



Food and Agriculture
Organization of the
United Nations



Hand-in-Hand
Initiative

The National Forum on Investments in Sustainable Agriculture in Lao People's Democratic Republic



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List of Abbreviations: In order of appearance in the text

FAO	Food and Agriculture Organization (of the United Nations)
MAF	Ministry of Agriculture and Forestry
HIHI	Hand in Hand Initiative
SDGs	Sustainable Development Goals
FAOLA	Food and Agriculture Organization in Lao PDR PDR
UN	United Nations
IFC	International Finance Corporation
ADB	Asian Development Bank
WB	World Bank
LDC	Least Developed Country
MIC	Middle Income Country
FDI	Foreign Direct Investment
ASEAN	Association of South-East Asian Nations
MSME	Micro and Small Enterprises
MFI	Monetary Financial Institution
SCU	Savings and Credit Union
ADG	Assistant Director General
B2B	Business to Business
GIS	Geographic Information System
LNCCI	Lao National Chamber of Commerce and Industries
GSP	Generalized System of Preferences
EU	European Union
CEO	Chief Executive Officer
VLP	Vientiane Logistics Park
ECCIL	European Chamber of Commerce and Industries in Lao
M3	Meter cube (cubic meter)
UNCTAD	United Nations Conference on Trade and Development
MoFA	Ministry of Foreign Affairs
COP	Conference of Parties
NDC	Nationally Determined Contributions
SFIA	Skills Framework for the Information Age
BOL	Bank of Lao (PDR)
MOU	Memorandum of Understanding
ACMF	ASEAN Capital Market Forum
WC-CMD	Working Committee on Capital Market Development
LSCO	Lao Securities Commission Office
SSTC	South South Triangular Cooperation
RCEP	Regional Comprehensive Economic Partnership
FTA	Free Trade Agreement
OCOP	One Country One Product
FLW	Food Loss and Waste
SIDS	Small Islands Developing States

VAESP	Village Agri-business Enterprises Support Project
GAP	Good Agriculture Practices
GI	Geographical Indication
SASSP	Sustainable Agrifood Systems Sector Project
ACGF	ASEAN Catalytic Green Finance Facility
DOSMEP/MOIC	The Department of SME Promotion of Ministry of Industry and Commerce
MFI	Multilateral Financial Institution
CMD	Cassava Mosaic Disease

Executive Summary

The National Forum on Investments in Sustainable Agriculture in Lao People's Democratic Republic was organized by Food and Agriculture Organization of the United Nations (FAO) in collaboration with Ministry of Agriculture and Forestry (MAF), Government of Lao PDR. This is the report of the proceedings and discussions held during the daylong event.

The introduction of this report sets the stage and explains the rationale behind FAO's engagement with the private sector for leveraging investments for sustainable agriculture, under the Hand In Hand Initiative (HIHI). The global challenges of food insecurity, malnutrition, rural underdevelopment, and climate change, have strained the resources of governments and development actors, including the United Nations. They cannot go it alone and achieve the global development agenda, articulated in SDGs framework. Private sector also has an innate incentive for sustainable business practices because a distressed humanity is most likely to undermine profits and earnings on investments, the traditional motivation for private sector. Hence a consensus of working hand in hand has emerged over the past decades.

FAO like other UN agencies, has embarked on strategically engaging with private sector since 2000, whilst adhering to core values and principals of the UN. This process of engagement with private sector matured over the year and resulted in development of framework initiatives like HIHI. The HIHI Investment Forum in Rome held in October 2022, was a milestone in this process. Government of Lao PDR, with technical support of FAOLA, presented investment and business cases of three agriculture commodities, Cassava, Tea and Livestock. Five private sector companies expressed investment interests and since Rome, the engagement and coordination are being facilitated by FAOLA.

In order to compliment the global investment forum, it was prudent to also take advantage of the proximity of opportunity, of a vibrant domestic and regional private sector, thus a series of National Investment Forums were planned to be held in all HIHI countries, prior to the second edition of Rome Investment Forum. FAO Pakistan held the first National Forum and FAOLA, was the second country office to hold National Forum on Investment in Sustainable Agriculture in Lao PDR on 21st of April 2023.

The National Forum was conceived and designed, to cast a wide net, for gathering all key stakeholders under one roof. This not only ensured that views of all stakeholders. The participants and speakers included government ministries (Finance, Investment & Planning, Health and Transport), Bank of Lao PDR, embassies, development partners: inter-alia IFC, ADB, WB, micro rural finance organizations and farmers organizations to sit together and have a conversation to trigger a dialogue process. The idea of facilitation by FAO, as an honest broker was crystalized through the design features of the forum. The deliberate and careful participants' selection also ensured that key trading countries with Lao PDR were represented and their views, were also listened to and recorded.

The Opening Session:

The opening session of the forum was chaired by the Deputy Minister of Agriculture and Forestry, His Excellency, Dr. Phet Phomphiphak and co-chaired by FAO Representative in Lao PDR, Mr. Nasar Hayat. The opening remarks of both the chair and co-chair appreciated the value of the platform of National Investment Forum. The Minister specially praised FAO's role in organization of the first ever event of this type, for the agriculture sector in the country. FAOR, also thanked all the participants especially Their Excellencies the Ambassadors of Royal Kingdom of Thailand and European Union in Lao PDR, for their participation alongside the diplomatic corps in Lao PDR. The speeches of the chair and co-chair

set down the mood and pace of the forum and it began on a note of involvement of participants and optimism.

The Second Session:

The second session of the National Forum held key value. It was devoted to businesses in Lao PDR and listening to their views and estimation of doing business in Lao PDR. This session's discussions focused on Investing in agriculture value chains: pathways to sustainable and inclusive economic growth, gathering the perspectives from the Private Sector.

The Vice President of The Lao National Chambers of Commerce and Industries, an affiliate of Ministry of Finance, was the first one to take the stage. His keynote address was an overview of the role of private sector in emerging economies and contextualizing it to Lao PDR, as it progresses from a Least Developed Country (LDC) to Middle Income Country (MIC). The second speaker not only represented the Malaysian Chamber in Lao PDR but also headed the largest logistics park in Lao PDR. His address covered the much-needed potential investment area of logistics, as Lao PDR has been termed as 'The Bridge Country' for regional trade in agriculture products due to its strategic locational advantage, especially after operationalization of Lao-China railways. The third speaker represented the European and Australian chambers. His focus was on the potential investment area of agro-forestry and the potential of trading beyond Asia, with Oceania and EU. According to him the main challenge was the connectivity and government needed to invest more on transport infrastructure. The last speaker of this session represented the Chinese Businesses in Lao PDR. He was very optimistic about the investment potential in agriculture sector in Lao PDR. He explained to the audience, the dynamics of market demand in the People's Republic of China, especially the market for livestock. Lao PDR has a export quota of 500,000 cattle heads to China, which is unmet. The session ended with a riveting discussion and a need for more policy reforms, investment in logistic and access infrastructure and improvement of capacities was recognized by all concerned.

The Third Session:

This session focused on understanding and recording initiatives of Government, Government's vision and monetary policy measures that are being introduced by Central Bank, for showcasing the Land-Linked vision of the Government; the incentives' structure that had been put in place for encouraging investments in the agriculture sector.

The session started with a video-display about the investment process in Lao PDR, for the benefit of all potential foreign investors. The video is available on social media, thus accessible to all interested business concerns. Commercial diplomacy is the emerging global trends, and it is a crucial element of a country's foreign policy. The Ministry of Foreign Affairs representative explained to the audience about the economic diplomacy vision of the government for attracting Foreign Direct Investments (FDIs), and how it was being scaled-up, with many success stories, especially from ASEAN region. The representative of Bank of Lao (Central Bank) was the next speaker and she explained that how the Monetary Policy was being tuned for increasing investments in agriculture sector. Various monetary policy measures were being introduced for capital access for MSMEs and small holders, through regulatory nudging approach for Monetary Financial Institutions (MFIs) and Savings and Credit Unions (SCUs). The discussion which ensued towards the end of this session was informative and fulfilling, as many participants had questions from the government and the incentives that were offered for investments in agriculture sector. There was a consensus that, there were certain implementation gaps between policies and practices and more efforts were required to fill-up the implementation deficit problem.

The Fourth Session:

Maintaining the flow of the discussions, the fourth session was about Green Financing, which was the need of the hour and Governments, International Financial Institutions and Private Sector needed to work hand in hand for addressing the financial constraints faced by agriculture sector in Lao PDR.

The first speaker of this session was the Special Advisor to the ADG, FAO, on South-South Triangular Cooperation; a funding mechanism, conceived and tailored to finance initiatives and projects, which are mutually beneficial for global South. He appraised the audience about the ways and means of mobilizing South-led finance and enhancing South-South trade to foster agriculture development in Lao PDR. The second speaker about green financing represents IFC in Lao PDR. He informed the audience about the various opportunities and financial products available with IFC for supporting private sector. He also informed that in the new portfolio of financial products of IFC, a special focus would be on MSMEs and especially women led MSMEs. The third speaker of the session is heading the largest rural micro-finance enterprise in Lao PDR. He shared his model of rural micro-financing and successful use of fintech by LTS ventures in the context of overwhelmingly rural Lao PDR. This session was also unique because ADB representative requested a special speak, in which he explained the new pipeline project of ADB, focusing on investments in agriculture sector, working with the Bank of Lao PDR and Commercial Banks in Lao PDR, for access to capital and credit. The pipeline project has also mainstreamed gender in its programming.

The Fifth Session:

The fifth session was concurrent breakout group work for spurring B2B discussions about investments in agriculture in cassava, livestock, tea and agro forestry. Another corollary purpose of these concurrent sessions was to collect information regarding opportunities and challenges of investment, and these would inform the business cases for presentation in the second edition of the Rome Investment Forum by the Government of Lao PDR. The groups after deliberations, came up with recommendations and parameters for analysis for business cases.

The Closing Session:

The Chief Economist of FAO, Mr. Maximo Torero, concluded the forum, through an address via video-link. He thanked the Government of Lao PDR, for co-organization of the National Investment Forum. He also thanked all participants. He said that HIHI was a flagship program of FAO, owned and led by governments. He emphasized that private sector's support in achieving SDGs was necessary. Speaking about HIHI, he said that a number of parameters shape the operations of the Hand in Hand initiative in Lao: Including, strong evidence based on socioeconomic and bio spatial data that the FAO-Geospatial platform in collaboration with Lao GIS unit have developed together for context specific and targeted interventions. He explained that HIHI programming was based on analyses supported by the FAO investment center, agribusiness, nutrition, gender and governance experts in consultation with the Government. Studies identify opportunities to link farmers to internal and export markets, agroindustries and link locally produced commodities with the tourism sector. Towards the end he thanked the Government for owning HIHI and supporting FAO organized platforms like National Forum on Investment in Sustainable Agriculture in Lao PDR.

