancing young people’s advocacy and bargaining power.

FAO’s actions and young voices from Agripreneurs for Green Rural Enterprises and the Economy

The Food and Agriculture Organization of the United Nations (FAO) is working with the Government of the Lao People’s Democratic Republic to enhance responsible investments in agriculture and food systems in the country by supporting the implementation of the ASEAN RAI Guidelines. This collaboration supports the government in enhancing the enabling environment conducive to RAI, empowering women and youth organizations to engage in and benefit from RAI, and raising awareness on RAI and the important role youth and women play.

To shed more light on how to better support youth to invest in agriculture and sensitize them on the importance and opportunities this sector can offer, FAO interviewed young
people from Xiengkhouang Province who have been able to invest in agriculture and become agri-entrepreneurs. These young people are supported by the Agripreneurs for Green Rural Enterprises and the Economy (AGREE) scheme of the Lao Upland Rural Advisory Service’s (LURAS). FAO also interviewed a participant in a training on online marketing skills for agribusinesses that was led by FAO and the Lao Youth Radio.

The AGREE scheme aimed to cultivate entrepreneurship among students and graduates of agricultural colleges, improve employability and expand engagement with the private sector by collaborating with the Northern Agriculture and Forestry College, providing business start-up opportunities and establishing micro-enterprises managed by rural youth. It included practical studies in sustainable agriculture, local job-creation schemes oriented towards the provision of farming inputs and volunteer community development schemes for unemployed youth (Helvetas, 2022).

The stories of these young agri-entrepreneurs showcase how youth can be effectively empowered to benefit from and engage in agricultural investments and the positive effects it can bring to their lives and communities.
Supporting youth to become entrepreneurs of the next generation
From law degree to fish entrepreneurship: how a short training changed a life path

Khamchan Singhalath is from Khoun District, a rural area of Xiengkhouang. Agriculture has been a familiar livelihood, since his mother raised livestock to sustain their family. Yet, Khamchan never considered agriculture as a future in which he could thrive professionally. Far from that, he graduated with a degree in law and dreamed of a job in Vientiane.

Upon graduating, he was unemployed for five years before turning his hand to agricultural entrepreneurialism.

“I spent five years studying law and couldn’t find a job. But after studying how to nurse fish fingerlings for 28 days, I not only earn money but can also look after my mother.”

All the pieces started fitting together for Khamchan when he was given the training and funding to kickstart an aquaculture enterprise in 2019. “I was one of the 27 students who received free tuition to undertake a 28-day agriculture course at the Northern Agriculture and Forestry College. After this, we learned how to draft a business plan. The business planning course was a week, and some of us were selected to be funded based on our performance in class and our proposals. I received a grant of LAK 10 million [approximately USD 1100].”
**Upcaling and diversifying production**

Before the grant opportunity arose, Khamchan’s family had only two fishponds. “Fish is a good business as people like to eat fish and they are affordable. We sold fish, but we had only a few to sell.”

The training he received enabled him to expand from this semi-commercial system to a fully commercial fish, fingerling and frog production model. The loan allowed him to upgrade his existing infrastructure and develop another pond. The profits from the first year alone enabled him to start planning his next developments.

The scale of interest made him realize he was entering an untapped niche and inspired his next move. “In 2020, I made more than LAK 20 million [approximately USD 2 200] in profits, and I plan to expand four more fishponds and build a training centre where people can come to learn...”
how to raise fish and frogs with me.” Particularly in small communities like where Khamchan lives, success is the only advertisement he needs to attract students.

**Strength begets more strength**

Khamchan’s experience is an excellent demonstration of how investing in the drive of youth pays off. Once his business was thriving, he was able to diversify his livelihood without any further external support. This second income stream also presents a multiplier effect to the community that stimulates the rural economy and further bolsters food security. “I think my business is a sustainable one, and my knowledge will be passed on to other people when I open a training centre.”

“I encourage people, especially young people, not to look too far or chase jobs that are fancy or fashionable, but what is needed at the local market”.

The drive to emulate success in small communities is very strong. Hence, personalities and role models willing to share their knowledge like Khamchan are invaluable and effective at injecting vigour into local agricultural dynamics.

**Local needs are the key to success**

The socioeconomic impacts of the COVID-19 pandemic contributed positively to Khamchan’s business because this market space was normally dominated by inter-provincial traders. “Before, people came to buy fish from us, but during the COVID-19 lockdown we had more people coming to ask not only for fish and frogs but also other things, like the chickens, turkeys and pigs that my mother raised.” The transportation disruptions caused by the lockdowns boosted sales from within the community. This encouraged and enabled him to intensify subsistence-level farming systems to take advantage of the wider range of demands from local community customers.

