In the Lao People’s Democratic Republic (PDR), the Creating Linkages for Expanded Agricultural Networks (CLEAN) project aims to improve the agriculture sector. Using a value chain approach, the project will increase production and reduce post-harvest losses of clean horticulture to improve quality compliance and certification systems, and develop linkages and increase demand for clean horticulture in domestic, sub-regional and global markets. Together with sub-recipients Food and Agriculture Organization (FAO) and Village Focus International (VFI), Winrock will work with market-ready farmers, agro-enterprises, entrepreneurs and traders to grow a wide variety of temperate and tropical fruits and vegetables in two distinct regions: the Bolaven Plateau and the Vientiane Plain.

CLEAN project activities will focus primarily on capitalizing on Lao PDR’s comparative advantage in the Greater Mekong Sub Region (GMS) and global markets, where a large middle-class population is willing to pay a premium price for high-quality horticulture products. Secondarily, activities will aim to increase domestic demand.

Improving the marketing infrastructure for exports will help create market efficiencies, enabling the domestic market to grow. CLEAN will facilitate private investment in supply chain infrastructure that will reduce transaction costs and post-harvest losses, facilitate the development of market intermediation networks in key Lao PDR markets, and build on other successful market linkage strategies.

**FAST FACTS**

DONOR: UNITED STATES DEPARTMENT OF AGRICULTURE

TIMEFRAME: SEPTEMBER 2017 – SEPTEMBER 2021

FUNDING LEVEL: $9,000,000

LOCATION: LAO PDR

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Activities

- Facilitate producers’ access to domestic and regional markets by capitalizing on Lao PDR’s comparative advantage in the region in safe and sanitary horticultural production.
- Assist producers to meet the regional demand for horticultural products produced without excessive chemical residues by differentiating and branding the products for export markets. The project will develop a marketing campaign to increase the visibility and acceptance of Laotian horticultural certifications for export markets.
- Strengthen production systems in the horticultural value chain by improving farmer organizations’ (FO) management, financial literacy and technical production knowledge. Technical trainings will include the development of action plans for reducing the risks associated with pesticide application, training in crop-specific good agricultural practices (GAP), and organic production.
- Improve capacity of the Government of Laos (GOL) to administer sanitary and phytosanitary (SPS) certifications to producers. CLEAN will work with the GOL to benchmark and operationalize GAP certification against international and Association of Southeast Asian Nations (ASEAN) quality standards.
- Improve access to plant protection services, so that producers are equipped to address pest infestations without the excessive application of chemicals.
- Link farmers, traders and agribusinesses to regional technology through innovation platforms in order to encourage these value chain actors to adopt improved techniques and technologies from other countries in Southeast Asia.
- Provide grants to agribusinesses, traders and FOs that catalyze the development and refurbishment of infrastructure in horticultural value chains.

Expected Results

As a result of the proposed activities, the following are anticipated accomplishments:

- Increased access to markets to sell agricultural products;
- Increased use of improved agricultural technologies and techniques;
- Increased value added to post-production agricultural products;
- Improved transaction efficiency;
- Increased leverage of private sector resources;
- Increased capacity of government institutions; and
- Improved capacity of key organizations in the trade sector.

Sustainability and Lasting Impact

CLEAN will use a facilitative approach, fostering direct linkages between and among the private sector, local service providers and producers. The project will also take a phased approach. In its first three years, CLEAN will invest heavily in training, technical assistance and performance improvement to strengthen local systems and relationships. Later, responsibility and leadership will begin shift to beneficiaries. This allows time for new technologies and behavior changes to deliver significant improvements in agriculture systems, while minimizing project dependency. By building a business mentality, strengthening technical capacity and integrating farmers into market systems, CLEAN will ensure continued success beyond the life of the project.

IF MARKET SYSTEMS IN HIGH-VALUE HORTICULTURE ARE ESTABLISHED AND STRENGTHENED, AND IF PRODUCERS HAVE ACCESS TO APPROPRIATE TECHNOLOGY AND INVESTMENT AND THE PRIVATE SECTOR IS LEVERAGED, THEN SMALLHODDER FARMERS AND BUSINESSES IN LAO PDR WILL ULTIMATELY INCREASE THEIR PARTICIPATION IN DOMESTIC AND REGIONAL TRADE.

- CLEAN DEVELOPMENT HYPOTHESIS