Introduction

The global consciousness and realization of emerging challenges caused by climate change, were fully appreciated in Stockholm in 1972, during United Nations Conference on the Human Environment¹. Since Stockholm, the global cooperation to address the emerging challenges has come a long way. Emerging challenges have led to emerging cooperation frameworks. Hitherto unconnected actors like development sector, United Nations, Governments and more recently the private sector are now acting in unison to address the global challenges articulated in Sustainable Development Goals (SDGs).

The private sector is widely considered the engine of economic growth. It has, among other things, contributed to technological advancements in key sectors, such as energy and transportation, increased life expectancy through innovation in health care, better and increased production of food and helped over a billion people escape living in extreme poverty².

Traditionally, the development actors, not for profits, bilateral and multilaterals acted in a risk averse manner avoiding engaging with private sector entities. The binaries of ‘for profit’ and ‘not for profit’ and public and private goods dominated the interface between the development actors and the private sector. It was not to engage approach. This reluctance has now been removed and emerging challenges have necessitated emergence of alliances and partnerships between governments, development actors including UN and private sector.

There is now a global consensus, and it has now been recognized that diversity, efficiency and capital in private sector engagement can be harnessed for progress. Similarly, the private sector has also understood the core issue that total reliance on profit driven approaches will undermine achievement of sustainability. The market is a human construct and distressed humanity is not a reliable and a profitable market.

Like other UN agencies Food and Agriculture Organization of the United Nations (FAO), also began to strategize engagement with private sector. In 2000, FAO laid out the Principles and Guidelines for Cooperation with the Private Sector. It has been a progressive journey since the turn of the century. FAO’s Strategy for Partnerships with the Private Sector was approved in 2013. Currently, FAO’s successor Strategy for Private Sector Engagement (2021-2025) outlines the approaches and framework for proactively, working together with the private sector.

The vision embedded in FAO’s 2021-2025 strategy clearly sets the framework of private sector engagement. It states that, “...Leaving No One Behind through sustainable, inclusive and resilient food systems for better production, better nutrition, a better environment, and a better life”. This vision enshrined in the strategy, gave birth to Hand in Hand Initiative (HIHI), which became the flagship programming framework for FAO, in many countries and Lao Peoples’ Democratic Republic is one of the pilot countries.

Hand in Hand Initiative:

The Hand-In-Hand Initiative (HIHI) is a flagship of FAO launched in 2019 and is one of its core priority programme areas. The Initiative supports 60 countries in Africa, Asia, Europe, Latin America, and the Middle East as of February 2023. The aim is to support the implementation of nationally led, ambitious

¹ Pamela Chasek, (2020), Stockholm and the Birth of Environmental Diplomacy, International Institute of Sustainable Development

² Dina Hestad (2021), The Evolution of Private Sector Action in Sustainable Development, International Institute of Sustainable Development (policy brief # 12)

and agile programmes to accelerate agrifood systems transformations by eradicating poverty (SDG1), ending hunger and malnutrition (SDG2), and reducing inequalities (SDG10) Leaving No One Behind.

HHI prioritizes countries and territories where poverty and hunger are highest, national capacities are limited, or operational difficulties are greatest due to natural or man-made crises. Areas of intervention have included:

- developing value chains for priority commodities,
- building agro-industries and efficient water management systems,
- introducing digital services and precision agriculture,
- reducing food losses and waste, and
- addressing climate challenges and weather risks.

The HHI Investment Forum is at the core of the Initiative's partnership-building effort and designed to increase private investment to eradicate poverty and hunger in the countries participating in the Initiative. It provides a platform for national authorities, global and national corporations, multilateral development banks and donors to discuss opportunities to finance the Initiative.

Hand in Hand Initiative in Lao PDR:

Lao PDR was one of the first countries where Hand in Hand Initiative was launched immediately after the visit of Dr QU Dongyu, Director General of FAO, to Lao PDR (18-20 February 2022) where he introduced the idea to the Prime Minister, at that time Mr. Thongloun Sisoulith and senior officials. Upon the agreement of the senior leadership, the Ministry of Agriculture and Forestry, with technical support from FAO immediately launched the Hand-in-Hand Initiative in the Lao People's Democratic Republic with the goal of fostering partnerships, alliances, and synergies among public and private actors, as well as international development partners, to unlock the country's agricultural potential. This initiative has the potential to serve as an inclusive platform for promoting an inclusive value chain through agriculture-based livelihood development activities and the promotion of small and medium sized commercial agriculture.

The Ministry of Agriculture and Forestry (MAF) requested FAO to focus HHI support in the Provinces along the Lao-China railway to establish a sustainable Green Growth Economic Corridor. The core priority areas for Lao PDR were identified as:

- Agriculture Commodity Value Chains Development
- Food and Agriculture-based Livelihood Development
- Nutrition – Elimination of Hunger and Malnutrition
- Governance – Institutional Innovation, Enabling Policies and Legislation

The potential for Agriculture and Rural Development Sectors Investment is one of the untapped potentials for the Lao People's Democratic Republic, including its rich natural resources and its 'green and clean' production potential, the untapped linkages via the newly opened Lao-China railway, and the country's young population and large labour force. MAF with support from FAO intends to use HHI framework to enhance the capacity of previously isolated communities to effectively and sustainably take advantage of the emerging opportunities afforded by the railway.

HIHI Investment Forum October 2022 (Rome, Italy):

The HIHI Investment Forum was a platform, where governments and private sector were brought together. Each country presented investment cases about the selected products. MAF and FAOLA presented investment opportunities to support the 9th National Socio-Economic Development Plan, seeking a 2.5% agricultural sector growth to improve nutrition, production, and secure access to domestic, regional, and international markets.

The delegation secured significant interests from several International Private Sector companies and International Financial Institutions, in particular from the Asian Infrastructure Investment Bank.

Official visits to the country to follow-up on investment opportunity interests were organised and are also scheduled for the coming months as a follow-up after the Rome Forum 2022.

Commodities and Areas of Intervention included the Government's work to enhance coordination between the agriculture and industrial sectors, zone agricultural land for food production and industrialization, improve irrigation and infrastructure for post-harvest management of products. Specifically:

- **Cassava** The Government prioritized production of cassava, whose exports to China could generate as much as US\$214 million annually. It is also vitamin-rich food for people and a key source of animal feed. The Government's strategies include boosting primary production of cassava through contract farming and productive alliances, improving primary and secondary processing, quality compliance and logistics, and finally supporting the development of climate-smart technologies and digital platforms.
- **Livestock** The Government selected livestock value chain as a priority since 52% of households keep cattle. Additionally, animal exports accounted for 21% of agri-exports in 2021. Domestic supply meets only 45% of the demand, and there is demand coming from China and Thailand that is not met. Strategies on this front include improving breeding, beefing up support to large animal farming enterprises, enhancing productivity and quality, and building resilience against climate change. The Government also works to improve feed, livestock protection, livestock SMEs and commercial cattle farms, processing facilities, extension services, transport, logistics, and cold chains.
- **Tea** As part of an effort to promote exports, the Government considers tea as an export commodity in the north, where 83% of tea (16,000 mt) is grown in the Phongsaly and Luang Namtha provinces. Tea has tremendous potential for expansion, with 2.4 million suitable hectares of land. Tea from Lao PDR is also organic and has a high export value. To this end, the Government's interventions have included developing contracts and land concessions, adopting climate-smart production systems, modernizing processing technologies and improving export logistics infrastructure.

Thus, the HIHI Investment Forum triggered a process, for more active engagement with private sector, globally and regionally. It was thus a prudent approach to engage with the domestic private sector

too. Therefore, a National Forum on Investment in Sustainable Agriculture in Lao Peoples' Democratic Republic was organized on 21st April 2023, inter-alia as a precursor to the second edition of Rome Investment Forum planned in Autumn this year.

National Forum on Investment in Sustainable Agriculture in Lao PDR

The National Forum was conceived as a facilitation platform to tap into the private sector investment potential in agriculture sector in the country and the region. It was jointly organized by MAF and FAOLA, in order to accelerate national efforts to create constructive and frank conversation between the government, private sector, development partners and farmers organizations. It was the first National Forum on Investment in Sustainable Agriculture which was carefully designed from inception, to planning and to organization of the event itself. Following were the considerations and key features which went into structuring the forum for obtaining valuable, tangible and comprehensive results.

- a) **Design of the Forum:** The forum was carefully designed to capture the key elements of HHI. The agenda sessions were holistic. The first session set the stage through speeches of the Deputy Minister for Agriculture and Forestry, Government of Lao PDR and FAOR. The second session focused on the perspectives of the private sector; domestic, regional and global. Diving deeper, in the dynamics of private sector investment in agriculture sector in Lao, the keynote speaker spoke on the agriculture value chains from inputs to production to logistics. The second session was devoted to presenting the incentives that the Government of Lao PDR is offering for encouraging private sector investments. The third session was about the spectrum of financing opportunities and products for agriculture investments. The last session was designed as break-out groups on four probable business cases that will be presented in the second edition of Rome investment forum. Thus, the design ensured that the HHI approach can be crystalized as it progresses.
- b) **Selection of Participants:** A set of considerations guided participants and keynote speakers' selection. They were related to avoiding any risks for FAO and maintaining its role as an honest broker. Hence no individual businessperson, in their individual capacity was invited. The Lao National Chamber of Commerce and Industries (LNCCI), Chinese Chamber, Malaysian Chamber, Australian Chamber and European Chamber were invited as organizations for sending the participants and keynote speaker. Secondly, not limiting partnership with the organic partner MAF, a Government as a Whole approach was used, where Ministries of Foreign Affairs, Health, Commerce and Transport were invited as well. The reason was to support development of a cohesive policy response from the government. Thirdly, for agriculture financing, an inverse triangle approach was used. Starting with the Bank of Lao (Central Bank), the international donors and narrowing it down to rural microfinance. The breakout sessions were also focused on probable business cases and businesses interested in each product sitting at the same table for any possibility of B2B collaborations.
- c) **Evoking and Garnering Regional Interest:** The embassies and missions in Lao PDR, especially the regional trading partners; China and Thailand were invited because of the large quantum of bilateral trade of Lao PDR with these two countries in agriculture commodities. The other embassies with interest in Lao Agriculture also participated, represented by their commercial counsellors, and attaches. H.E. the Ambassador of Thailand herself attended and keenly participated during the discussions.

This deliberate crafting of the forum bore fruits and there were a number of take-aways informing the next steps for increasing investment in sustainable agriculture in Lao PDR, for food security, nutrition, livelihoods, and agriculture commodity trade.