“I realized that what people want at the local level is the key for success.” This realisation has strengthened his business model, and linked him with a stable market.

In 2020, floods washed away most of Khamchan’s fingerlings and damaged his infrastructure. Khamchan already had some savings for rebuilding his ponds and restocking them, and his mother’s livestock operations would have provided a temporary backstop to carry them through had it come to that. “Luckily, I had already sold some fish and made some money. I reported to the AGREE project, and they also helped me out since I was hit by a natural event.”

Khamchan’s investment in his agrienterprise not only improved his income and livelihood but also contributed to local food security. Furthermore, this local consumption is enough to support smallholders.

His experience highlights the important role of providing young people with access to training and financial services as an incentive for them to stay in rural communities and revive rural economies and an ageing agricultural workforce.

Agriculture has allowed Khamchan to give back and start building his life where more conventional pathways had failed him.
How COVID-19 kickstarted a driven agri-entrepreneur’s business

Ned Phetsengthong, an ethnic Khmu from Xiengkhouang, has made many positive gains through her agri-entrepreneurship. Ned grew up with agriculture, but always saw “employment” as meaning something else. She had never considered agriculture to be a “job”, because it had always been a subsistence lifestyle rather than an economic endeavour. “I was not really thinking of having my own business. I was looking for a job I could find, really,”

Like many rural youth, after finishing high school she looked for a job in Vientiane, with little success. When she heard about a training course in livestock husbandry and horticulture, she registered. The training opened her eyes to the potential of agriculture, and she was then given the chance to realize it. Ned went through AGREE’s competitive process to become the recipient of a grant of LAK 10,295,000 (approximately USD 1,100) and used it to buy breeding chickens and ducks, then rapidly expanded to include turkeys.

Small investments bring diverse benefits

The opportunity to receive training not only motivated Ned to move back to her village from Vientiane, it ignited an entrepreneurial spirit. “The business is doing very well. We have people coming for chicken and ducks every day, but poultry grows slowly. That’s why we buy more chicks from the villagers, and re-sell them here and at the provincial market when they are grown.” Ned and her family have expanded their business to sell vegetables as well as produce poultry feed so they can raise more chickens and ducks.
With just a bit of stimulus, young people can be enabled to invest in agriculture and food systems – investments that allow for the growth, diversification and multigenerational integration of farms as businesses. This process provides valuable livelihoods for youth that helps reinvigorate rural economies. “Because I now have another part-time job delivering agriculture products, my younger sister and my mother have started to take over the responsibility of raising the poultry. I taught my younger sister and mother how to raise them based on what I learned during the training I received on livestock husbandry.”

What originally started as a side business while her poultry were growing has ended up a key and unexpected part of her operation. Ned has this advice for other youth in her community.

“People might not like doing small things like buying vegetables and selling them. I used to feel shy about doing it, but when I started, I met many people and I enjoyed it. Some young people are self-conscious to work as a dealer, buying and selling things. Don’t be shy!”

Yet again, we see how the positive influence from these agents of change reverberates out to those around them.

Ned’s story reinforces the growing narrative that youth entrepreneurship in agriculture has positive impacts on food security, rural economies and community development.

“I am happy not only that people know me because of my business, but also that I can help reduce villagers’ need to travel to town to buy meat and vegetables during the pandemic.”
Resilience of youth: finding new opportunities from failed attempts

Southchai Phommavong, from Xiengkhouang, spent some time living with her aunt in Vientiane to help her with her business. When she got the opportunity to participate in the AGREE programme and receive a grant, she went back to her village in the Pek district.

“I got LAK 5 million [USD 550] and treated it as a learning path. I started small because I wanted to see how it would go. My plan was to use local fruit to make jams and sell them to tourists. I thought this business is unique because I use only local products.”

When there were tourists coming to Xiengkhouang, Southchai’s business went well. But as the COVID-19 pandemic hit and international tourism dried up, Southchai lost her main market. Eating bread or jam is not common among the Lao, so Southchai hit an impasse.

“I will try to pick up my jam business again once the COVID-19 situation improves. For now, I am changing my strategy, making the jam thicker so it can be eaten with sticky rice [a Lao staple]. I will also learn how to make dried fruit to target the Lao market. With materials I initially invested in for my jam business, I will now focus on local customers instead of tourists.”

Southchai’s story demonstrates how youth are willing to learn new skills and apply new concepts, where older generations may be less inclined to embrace change.

Youth can be more resilient and adaptive when things don’t go as planned, and they are willing to change their strategy.
“Even though this time my business was not as successful as I expected, I have learned so much. I learned different agriculture activities, but I would still like to do something with fruit. I am now learning how to sun dry local fruits from a women’s group, and would like to restart my business again soon.”

By returning from the city and starting her own business, Southchai provided in herself a “go-getter” role model for her community – an inspiration for other youth to witness, and to see agriculture and village life in a new light.
A farmer on a mission to guide fellow youth

Lom Soukchalearn, a trained teacher, tells us about his journey to farming: “I completed my studies to become a teacher in 2014 and was unable to find stable work. I only could find temporary jobs while staying with a relative in Vientiane.” Lom received a LAK 10 million [approximately USD 1 100] grant and training in agriculture and business from the AGREE scheme to start a fish and frog farm.

“I have been told by many people that youth are hopeless, useless, naughty, reliant on others, and that they are not respected in the community. My incentive to apply for a grant was to prove that I can do things on my own without relying on others.”

Only 17 percent of employed Lao youth actually have an income (Manikham, 2018). Giving youth access to capital allows a more sustainable way to create employment for themselves, rather than finding employment in the market. This is why entrepreneurship can be important for integrating youth into the rural sector of the country.

Challenges experienced by Lom include guarding the fish, frogs, fruit trees and livestock from “people who steal things at night, especially during the lockdown”, and an uncharacteristic drop in water temperature, which killed most of his fingerlings.

Notwithstanding these challenges, he says: “With this business, I think I am going on the right path. These days, I am happy that many come to my farm not only to buy fish but also...”
to ask me for advice on many things related to farming. I feel appreciated. Perhaps that is one of the things I want other young people to feel, to gain respect from others in the community. Many young people might not be interested in doing business related to agriculture because it is not posh, not fashionable, but I am happy with what I am doing.”

Lom’s business is already doing well. Financial success is one of the best ways to influence other youth to also consider investing in agriculture. “Nowadays, many teenagers are under pressure from social expectations. I want to be a role model for other teenagers, I want to earn people’s respect and demonstrate that young people can earn respect too by running a business and contributing to food security and economic stability.”

Lom is now championing the power of agriculture to pay social and financial dividends and, in the process, is building the case for the power of youth in agriculture.
Combining tradition and innovation for a thriving business

Yermoa Vakhou is a 23-year-old Hmong woman. Coming from a family of farmers from the upland territories in the country, she grew up surrounded by the rice fields and vegetable plots that her family cultivated. While selling rice and vegetables was her family’s primary source of income, the money only covered the most basic needs. That is why her mother also raised chickens and pigs, to have a surplus with which to pay for household supplies. From these earnings, the family covered Yermoa’s school fees.

“Since I always saw my mother getting money from selling pigs, I knew that I could do it too. I knew that most young people who studied accounting, business management, law, etc., couldn’t find a job. I also wanted to raise pigs as they had paved my way to school.”

With this motivation, Yermoa enrolled in a technical college for a two-year course on animal husbandry.

Starting from scratch

Although Yermoa’s original idea was to go back to her village after studying, life had its own plans. During the last year of school, Yermoa met her husband and, as Hmong tradition dictates, she moved into her in-law’s family household in the suburbs of Xiengkhouang’s provincial capital, Phonesavanh. Since it was a very poor household, the couple soon had to look for ways to earn a living.

With the money they received at their marriage ceremony, the couple decided to invest in a plot of land and build a pigpen. Times were difficult, so when Yermoa’s sister told her about the AGREE programme, she didn’t think twice. The 28-day programme and grant was the final push she needed to launch her business.
Investments that make a difference

“With the grant, I could buy my first pair of pigs and the food and supplies that I needed for the pigpen,” Yermoa said.

With this came new challenges: “Initially raising the pigs was difficult. Sometimes the mother would lay on top of the piglets and harm them. We had to watch them day and night.” The pigs were also getting sick because of the kind of food they were being fed.

During the first months, Yermoa was using her knowledge to tackle the problems. But she also had valuable resources. One is the traditional knowledge on medicinal plants that she inherited from her Hmong culture, and which her mother transmitted to her. “When the pigs got sick, we used a bitter herbal mix with garlic to treat them. This has been an effective method that I still use when needed.”

The other resource that has helped Yermoa is YouTube. “I learn so much from YouTube videos that people make with recommendations and techniques that they use.” At the end of the day, she chooses the best of both worlds: “I use my mum’s knowledge and feeding techniques mixed with tips I learn from YouTube to produce my own feed for the pigs.” With this solution, “the pigs are much healthier and grow faster compared to my mum’s way of feeding.”