The Forum's Proceedings and Discussions

The forum was organized in six sessions including the opening and closing sessions. Except for the opening and closing sessions, all sessions had plenaries during which the keynote speakers answered the questions directed at them and their respective topics. The ensuing discussions after each keynote address were not only riveting but were very informative. Three-way simultaneous interpretation was also arranged; Laotian, Chinese, and English, so any language barrier was removed for ensuring a meaningful discussion.

The Opening Session:

The Deputy Minister for Agriculture and Forestry, Government of Lao Peoples' Democratic Republic, H.E. Dr. Phet Phomphiphak, chaired the National Forum. The FAO Representative in Lao Peoples' Democratic Republic, Mr. Nasar Hayat co-chaired the forum. The Master of Ceremonies was Dr. Phommy Inthichack, Deputy Director General, Department of Planning and Cooperation Ministry of Agriculture and Forestry. The National Forum was formally inaugurated by the Deputy Minister.

In his inaugural address, the Deputy Minister, welcomed all, to the **first ever** National Investment Forum on Agricultural Investments in Lao People's Democratic Republic. He was elated to see that business leaders, working **Hand in Hand** with the government for economic growth of the country and He appreciated the facilitation role played by FAO to bring all key stakeholders around the table to support sustainable development in Lao PDR. He stressed that this collaboration would help Lao People's Democratic Republic to smoothly transition from a Least Developed Country (LDC) to Middle Income Country (MIC) in line with the government's Smooth Transition Strategy (STS).

His Excellency emphasized that Agriculture is one of the most important sectors of Lao economy. It employs a large number of rural population and makes a significant contribution to the national GDP. Agriculture not only supports the national economy but also ensures the availability of healthy and nutritious food for all to be able to make contribution to the national development. Hence agriculture is the backbone of rural economy of Lao PDR. Sustainable Agricultural Development is one of the key focus areas of growth in the 9th National Socio-Economic Development Plan.

The Deputy Minister, also shared the vision of Prime Minister H.E. Sonexay Siphandone that was expressed during the 14th Lao Business Forum, that Government of Lao PDR was working earnestly for strengthening the investment climate in the country. A number of policy and regulatory measures have already been put in place to attract investments in the country.

To guide the dialogue during the different sessions of the Forum, the Deputy Minister highlighted a few key points that could inspire discussions across stakeholders as follow:

- The framework of Sustainable Development Goals (SDGs) represented collective vision for the future, lay responsibilities on all, public sector, private sector, development partners and the citizens, to work towards a sustainable future leaving no one behind.
- The scale of development challenges which face the globe especially, the developing world, is huge, however these challenges are not insurmountable. The governments and development partners cannot do it alone, private sector must be a key player in this global effort and work together hand in hand, by investing in green and sustainable agriculture.

- The Ministry of Agriculture encouraged the private sector to invest in agriculture value chains, from inputs like fertilizers to packaging, export and retail. The government offered incentives, like tax holidays, trade facilitation measures, access to credit for all including the Micro, Small and Medium Enterprises (MSMEs) and flow of capital in and out of the country. It had already been announced during the Lao Business Forum that the Government has prioritized the licencing of food and agriculture processing. It has also been embedded in the new regulations that low risk activity will not require any licencing. He was hopeful that the process of reforms for investment in agriculture sector will open new avenues for businesses.
- Lao PDR has been rapidly transforming itself. From being a land locked country, to a Land Linked Country through the Lao – China Railway that connects the capital Vientiane with China and through China to the rest of the world. Lao PDR will fast become a logistic hub for the entire Indo China Peninsula, and the participants of the forum are part of this transformative moment in the country's history.
- Lao PDR is committed to use the strengths of the country's natural resource base for a sustainable economic growth. The country's topography, natural resource base and agroclimatic conditions make it highly suitable for a variety of high value agri based development interventions.
- Lao-China Railways is functional and a high-speed train-link between Lao PDR and China is connected through a network of arterial roads and railways with the entire region. The infrastructure offered an opportunity to connect to the markets worldwide.

Summing up, the Deputy Minister highlighted that Lao PDR has GSP status with EU, special business access arrangements with China which opens the world's largest markets to Lao producers and the agricultural products. He solicited the support of the participants and the organizations that they represented to help in realizing the vision of making **'Produced in Lao' a synonym for credibility and quality.**

The co-chair of the forum FAO Representative in Lao Peoples' Democratic Republic, in his opening remarks, stressed on the importance of leveraging the private sector investment for sustainable growth in Agriculture sector. Echoing the sentiments of the Deputy Minister, he said that the challenges were immense in scope and scale. He informed that the world population would be reaching 8 billion or more by 2025 and these men, women and children need to be fed. There were other measures like population control etc. but the world needed to brace for the need for feeding the growing and vulnerable population. The traditional methods and scale of agriculture had to be revisited, redone and adopted. He noted that private sector could bring in its efficiency, innovation, expertise and investment to meet these emerging challenges.

Speaking about FAO, he said that like other UN agencies and development partners, FAO also realized that governments alone could not meet these challenges. The framework programs like Hand in Hand Initiative were designed and launched to engage with the private sector in partnerships, and forging alliances.

Describing HHHI, he said that the flagship program focused on 4 components, agriculture value chains, livelihoods, nutrition and governance with the key cross cutting principle of 'leaving no one behind', facilitating partnerships between the marginalized, the poor, governments, development partners and private sector. This forum was an exemplar of this effort.

Dilating upon the design of the forum he informed that the event was structured keeping in view all possible considerations. He said that the point of departure for the discussions would be to listen to the partners in private sector about their experiences of doing business in Lao PDR. There onwards

the participants would learn about the various incentives the Government of Lao PDR and Lao Central Bank was providing to the private sector. The Government of Lao's vision of economic diplomacy would also be presented by Ministry of Foreign Affairs. The opportunities like South-South Triangular Cooperation and rural financing would also come up for discussion. He urged that it was FAO's priority to make this event, wholesome and productive. Talking about the last session of the forum, he said that it was formatted as B2B discussions providing a platform for business concerns to come together and talk to each other. The purpose of the session were twofold;

- A) To trigger a conversation which may lead to cooperative arrangements between businesses for investment and joint ventures for investment in agriculture sector.
- B) To firm up the business cases for investment to be presented in the Global HIHI forum to be held in Rome later this year.

The Second Session: Investing in Agriculture Value Chains: Pathway to Sustainable and Inclusive Economic Growth – Perspectives from the Private Sector

The second session was designed to collect the perspectives of the private sector and eliciting their views and experiences of doing business in Lao PDR. There are five chambers of commerce and industry registered in Lao PDR. The Lao PDR National Chamber of Commerce and Industries (LNCCI) is an association of Lao PDR Businesses, including businesses working in agriculture sector and is an affiliate of Ministry of Finance. The Malaysian Business Chamber in Lao PDR represents the association of Malaysian Businesses in the country, China General Chamber of Commerce in Lao PDR is an association of Chinese Business concerns in Lao PDR, Australian Chamber represents its country businesses and European Chamber of Commerce and Industries Lao PDR comprises of businesses from Europe. All these chambers albeit representing businesses of different origins, however, converge on the commonality of doing business in Lao PDR and are the most important stakeholder for improvement of investment climate in agriculture sector in the country.

Keynote Address 1: Emerging Economies: The Journey from LDC to MIC and the Role of the agriculture Sector: The Vice President (VP) of LNCCI Mr. Bounleuth Luangpaseuth was the first keynote speaker. The purpose of his keynote address was to express the views of Lao PDR's private sector and how it visualized its role in the country's effort for graduating from an LDC to MIC and how to avoid and mitigate the middle-income trap in medium to long term.

The keynote address by the VP LNCCI started with a brief introduction of LNCCI, which is a not-for-profit association, representing business interests in the country. He gave a brief historic and structural view of LNCCI. Lao National Chamber of Commerce and Industry, is a non-profit organization that represents the interests of businesses in Lao PDR. LNCCI works to promote economic growth, create a favorable business environment, and provide services and support to its members. The LNCCI is also responsible for facilitating trade and investment between Lao PDR and other countries, as well as providing training and networking opportunities for its members.

Secondly, LNCCI Vice President, highlighted the opportunities that Lao PDR presented as a favoured destination for investments, both domestic and Foreign Direct Investment (FDI) in agriculture sector. He said that Lao-China Railway was a game changer as far as the business opportunities were concerned. The land-linked status of Lao PDR was mother of all business opportunities and could not only boost trade but also provide access to small businesses especially Medium, Small and Micro Enterprises (MSMEs) engaged in agriculture businesses.

Thirdly, the VP explained that LNCCI also worked as a coordination platform for many stakeholders including government and private sector and was the knowledge and information repository for local and foreign entrepreneurs. The knowledge management function of LNCCI could be further enhanced and was work in progress to convert it into a one stop shop for required information for potential investors to inform their investment decisions.

Fourthly, in terms of investment climate challenges, he noted that there is dearth of data on agriculture sector and there are significant data gaps, which is discouraging for the new entrepreneurs and making them hesitant to invest in the country. There was also absence of any standardization for developing effective and efficient business plans. He pointed out the capacity gaps of the producers, as they were caught in the subsistence trap and were unable to scale up production for generating surpluses for processing, retail and exports. The market situation itself was not sustainable for agriculture products due to the acute problems of subsistence agriculture. The production in agriculture was often dominated by “ trends”, for example cassava fetching good price led to over-cultivation, resulting in market gluts and market distortions. LNCCI continuously recommends policy measures for reducing capital costs for production in the agriculture value chains. The emphasis of policy focus on facilitating market access was also a key factor for making informed and rational decisions for investment in agriculture sector, he reiterated.

[Keynote Address 2: Lao PDR “The Bridge Country”³](#) : Malaysian businesses are actively engaged in the Lao economy and are one of the major players. The business concerns are working on a wide array of sectors, from logistics to retail and export. The second keynote speaker Mr. Tee Chee Seng is not only the president of the Malaysian Business Chamber in Lao PDR, but he is also the Chief Executive Officer (CEO) of Vientiane Logistics Park (VLP). Therefore, his contributions in the forum carried twofold value, representing his country’s business as well as detailing his company’s work on logistics, which are a critical and underdeveloped area in the agriculture value chains.

Introducing the Vientiane Logistics Park Mr. Tee said that the Vientiane Logistic Park is a dream project for the country. Vientiane Logistics Park was one of the largest projects under Lao PDR Logistic Link directive, issued in 2021. VLP is the key link in the chain of implementation measures of the directive of the Lao Government identifying collection and distribution points in each region that connect with the neighboring countries. He elaborated that it is not only a hub for goods transfer, but it is also a knowledge center, where technical training in handling goods collection, storage and transfer was imparted through a learning by doing method. The state-of-the-art technology is used for logistics value chain management.

The VLP is located at the prime location with a large area of 382 hectares, right next to the regional logistics rail link which is at the intersection between Thailand – Lao PDR and Lao PDR - China rail and located at the border of Lao PDR - Thailand.

VLP has also been instrumental in enhancing transport connectivity through its state-of-the-art intermodal facilities located at the center of the Greater Mekong Sub-Region, linking major regional economic powerhouses by rail (Kunming – Vientiane railways) and by road (Asian Highway 12).

³ The term has been used by World Bank’s, Lao PDR Economic Monitor of October 2022.



Source: VLC Presentation

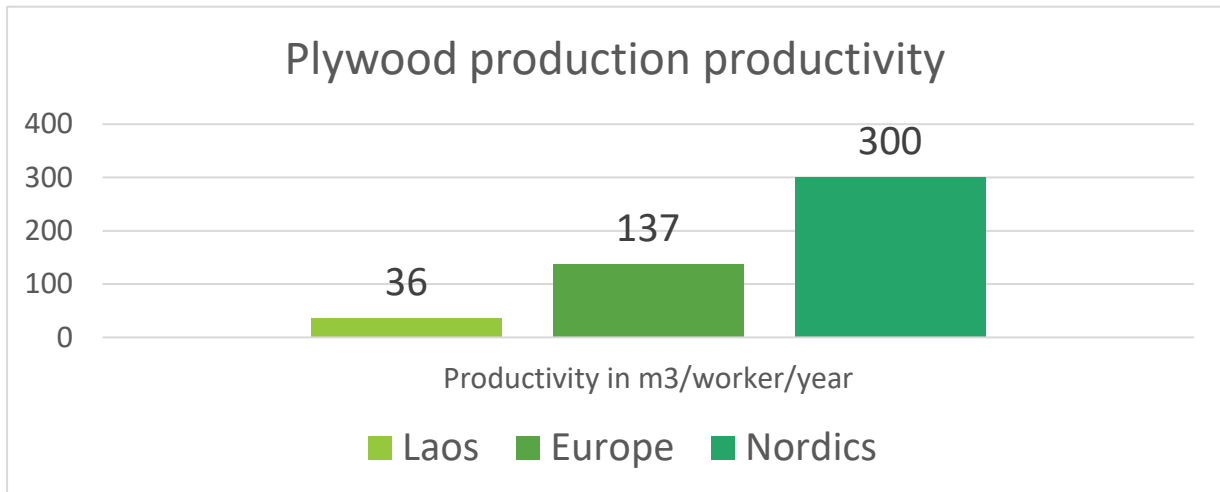
The CEO of VLC also gave the examples of Thanaleng Dry Port and the Export Processing Zone linked with VLC. Thus, an intersectional connectivity is in place in Lao PDR, providing opportunities for export-oriented investments in agriculture production.

Vientiane logistic Park also caters to agricultural export processing where agriculture goods can be graded, packed, and stored for off season retail. The export processing zone’s cold storage facility stores horticultural products for keeping them fresh for off season consumption and trade. The Vientiane Logistics Park offers specialized containers for specific fruit and agricultural product. As a result, various containers can be stored of durian fruit, banana, cassava, and other horticultural products for export, maintaining the necessary and required quality. He emphasized that the facility of VLC and connected logistics and export facilities can be scaled up to realize the export potential of agriculture products in Lao PDR.

Keynote Address 3: Trading in Agriculture Commodities beyond Asia: The European Chamber of Commerce and Industries in Lao PDR (ECCIL) and Australian Chamber (AustChamb) represents the traditional foreign business community doing business in Lao PDR, with origins in Europe and Australia. Some of the companies are historically doing business in Lao PDR, since the cold war time especially from Eastern European block, aligned with former USSR, while some companies are new entrants in the local market, after the country opened up in 1980s. Most of the members of these chambers have businesses which are export oriented for Oceania, European and ASEAN markets.

Mr. Przemek Pruszyński is a member of both chambers and is the CEO of Burapha Agro-Forestry Company, which is one of the biggest companies engaged in agro-forestry. The purpose of inviting him as a keynote speaker was to get perspectives regarding the business environment and also exploring a new area of investment, which may be presented in the HIHI Rome Investment Forum as per the wishes of the Government.

The keynote speaker, started off by pointing towards the competitive disadvantage in production of plywood and wood products, in relation to Vietnamese and Chinese competitors. He explained that the logistics cost was high and amounted to 20% of the production cost. The low productivity, due to skills and capacity issues was also a cause of concern.



Source: Presentation of Bhurrapa

This productivity gap was a disincentive for investment, but it could be ameliorated.

Despite his concerns he emphasized that Companies like his, working in Agro-forestry sector was mitigating climate change by planting forest on degraded land and sequestering CO₂. In parallel these companies have been developing local villages and creating job opportunities and supporting rural development. These affirmative corporate actions were benefitting the Lao PDR’s economy. He further noted that agro-forestry has the potential of becoming Lao PDR’s new economic cornerstone. He explained the process of starting-up and investing in the agro-forestry business has to follow a business process as illustrated in the diagram below:

AGRO-FORESTRY BUSINESS PROCESS & VALUE CHAIN



Source: ibid

Resuming his discussion on the advantages and disadvantages for agro-forestry business in Lao PDR, he explained the pros and cons as illustrated in the following table:

Pros	Cons
The main export point is Laem Chabang port, Thailand for shipping to Europe and Australia the target markets.	High logistic cost – ca. 20% of total production cost vs. 3-7% as a benchmark to local/regional suppliers
New highway opened in 2021 connecting the Plywood mill with the capital Vientiane.	Lead time required of cash flow generation is ca. 8 weeks.
New solutions are emerging like Thanaleng Dry port, in Vientiane and the Lao-China railways connecting Kuming with Bangkok thus easing the burden of logistics.	Long, costly and complicated process (custom clearance, transportation, sea freight), despite the new legislation, which has not reached at the ground level.

Considering Lao PDR's GSP Plus status with EU, he shared that the investment in agro-forestry sector would comply with the new EU legislation which shall come into effect by 2025. Therefore, in essence he encouraged investment in agro-forestry sector for the potential investors as various problems were being resolved by government policies and actions.

Keynote Address 4: The Dynamics of Market Demand in the People's Republic of China: Touching Base on Lao-China Agri-Food Trade: The Peoples Republic of China is one of the most important trading partners of Lao PDR in agriculture products. It is also the biggest market for agriculture products, livestock and horticultural products. The proximity factor has prompted to allocate import quotas for Lao PDR especially in livestock. Lao PDR can export 500,000 cattle head to China. The Lao-China railways has further deepened and strengthened this relationship, creating a multiplier effect for the bilateral trade. China also offers an opportunity for trading beyond China through various seaports and airfreight opportunities for items having limited shelf lives.

Mr. Guowu XU is not only the Chairman of China-Lao General Chamber of Commerce in Lao PDR but he is also the Chairman of Xuanye Ecological Agriculture Development Co., Ltd, which is one of the leading Chinese owned green agro-business enterprise in Lao PDR. His keynote address added value to the discussions on two accounts, a) his experience as leading the Chinese business community in Lao PDR, and b) the experiences of heading a Chinese agri-business enterprise, focusing on green agriculture.

He started his keynote address with an old Chinese saying, which extols the value of food. Referring to the data of United Nations Conference on Trade and Development (UNCTAD), he said that, in 2020, global poverty was on the rise for the first time in two decades. In 2021, an additional 77 million people were living in extreme poverty compared with 2019. A recent report indicated that between 720 and 811 million people in the world faced hunger in 2020, which is 161 million more than in 2019. However, with strides in science and technology, a response to these emerging challenges can be generated through collective efforts.

Sharing his personal experience, he said that he would highlight three factors, which enabled and strengthened his efforts to alleviate poverty through agriculture development. The first factor was the establishment of Lao-China Chamber of commerce in 2005. He informed that, Lao Chinese Chamber of Commerce is voluntarily joined by a large number of Chinese enterprises legally registered in Lao PDR. There are 85 large enterprises, 7 executive chairmen, 15 branches, and more than 10,000 registered members. Under the leadership of the Lao National Chamber of Commerce and Industry

and under the guidance of the Economic and Commercial Counsellor's Office of the Chinese Embassy in Lao PDR, the Lao Chinese Chamber of Commerce has been bonding and bridging the businesses of the two countries, assisting in the implementation of joint projects between the two countries in various fields, and caring about the social responsibilities and livelihood of people of the two countries. In recent years, Lao Chinese Chamber of Commerce has spared no effort to actively promote the joint construction of the "Belt and Road" between the two countries, and the implementation of major cooperation projects, especially those in agricultural sector, and witnessed the achievements of those projects in driving the people of Lao PDR out of poverty and towards prosperity.

The second factor, he said was the Lao-China Railways. He said that on the surface China-Lao PDR Railway is a channel for trade and travel, but it was far more significant; a visionary project. It not only opened up Lao PDR to the world but also strengthened the objective of shared prosperity. Paying accolades to FAO, which he said has been leading international efforts in agricultural development to achieve food security and to defeat hunger, he said despite the efforts the problems persisted. Pointing towards the facts that the distribution of global food resources is uneven, the development of agricultural technology was uneven, he said that amid these imbalances, FAO has always been playing a coordinating role, trying to make the world a fairer place. In his opinion, to tackle imbalances, it was necessary to have such a connector like the China-Lao PDR Railway, which connects markets, different resources, needs, and technologies, and opens new logistics channels and logistics method, reintegrating the regional industrial supply chains et all.

The third factor that he mentioned was that of establishment of Vientiane Modern Agricultural Industrial Park in Lao PDR. The industrial park in conjunction with the railways creates a business complementarity, which is a very successful model to replicate for development of agricultural cooperation between China and Lao PDR. Xuanye (Lao) Co., Ltd. has been operating in Lao PDR for nearly 10 years, and is committed to the transformation of agricultural industry in the country. By formulating agricultural production standards and building an agricultural science and technology industrial chain, the company has contributed steadily and surely to the cooperation in the field of agriculture between China and Lao PDR. At present, Xuanye Company is making every effort to build another modern agricultural industrial park in Vientiane, Lao PDR. This is a key project jointly built by Xuanye Company, AVIC International Beijing Co., Ltd, and the Ministry of Agriculture and Forestry of Lao PDR. It aims to become a comprehensive modern agricultural park integrating functions including exports of agricultural products, customs bonded warehouse, inspection and quarantine center, Lao national grain reserve, agricultural product processing plants, storage center, refrigerated storage, agricultural data center, R&D and technical training, etc. The company also plans to build a 200,000-ton granary, which will become the first granary along the China-Lao PDR railway line. With its completion in 2025, the Vientiane Modern Agricultural Industrial Park is estimated to achieve the goal of exporting 3 million tons of agricultural products to China and an annual export revenue of more than 4 billion U.S. dollars for Lao economy. It will help increasing fiscal revenue by 170 million U.S. dollars every year for Lao PDR and help around 330,000 farmers in Lao PDR escape the poverty bracket.