Efforts that bring rewards

Today, Yermoais proud to be the owner of a thriving business, and an example for young people in her community. She has gone from being an AGREE trainee to receiving trainees at her farm in 2021 to teach them how she manages it. She is also an enthusiastic advocate for agricultural entrepreneurialism: “I want to give hope and encourage other people who have completed their studies and are unemployed to keep fighting and consider agriculture as an opportunity.” She asserts that, “raising pigs is not difficult. If anyone wants, please come to learn from me!”
FAO and Lao Youth Radio deliver training to develop online marketing skills

FAO in collaboration with Lao Youth Radio (a government-hosted radio station for youth) carried out a training programme with 50 young people engaged in the agrifood sector. The objective of the training was to improve young people’s IT marketing skills for agriculture supply chains, using mainly a simple mobile phone, and to raise awareness of the ASEAN RAI Guidelines.
Durian farmer gets a boost with new skills

Souphatta Rajvong has a small durian farm in Vientiane’s Toulakhom district. Before attending the training by Lao Youth Radio, she was new to the concept of RAI – but her newfound awareness is already changing her practices. “I am more responsible to the environment and consumers by making sure that we are producing quality durian. Our farm avoids using any chemicals or herbicides, as it will damage the soil and we mainly use manure and organic matter to improve the soil.” In addition to this progressive approach to farming, Souphatta has refreshing pride in her vocation.

“I think farming is a highly honourable job as we produce food to feed people. We should do our best and be happy in what we enjoy doing”.

There are three main factors in Souphatta’s conception of success. “First, we must be passionate about this career, so we can work happily. We must take time to care for the things we are farming. And, we have to be continually learning to become more proficient at farming.”

Souphatta had been studying literature when she became interested in her father’s farm, at which point she changed courses to business administration so she could further develop their farm and turn it into a family business. Souphatta says it was her father’s passion for farming that originally drew her in. Part of her energy and drive derives from an awareness of the bigger picture she is part of painting. She tells us that, “currently, we are still using traditional approaches by following our grandparents’ methods. But, as we are a new generation of farmers, we must research and apply new technology to develop agriculture. For example, we can promote our products
online, and we can gradually transform from being farmers to being entrepreneurs. We can also set fair prices by cutting out middlemen.” This willingness and ability to navigate the modern world and seek out and adopt new approaches is exactly why youth add value to traditional family farms.

Almost immediately after completing the training with Lao Youth Radio, Souphatta said she felt as though her business had already benefited from the new skills she developed.

“I learned so many techniques on how to create posters and videos using my mobile phone that are very useful to promote my business, and I feel that more people have started to follow my Facebook page. I got lots of good feedback from my customers. Some of them even came to visit my farm and to learn how to grow durians!”

For those with the right skills, social media platforms are proving to be a powerful tool for linking farmers directly with consumers, dispelling unjust stereotypes and opening up new income streams in agritourism. “I would like to join more trainings on media skills to create more content about my businesses and products, and help my durians reach a larger market.”

The youth-inclusive future of agriculture

The Lao People's Democratic Republic's youth demographics in economic terms represents a huge opportunity for growth, diversification and innovation. Despite this, many youths find few meaningful opportunities to realize this potential. Strategic efforts need to be taken to provide the education, training and meaningful employment opportunities that are responsive to their needs and aspirations. While many youths may not aspire to being farmers, inclusive agricultural development policies that appeal to their sense of agripreneurial adventure, and equip them with the tools to succeed, stand to develop more than just more advanced smallholder farms.

These stories have demonstrated the benefits of engaging and empowering youth in responsible investments in agriculture and food systems on both personal and community levels. With their innovative stimulus, they can improve the profitability and sustainability of smallholdings and, in the process, reinvigorate rural economies and fight rural poverty. Investing in farmers themselves allows them to see a future for themselves in-situ, giving a new life to the rural sector.
Key policy recommendations: investments in agriculture and food systems that can empower youth

- **Viable agricultural income generating opportunities** can provide strong incentives for youth to engage in agriculture. Creating pathways for youth to jointly explore needs and opportunities with the private sector involved in agribusiness can assist in achieving this.

- To retain youth in rural areas, **quality investments in education, technical training and vocational development** are needed. Improving business literacy skills, planning and management allows youth to implement their knowledge and ideas more realistically, improving chances of success and profitability.

- **Developing extension services specifically targeting youth, women and ethnic people** can complement conventional approaches by strengthening the capacities of these groups who contribute proportionally more to food security. Gender specific approaches, delivery in ethnic minority languages, generating local agroecological knowledge and setting up social networks that develop, test and spread this knowledge could all boost productivity. **Supporting the establishment and improved functioning of farmers groups with an emphasis on youth leadership training** can enhance the consolidation and uptake of best local practices, and facilitates access to reliable and fair markets and supply chains.

- As the stories show, developing creative avenues to **channel capital to youth** coupled with agricultural and business training can open important opportunities needed in agriculture.

- **Facilitating access to and harnessing youth capacities to utilize simple social media platforms and online resources** can facilitate effective product development and marketing.


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Responsible-investment@fao.org
@FAOInvest

Food and Agriculture Organization of the United Nations
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