He appreciated the support of Government of Lao in the ventures of the company and requested further support. First request to the government was to support the construction of Vientiane Modern Agricultural Industrial Park; the second request for soliciting support was for the construction of environmental monitoring and agricultural product quality inspection system; the third request was related to support the construction of organic fertilizer factories and the promotion of agricultural machinery to achieve high efficiency agriculture; the fourth request was to support agricultural technology training and advanced technology promotion; the fifth request was to support agricultural

product processing, warehousing, logistics, etc; and finally he sought the support of the government to urge banking and financial institutions to provide farmers with small loans for purchasing seeds, organic fertilizers, agricultural machinery, and agricultural materials. These set of actions by the government would be important factors in Lao PDR' agricultural modernization and development and he hoped that collectively these will become an important driving force for working hand in hand for achieving prosperity.

Key Takeaways of Session 2:

In order to encapsulate the discussions, derive meaningful qualitative data and its collation, three variables have been applied on the discussions, which include the keynote speakers addresses and the discussions which ensued during the plenary after the keynote speakers concluded their addresses. The three variables are, a) opportunities for doing business in Lao PDR, b) the challenges that businesses face and c) to situate the opportunities and challenges in various policy domains, will be applied.

Opportunities	Challenges	Domain
Emerging Economies: The Journey from LDC to MIC and the Role of the agriculture Sector		
Connectivity and access opportunities provided by Lao-China Railway: connectivity for businesses and spatial access for small holders and MSMEs		Connectivity and Access infrastructure investments (Fiscal Policy/Budgets)
	There is dearth of data on agriculture and other business	Data gaps/ Statistics
	Business planning capacities, like developing feasibility studies at local level	Organizational structuring and capacity building (policy and public sector spending/budgetary allocation)
	Subsistence farming unable to produce surpluses for commercialization of agriculture sector.	Policy, public sector investment and regulatory for adopting a “nudge approach”
	Market distortions due to production trends in agriculture communities	R&D (Agro-climatic zoning), regulatory and subsidies
	Large capital costs issue	Fiscal policy (subsidization) and Monetary policy (affirmative regulation by Central Bank)
	Market access problem	Projection of Lao agri-products, commercial diplomacy (trade fairs)
Lao PDR “The Bridge Country		
Vientiane Logistics Park (VLC)- a Success Story-Policy intent translated into reality		Trade facilitation
Goods, Knowledge & Skills transfer		Capacity Building mainstreamed in projects
Careful locational selection near access infrastructure like		Cashing on locational advantages

Opportunities	Challenges	Domain
Lao-China Railways and ASEAN Highway 1		
Intermodal (goods can be transferred from railway to roads)		Logistics parks design
Interconnected Logistics Park, cold chain, Dry Port, EPZ		Agglomeration of facilities for better trade facilitation
Trading in Agriculture Commodities beyond Asia		
	Comparative competitive disadvantage in the regional context	Affirmative policy actions for reducing costs
	Capacity and skills issues	Skill development
	Logistics cost	Investments in trade access infrastructure (budgetary allocations)
	Delays in export processing	Improving trade facilitation regulations and implementation
Agro-forestry is climate friendly-carbon sequestering		Affirmative policy and possible establishment of Carbon market
Village level CSR engagements and area development		CSR regulations %age of investment to be used for area development
Agro-forestry can be new area of investment with its advantages		Policy incentives through regulations for encouraging degraded land lease to agro-forestry companies (survey of degraded land)
De-graded land is put to use		Land Use planning regulations and zoning
New EU legislation coming in to affect in 2025 which is an opportunity for investment in agro-forestry		Economic diplomacy
The Dynamics of Market Demand in the People's Republic of China: Touching Base on Lao-China Agri-Food Trade		
Lao-China Chamber of Commerce is an effective platform for collaboration for investment in agriculture sector		Strengthening the not for profit bodies (Civil Society) like chambers-regular frequency meetings and policy dialogues
Agriculture sector investments can be instrumental in poverty alleviation		Public sector investment/development budgets can be carefully designed
Lao-China railways is a gamechanger		Further increase in freight traffic

Opportunities	Challenges	Domain
FAO's coordinating role is appreciated as a connector for B2B, G2B and G2G (inter-ministerial)		Honest broker role of development partner to be strengthened
Suggestive development of Vientiane Modern Agricultural Industrial Park		Governments incentives
A JV is in offing, for establishing a granary with a capacity of 200,000 tons		Governments incentives
Potential of 4 billion USD worth of trade in agri-commodities with China		Affirmative actions by the government to realize the potential
Increasing annual fiscal revenue by estimated 170 M USD for GoL		Re-investment of revenue in to agriculture development as part of fiscal policy
This project can lead to poverty alleviation of 330,000 poor rural households		Mainstreaming poverty alleviation in Investments through appropriate regulatory framework
Some asks from the Government: SPS facility, quarantine facilities for livestock, small loans for gari-production on easy terms, logistics improvement and organic fertilizers		Fiscal and Monetary policy and regulation, Budgetary allocation/Government investment

The Third Session: Lao PDR: Showcasing the Land-Linked Vision of the Lao Government and the Incentives Structure for Investment in Agriculture Sector:

In the second session, the perspectives of the private sector were articulated, hence the logical approach for the third session was to listen to the Government counterparts and what it had to offer in terms of its vision and incentives structure it had put in place for encouraging investments in the country. The third session was opened by sharing of a video developed by Ministry of Planning and Investment, Government of Lao PDR. The short video, in an animated format details the investment process in Lao PDR. The video describes the process at each stage for the information and knowledge

<https://www.youtube.com/watch?v=HVacGWCnBEk&t=3s>

Ministry of Planning and Investment, Government of Lao People's Democratic Republic

of potential investors.

Keynote Address 5: Government of Lao PDR's Economic Diplomacy for FDI in Agriculture sector. Ministry of Foreign Affairs, Economic Affairs Department: The Ministry of Foreign

Affairs of Lao People's Democratic Republic, has a special directorate, whose mandate is to promote Lao PDR's products and conduct economic diplomacy for attracting Foreign Direct Investment (FDI) in Lao PDR including investment in the agriculture sector. The Government of has prioritized the agriculture sector as a favoured investment area for foreign investors in the country. This approach reflects the policy imperative of attracting investments along with alleviating rural poverty. Mr. Souliya Chanvisay the Division Head of Economic Affairs Division of Ministry of Foreign Affairs was the keynote speaker. Mr. Souliya explained the contours of Ministry's initiatives in his address.

Whilst appreciating the efforts and efforts of MAF and support of FAO for organizing the forum and development in the agriculture sector, he reiterated the importance of the National Investment Forum and termed it as the step in the right direction for investment promotion in agriculture sector. He said that this platform initiative will bring dividends in the short, medium and long terms.

He explained that existence of an entire department within MoFA devoted to economic affairs indicated the importance the Government and the Ministry allocates to economic diplomacy. The purpose of economic diplomacy is to engage with governments and global private sectors for attracting them to invest in Lao PDR, especially in the agriculture sector as the concerns for food insecurity were high on the global agenda, expressed through SDGs framework.

MoFA's vision of economic diplomacy has two strands: political diplomacy and economic diplomacy and both were pursued, in tandem. Whereas the international relations vis-à-vis global politics have been maintained, economic diplomacy have been used to strengthen and nurture the international relations with the comity of nations.

He then broadly outlined the key areas of economic diplomacy of MoFA. He stated that through its embassies, missions and legates are encouraged to enhance, the international trade, foreign investments, technology transfers, promote tourism, develop the capacity of the Lao PDR's labour export and protect the country's natural resources.

The Government had a clear vision that by 2025 Lao PDR will focus on invigorating linkages of the country with the regional countries and by 2030 Lao PDR will further strengthen linkages with the countries in other continents around the world, with economic diplomacy as its corner stone. MoFA was in the process of developing a new decree/legislation on economic diplomacy which contains a framework for promotion and attracting investments in the country.

Mr. Chanvixay concluded his keynote address by advocating and subscribing to a Government as a Whole approach for all Ministries and Departments, working Hand in Hand for investment promotion and realizing the economic diplomacy vision of the Government and MoFA.

Keynote Address 6: Financing Green Growth: Monetary Policy Incentives: The monetary policy of the country is critical for boosting investments in agriculture sector. In particular the interest rates and other measures of monetary policy are important for investment decisions by agro enterprise. The regulatory function of the Central Bank for commercial banks is crucial for easing access to finance for investments. In this regard the Lao Securities Commission embedded in the Central Bank of Lao PDR has an important role to play for encouraging investments in agriculture sector. Ms. Fongchinda Sengsoorivong, the Director General (DG) of the Securities Commission delivered her keynote address about the incentive which the current monetary policy presented for investors in agriculture sector with a focus on green financing.

Tracing the recent historical path of Conference of Parties 21 (COP 21), the Director General explained the basis of the monetary policy incentives for financing green growth. She mentioned that ASEAN

member states have made commitments at the international, regional, and national levels. The objective is to strengthen the regional response to the threat of climate change, deal with the impacts of climate change, and work on a low- carbon, and sustainable development by keeping the rise in global temperatures below 2 degrees Celsius and limiting the temperature increase further to 1.5 degrees Celsius. By honouring the commitments, Lao PDR issued the Nationally Determined Contributions (NDCs) in September 2021 and relevant regulations such as a decree on climate change, a decision on the bylaws, and establishment of the environment protection fund, were some of the measures taken by the Government.

She said that in the domestic context, the 9th Five-Year National Social-Economic Development Plan (2021-2025), aims to turn a corner in the country's growth direction and emphasizes a strategic shift towards high-quality, green, and sustainable productions. The same strategic direction is reflected in the Strategic Plan for Financial Sector Development of the Lao PDR for 10 years (2016-2025) and the Vision 2030 of Bank of Lao PDR. The vision outlines the contours of Lao Capital Market Development 2021-2030. All-these strategic documents prioritize green growth.

The DG stressed that, to achieve a greener economy and sustainable development goals, financial sector plays a crucial role in channeling financial flows towards the economy's transition to sustainability, including green projects with environmental or climate-related benefits by setting policy direction for the financial sector. She expounded that money market could help promote green businesses and projects through green lending (e.g., green loans). Similarly capital market encourages corporations and business entities to offer various types of sustainable fundraising products, such as green, social, and sustainability bonds.

The Senior Level Committee agreement on financial integration of ASEAN member countries, BOL participated in developing the roles of ASEAN Central Banks in Managing climate and environment-related risks. BoL proffered following recommendations during the deliberations of the committee meeting:

- a) Creating a unified ASEAN Taxonomy⁴.
- b) Developing an ASEAN Green Map.

Recently, the ASEAN Taxonomy version 1 and 2 were published on ASEAN and Skills Framework for the Information Age (SFIA) websites and version 3 is in the process of development. She informed that creating the ASEAN Green Map, aiming to establish a unified ASEAN vision for sustainable finance and green transition, was work in progress.

In terms of building partnerships for green financing, BOL and IFC signed a Memorandum of Understanding (MOU) on green financial assistance, aiming to create a foundation and enabling environment for financial institutions to transit to green lending and for the private sector to mobilize green financing.

The project will be implemented in two phases. Phase I has started from October 2022 till June 2023 (9 months) to conduct the market assessment to develop green finance in Lao PDR. Phase II is expected to be based on the completion of Phase I. The implementation timeframe for Phase II, is expected to be from July 2023 to July 2026 (3 years).

⁴ In Banking parlance, Taxonomy means, a classification system, which establishes a list of environmentally sustainable economic activities. It helps tag the expenditures in an economy on environmental and climate friendly activities.

Regarding capital markets, in 2022, ADB published green bond market survey for the Lao PDR: insights on the perspectives of institutional investors and underwriters. The results showed that almost 60% of institutional investors participating in the survey were exploring possible investment opportunities, but with limited awareness and resources, a lack of policy guidance from regulators, and a lack of resources to launch new products.

BoL was also part of ASEAN Capital Market Forum (ACMF) and Working Committee on Capital Market Development (WC-CMD) to develop ASEAN standards and principles regarding sustainable finance, for a cohesive regional approach.

In February 2023, the Prime Minister established the green, social, and sustainability bond development committee, which consists of 11 people from related ministries. The purpose of this committee is to develop and expand financing for climate-friendly investment through green bonds. Similarly in March 2023, Lao Securities Commission Office, held a meeting with related ministries to discuss and brainstorm on green finance as well as the progress of green development from each ministry.

Furthermore, Lao Securities Commission Office (LSCO) is studying ASEAN standards and principles regarding green, social, and sustainability bond issuance in order to apply them into Lao’s regulatory framework and create necessary incentive policies for private sector through green bonds issuance.

BoL in its pursuit of achieving outcomes of green and sustainable financing will be developing the criteria and conditions of green loans, as well as the climate-related financial risks matrix. She ended on a note of optimism that soon green bonds will be issued for financing green growth.

Key Takeaways of Session 3:

The third session had a number of takeaways and detailed the incentive structures and processes of investments. It also provided an overview of the monetary policy, capital market, regulatory structure and money markets. Broadly, there is a continuity and resolve by the Government of Lao PDR to encourage local, regional and international investments in agriculture sector of the country. The same three variables have been applied on this session as well for maintaining the coherence of the report.

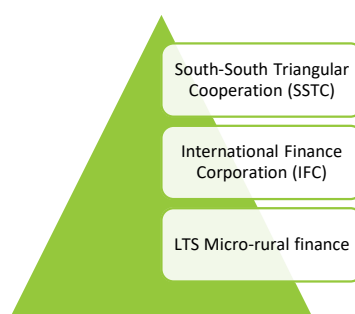
Opportunities	Challenges	Domain
The Investment Process (Videography by Ministry of Planning and Investment)		
The simplified audio-visual version, widely available through social media platform is a good starting point for potential investors for their investment decisions		Communication and outreach
	Despite the simplification of the investment process there are still many barriers, like paper-based approval process, approval/licensing time, resource stress for companies as time is money	Policy reforms and transitioning to paperless investment process in due course. Improving on 10 indicators of ‘Doing Business’

Opportunities	Challenges	Domain
Government of Lao PDR's Economic Diplomacy for FDI in Agriculture sector. Ministry of Foreign Affairs, Economic Affairs Department		
Organizational Structure situated in MoFA, for economic diplomacy		Foreign, Trade and Investment Policies
MoFA actively participating in forwarding the global agenda of SDGs.		Foreign, Trade and Investment Policies
The prudent approach of political and economic diplomacy in tandem: Hand in Hand		Foreign, Trade and Investment Policies
Embassies, Missions and Legates tasked with promoting Lao PDR as a favoured investment destination		Foreign, Trade and Investment Policies
Vision 2030 of Economic diplomacy for increasing to global outreach from regional		Foreign, Trade and Investment Policies
Financing Green Growth: Incentives in Monetary Policy		
Alignment of domestic policies with Paris Agreement has been done and is the central plank for new policies, laws and regulations		Policy agenda
Prioritization of green economic growth		Monetary policy
ASEAN unified taxonomy for a regional standard of classification of green investments		Regional cooperation for greening the investment climate
ASEAN Green map (mapping investments on green industry)		Regional cooperation for greening the investment climate (for healthy competition)
Building partnerships for green lending with IFC		Partnerships and alliances for green growth

Opportunities	Challenges	Domain
Work in progress for issuance of Green Bonds		New monetary policy tools for greener capital markets
Development of ASEAN standards for Capital Markets		Greening the capital markets with regional standardization for safeguards against protectionist trends
Lao Securities Organization developing criteria for green loans		Regulatory

The Fourth Session: Green Financing the Need of the Hour: Governments, International Financial Institutions and Private Sector Working Hand in Hand.

The fourth session of the forum was devoted to a key aspect of financing agriculture value chains, from production to retail and export in a climate friendly, sustainable, and inclusive way. The core idea was to collect and inform about the financing opportunities available for sustainable development of agriculture sector. The need for capital and inputs for production is a crucial gap for the entire sector. The session was designed as an information and knowledge platform for all concerned especially the smallholders, in order for them to understand and comprehend the availability of capital to boost the productive capacities of agriculture commodities. It was designed as a pyramid, starting from the larger south-south cooperation on to the businesses at the middle tier seeking financial support from institutions like IFC and down to the small holders soliciting micro-finance.



Keynote address 7: Mobilizing South-Led Finance and Enhancing South-South Trade to Foster Agriculture Development in the Lao PDR: South-South Triangular Cooperation (SSTC) is

a mechanism that is a common endeavour of peoples and countries of the South, born out of shared experiences and sympathies, based on their common objectives and solidarity, and guided by, inter alia, the principles of respect for national sovereignty and ownership, free from any conditionalities. Operationally, South-South cooperation for development is a process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how and through regional and interregional collective actions, including partnerships involving Governments, regional organizations, civil society, academia and the private sector, for their individual and/or mutual benefit within and across regions. South-South cooperation is not a substitute for, but rather a complement to, North-

South cooperation. This definition is an attempt to present a cohesive meaning of South-South cooperation within the United Nations system⁵. The first keynote speaker for this session was Mr. Shi Jiaoqun, Special Adviser at FAO Regional Office for South-South Triangular Cooperation.

Mr. Shi Jiaoqun, setting the stage explained the SSTC framework. He highlighted that the South-South Cooperation has been conceptualized as the mutual sharing and exchange of knowledge, experience both, technical and financial resources related to agriculture and food systems between two or more developing countries and laid out the possibilities of collective actions in pursuit of their individual and/or shared development objectives. He further explained that the triangularity meant, a development cooperation framework whereby two or more developing countries, alongside other development stakeholders, engage in mutually beneficial collaboration and exchanges with support of a developed country(ies) and/or multilateral organizations. The new trends in the emerging Asia and developing Africa were the increase in south-south cooperation, in terms of resources, knowledge and expertise.

As any other cooperation framework, SSTC also had its opportunities and faced many challenges. The following table explains the binary of benefits and challenges:

Benefits	Challenges
<ul style="list-style-type: none"> • SSTC is among the most cost-effective and efficient means of technology transfer and knowledge exchanges. • Enables countries to acquire and adopt relevant solutions from others that have more recent and relevant experiences. • Promotes solidarity, fostering collective voice and negotiation of developing countries. • Promotes the development of sustainable intraregional trade and deploys or triggers private sector investments. • Promotes global visibility/governance of developing economies in search of active roles in the realm of international relations 	<ul style="list-style-type: none"> • Asymmetrical institutional, technical, and financial capacities among countries from the Global South to contribute and engage in SSTC initiatives • Lack of a common understanding on SSTC definitions and principles (among partners) • Language and communication barriers hamper the transfer and up-scale of new practices and innovations from one country to another

After proffering the benefits and challenges Mr. Shi highlighted the transformational role of SSTC in development of food and agriculture systems. The trend of growing south-south trade and investments has been providing new impetus and opportunities for food systems transformation and scaling up economic cooperation among the countries, The example of *Regional Comprehensive Economic Partnership (RCEP)*, is a proposed agreement between the member states of the Association of Southeast Asian Nations (ASEAN) and its free trade agreement (FTA) partners. The pact aims to cover trade in goods and services, intellectual property, etc. This exemplifies the maturing process of sovereign agreements between nations of the South.

This incremental but firm increase in mutual support had borne results. South-South trade grew from \$2.6 trillion to about \$4.3 trillion (2007-18), representing roughly 52 % of developing country exports

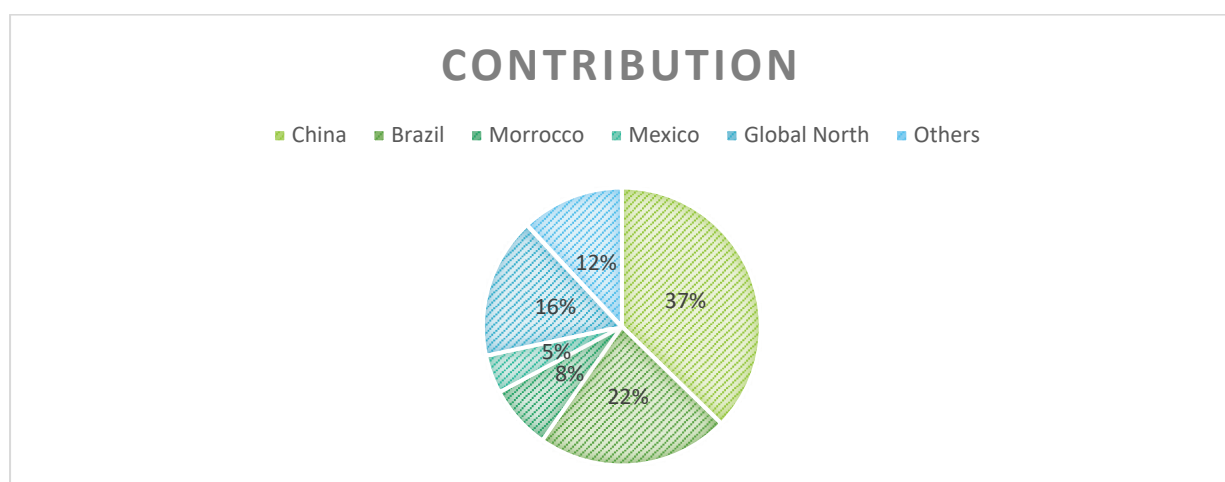
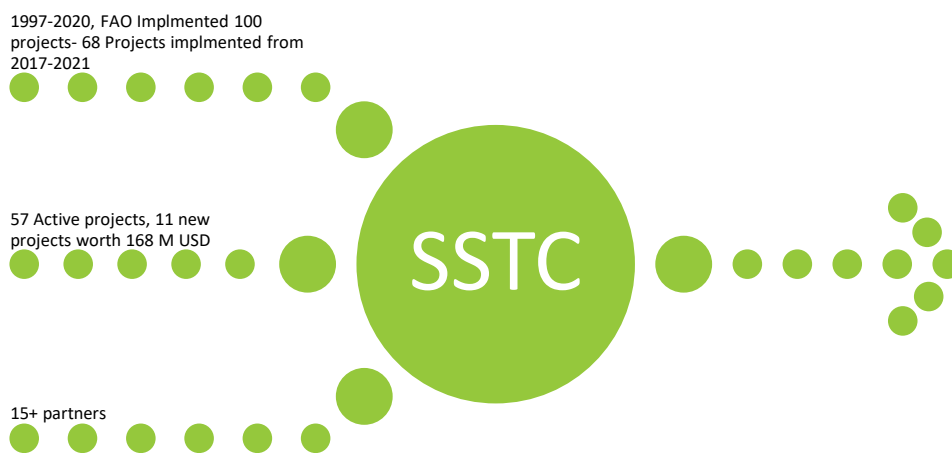
⁵ <https://unsouthsouth.org/about/about-sstc/> accessed on 5-5-2023

and 28 percent of the world trade in 2017. According to the UNCTAD, south-south exports in goods totaled over 5.3 trillion US dollars in 2021 and exceeded South-North exports in goods since 2010. South-South value chains have proved to be an easier route for small businesses from the South, providing them a steppingstone into the international markets. It carries out 41% more tasks than firms in South-North. He cited the example of Lao-China Railways in this regard.

Coming down to the details Mr. Shi informed the audience about the FAO-China South South Cooperation Trust Fund, which is a model of SSC cooperation. The fund was established in 2009. Thus far, the fund has financed 130 M USD in cooperation assistance, more than 1000 experts from China in agriculture have been deployed across the globe, there are 24 ongoing projects, in Asia, Africa and Latin America under the auspices of this fund and more than 100,000 farmers have been directly benefited from the resources and expertise of this fund.

Sharing an example of the other aspect of SSC, Mr. Shi gave an example of a triangular cooperation between, Namibia, Vietnam and Spain. The triangular project between a country from the global North with two countries of global South, had so far resulted in, provision of 1.8 Million USD by Spain, Vietnam has provided aquaculture expertise to Namibia, whilst Namibia itself had provided in-kind support valued at 0.5 M USD. The project facilitated the capacity building of Inland Aquaculture Centers in Namibia. FAO played a central role in the project, facilitating the project through technical oversight and supporting the triangulation process.

He presented the portfolio of SSTC to the audience. In the timeframe of 1997 to 2020, the SSTC initiative had funded 370 M USD and more than 2000 experts had rendered their services. The following diagrams reproduces the portfolio of SSTC from 2017 to 2021 and beyond:



Mr. Shi went on to elaborate the implementation plan of SSTC (2022-2025), which has 5 priority areas, they are:

1. Catalyzing finance and progressive partnerships through Hand-in-Hand initiative (HHI)
2. One Country One Priority Product (OCOP)
3. Food Loss and Waste (FLW)
4. Small Island and Developing States(SIDS)
5. Water scarcity, drylands and land degradation.

Concluding his keynote address Mr. Shi, dilated upon the country specific project for Lao PDR under SSTC, which was in pipeline. The project is titled as, Village Agri-business Enterprises Support Project (VAESP). The goal of the project is to promote village micro-agri-business enterprises to reduce poverty and increase income and productivity of small holder farmers in Oudomxay Province. FAO will implement this project in partnership with Lao-China Technical Training Center and the Ministry of Agriculture and Forestry in Lao PDR. The project activities will include, organizing farmers in producer groups in 125 vulnerable agri-dependent villages, capacity building of youths agri-entrepreneurs, Promote Good Agriculture Practices (GAP), Geographical Indication (GI) and product tracing technology as important tool for sourcing and marketing of products along product specific agriculture value chains. The certification and tracing systems of special products, particularly for export to China and other ASEAN countries will be included as one of training modules to improve the quality and safety of products.

Keynote Address 8: The Role of the International Finance Corporation (IFC) and Private Sector Investments:

International Finance Corporation (IFC) is a key player and funding platform for businesses especially businesses related to agriculture sector. Starting, with a brief introduction about IFC, the Head of IFC in Lao PDR, Mr. Mr. Phongsavanh Phomkong, explained that IFC, is a member of the World Bank Group, providing investment, advice, and capital mobilization services. It has a Triple-A credit rating; owned by 185 countries and it was present in more than 100 countries. IFC is the largest global development institution focused on the private sector in emerging markets.

Mr. Phongsavanh delved deeper into the products of IFC and said that it provided three kinds of services: a) financial products tailored to clients ‘needs, b) Innovative solutions combining IFC’s expertise and tools and c) mobilization and managing capital for investments. This broad categorization is summarized in the following table:

Financial products	Advisory services	Capital mobilization
<ul style="list-style-type: none"> • Loans • Equity • Trade and Commodity Finance • Derivatives and Structured Finance • Blended Concessional Finance 	<ul style="list-style-type: none"> • Help Create New Markets • Unlock Investment Opportunities • Strengthen Clients’ Performance and Impact • Improve Environmental, Social, and Corporate Governance Standards 	<ul style="list-style-type: none"> • Syndications • IFC Asset Management Company

Mr. Phongsavanh, emphasized on the high importance IFC allocated to sustainability. He expounded that sustainability was critical for client success and lasting development Impact. Reinforcing the case of sustainability and unpacking the sustainability concept. IFC's is committed to environmental and social sustainability help ensure good corporate governance, helped clients in improving business performance, protecting the environment, engaging with affected communities, increasing impact and enhancing transparency.

In the context of Lao PDR, Mr. Phongsavanh, said that since its establishment, IFC has provided more than \$130 million in equity, quasi-equity, and loans, together with over \$10 million worth of advisory services programs to support the private sector in Lao PDR, both from its own account and resources mobilized from international sources. As of June 2022, IFC's committed portfolio in Lao PDR is around \$40 million.

In terms of its objectives, IFC supports the sustainable economic development of Lao PDR by investing in commercial enterprises and advising the government and firms so that private sector projects yield returns for investors, generate income for the poor, and set good standards in environmental and social practices. In Lao PDR, IFC focuses on financial and advisory support in areas critical to sustainable and inclusive growth, and private-sector development. These include such sectors as financial/banking, logistics, renewable energy, agriculture/forestry, and job-generating sectors as well as the country's overall investment climate.

Talking about IFC's services and products, he said that IFC offers innovative financial products to private sector projects in developing countries. These include loans from IFC's own account (also called A-loans), equity financing, quasi-equity financing, syndicated loans (or B-loans), risk management products, and partial credit guarantees. IFC often provides funding to financial intermediaries that lend-on to clients, especially small and medium enterprises. In addition, IFC also provides advisory services that help build businesses. Much of IFC's advisory work is conducted by facilities managed by IFC but funded through partnerships with donor governments and other multilateral institutions.

He also shared the tentative plan of IFC for the timeframe of FY 2023-2027, which is explained in the table below:

Areas of Intervention/support	Specific planned interventions/support
Connectivity and Competitiveness	<ul style="list-style-type: none"> • Development of logistics infrastructure • Investment Climate Reforms
Financial Inclusion	Financial solutions to SMEs (especially women SMEs)
Climate and Green Growth	<ul style="list-style-type: none"> • Renewable energy (generation and transmission) • Sustainable agriculture and forestry

Towards the end of his keynote address Mr. Phongsavanh, appreciated the opportunities and potential of agriculture and forestry sector in Lao PDR. Explaining, the possible support of IFC to the private sector, he said that specifically, projects with support from regional/global lead firms, especially as part of regional and global supply chain, leveraging from the new logistics infrastructure networks, would hold more relevance for investments by IFC. Similarly, ideas and projects focusing on enhanced competitiveness and productivity (i.e., thru technology – smart model) in agriculture sector

would hold interest for IFC. Thirdly, investments in modern retail and wholesale outlets of agriculture products will also be encouraged by IFC for its various financial products. Fourthly there was an increasing demand for green, safe and clean products, any investors interested in these types of products could garner IFC's support. Fifthly, IFC would support "bundled" package - agriculture / forestry combined in other projects, such as tourism, power, etc.

He also highlighted major challenges for investment in Lao PDR, especially for agriculture sector. Firstly, the macroeconomic challenges and complicated business environment, have had an impact on the decision-making process of sophisticated FDI. Secondly, the land allocation system needed improvement. Thirdly, there is limited in scale, sponsor capacity (technical and financial), environmental & Social risks and the regulatory and policy gaps. Fourthly the high logistic costs (transport, warehousing, cold storage and packing facilities), which are inimical to potential investment. Lastly, the limited opportunity for off-season farming is also a disincentive for investors due to lack of irrigation infrastructure.

Keynote Address 9: Use of Fintech in Rural Financing: The last keynote address of the National Forum's agenda, was on rural micro-finance and use of fintech. The value of this session was for understanding, local solutions for smallholders in villages and study a model which could have the potential of scaling up and replication. Mr. Tim Scheffman, the CEO of LTS Ventures introduced his enterprise.

LTS is a Lao Consulting & FinTech company based in Vientiane. LTS was running the largest Microfinance network in South East Asia on their platform LanXang banker. The company had over 20 years implementation experience for business and IT projects (blockchain, banking and mobile money). The consulting services which the company provided included research, risk and fiduciary assessments. The company is currently working with the Lao Parliament, Lao Central Bank & Ministries to develop economic policies & strategies.

After the introduction of LTS Ventures, Mr. Scheffman went on to explain the structure of his enterprise. Under the regulatory framework of Bank of Lao (central bank), LTS venture runs a village bank platform for rural areas using fintech. There is a saving and credit union, which is at the core of the system. This digital platform (the main branch), has a bank account with a commercial bank, manages funds and generates financial reports. The field staff of LTS venture, records transactions, ensures and records customer IDs, performs the functions of depositing savings, loaning and dividends payments on deposits. Mr. Scheffman mentioned that 90% of the 225,000 customers are smallholder farmers.

Mr. Scheffman stated that LTS ventures was a leader in financial inclusion for rural areas of Lao PDR. The Role based, productive data entry allows staff to have more time to train the village members. The field staff do Risk analytics & Early Warning over the complete portfolio with making entries in an *Early Warning System* . The rural micro finance followed a guided processes (e.g. loan pay back & customer opening) internal notifications and automated reports.

The Dashboard of LanXang Micro-Finance

Lan Xang Banker

NSO & VillageBanking MIS

Name : Khammon Sithideth

Show Active Closed

Create Update Export Close

vbcode	name_eng	name_lao	total_balance	total_loan_outstanding	office_no	location_eng	monthlymeetingdate	startmonthbusiness
1605001	Nongvaeng	ໜອງແວງ			004	Pathoumphon	3	1
1605003	Nasaykham	ນາສາຍຄຳ			004	Pathoumphon	15	8
1605005	Vern	ເວີນ			004	Pathoumphon	6	9
1605006	Phakpheo	ຜັກແພວ			004	Pathoumphon	16	1
1605010	Bangliang	ບັງລຽງ			004	Pathoumphon	18	1
1605013	Pakhouayba...	ປາກຫ້ວຍບັງລຽງ			004	Pathoumphon	24	1
1605015	Namphak	ນຳມາກ			004	Pathoumphon	3	1
1605021	Oudomphan	ອຸດົມບັນ			004	Pathoumphon	10	1
1605022	Phaosamphan	ຜົ້າສຳພັນ			004	Pathoumphon	18	1
1605033	Luk40	ລູກ 40			004	Pathoumphon	8	8
1605034	Khonenoy	ຄອນນ້ອຍ			004	Pathoumphon	10	10
1605035	paktuay	ປາກຫ້ວຍ			004	Pathoumphon	5	10
1605037	Nakhm	ນາຄາມ			004	Pathoumphon	9	9
1605038	Nalarn	ນາລານ			004	Pathoumphon	13	8
1605039	Nongbeung	ໜອງບຶງ			004	Pathoumphon	3	9
1605040	Nakok	ນາກອກ			004	Pathoumphon	14	8
1605041	Tharngbaen...	ທາງແປງຫຼີ້ 48			004	Pathoumphon	1	8
1605042	Nongkhae	ໜອງເຂົ້າ			004	Pathoumphon	13	9
1605043	Pathoumphone	ປະທຸມພອນ			004	Pathoumphon	20	9
1605044	Tomotha	ໂຕະເໝາະທ່າ			004	Pathoumphon	6	9

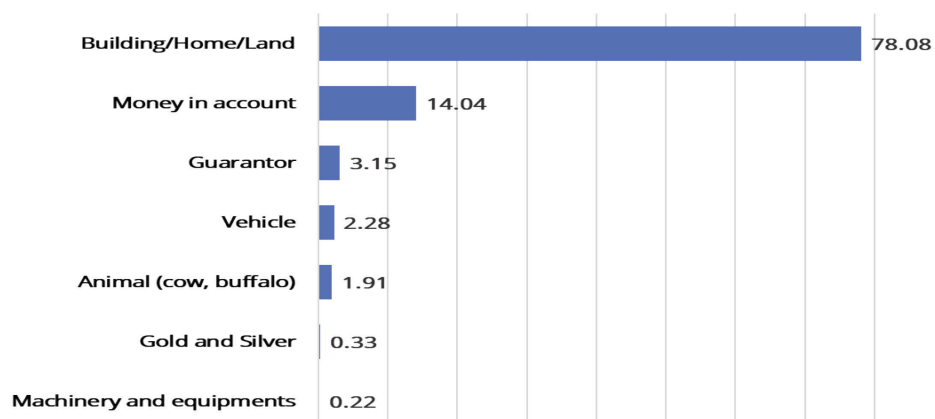
Note: the data is proxied

Mr. Scheffman highlighted the portfolio of the LTS ventures rural banks and presented the following data:

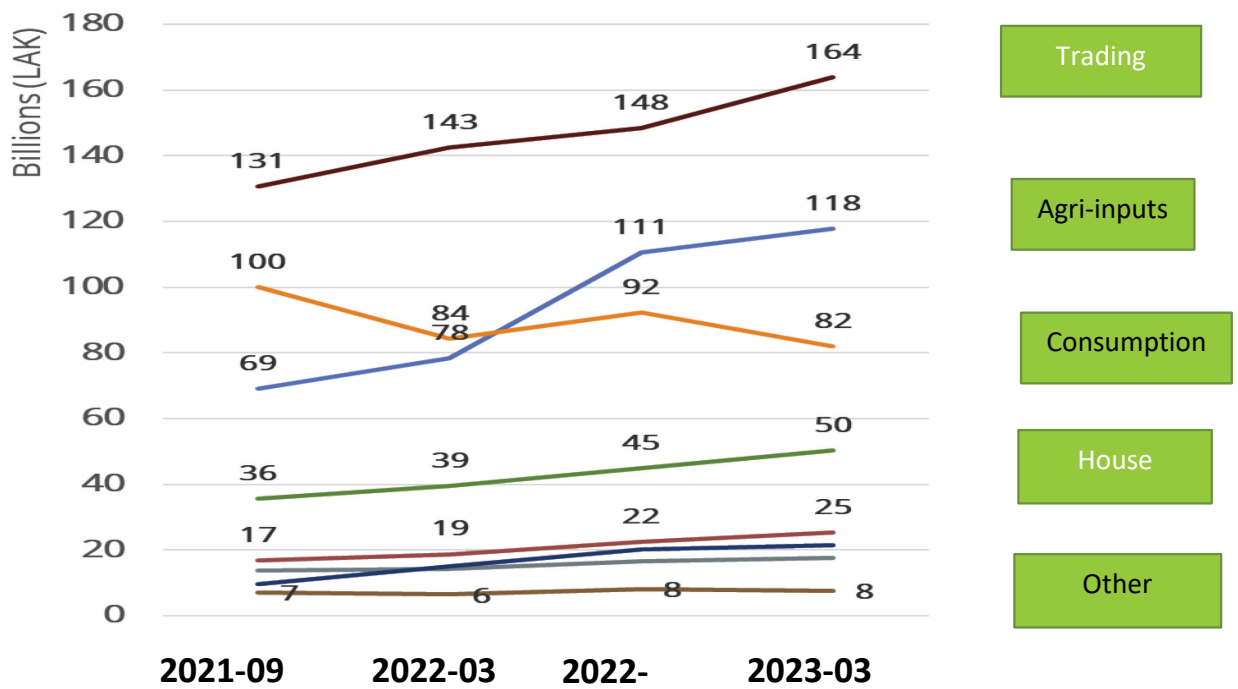
Clients	Transactions/day	Savings	Loans
225,000 clients in over 850 villages	150,000 transactions/day	\$ 49 M	\$ 36 M

Explaining the user-friendly village banking model. Mr. Scheffman informed that products are kept simple: only savings and loans. Savings interests are dependent on successful loan repayments (and a profitable village funds). Loans are offered as "bullet" or "installment" loans (payback of loan amount in the end in one sum or by an installment during the loan period). 7 loan categories are offered. Emergency loans are offered with lower interest rates to help villagers under climate change stress. Loans are also divided in income/non income generating.

Mr. Scheffman also explained that how the issue of collateral was resolved, in the context of the clients being rural poor. The risk factor was recognized and appreciated; hence no loans were issued without collateral. Most used collaterals are buildings and land (78%). He accepted that to ask for the collateral in case of a loan default was challenging. A community approach was used to "protect" the village-money. The table below illustrates the typology of collaterals that LTS ventures uses:



The trends in demand for loans is indicative of the rural economy of Lao PDR. The chart below illustrates the trends and various deductions can be made from this data. It can be seen that there is a gradual and incremental increase (year on year) in loans for trading, The loans for crops also display a steady increase, indicating, more cultivation of crops or mechanization of agriculture. There is a visible dip in consumption loans, which hints at increase in rural incomes. Housebuilding loans have also increased year on year, which may mean that more rural households are settling down and the rural to urban migration is slowing down. These loan trends are only indicative and with the help of other data sets, can help determine concrete facts about the rural economy.



Towards the end Mr. Scheffman explained some lessons learnt in rural micro-financing. He said that Rural finance initiatives must be planned to be sustainable based on building trust with the rural communities and serving their needs. It should focus: to encourage saving behaviours. The communities should be trained on financial literacy and loan management as an exit strategy. He urged to “Go Digital” as a proper IT system can prevent fraud and provide actionable insight (risk analytics and credit scores).

Key Takeaways of Session 4:

The fourth session had many takeaways in terms of financing agriculture investments. It narrowed down from a global to national to micro financing opportunities, thus catering to the interest of large corporation, medium level enterprises and small holders, in the agriculture sector investments in Lao PDR. The information gathered during this session is collated and presented in the table below:

Opportunities	Challenges	Domain
Mobilizing South-Led Finance and Enhancing South-South Trade to Foster Agriculture Development in the Lao PDR		
South-South Cooperation and South-South Triangular Cooperation offers opportunities for development and capacity building		Foreign Policy, especially commercial diplomacy
SSTC the most cost effective means for technology transfer (prioritization of Green Field Investment for agro-industry)		Agriculture policy for green field agro-industry
Private sector investments to be coupled with public sector spending through SSTC mechanism		Fiscal Policy and Foreign Policy
	Asymmetric Capacities	CB to be mainstreamed in development portfolio/budget-Fiscal Policy
South-South Trade and Value Chains can be developed through SSTC mechanisms		Foreign Policy and Agriculture Policy
South-South Trust Fund can be accessed for developing projects aimed at incentivizing agriculture investments and two priority areas (Food loss and waste, Water scarcity, drylands and land degradation)		Ministry of Agriculture’s portfolio of development (FAO)

Opportunities	Challenges	Domain
The Role of the International Finance Corporation (IFC) and Private Sector Investments		
Investment, advisory and mobilization services to be optimally used through informing the business community especially the MSME's (LNCCI has a key role to play)		Chambers of Commerce
Private sector to be encouraged domestically to collaborate with IFC for Logistics infrastructure especially agriculture value chain logistics along GGEC		Agriculture policy
Investments to be encouraged in partnership with IFC in Agro-forestry		Agriculture policy
Investments to be incentivized for Smart Agriculture		Agriculture policy
	Macroeconomic challenges	Monetary and Fiscal Policies
	Improvement required in land allocation system	Local Governments?
	Logistics cost challenge	Public investment in connectivity (Transport Policy)
	Limited scope for off season farming	Irrigation infrastructure to be improved (agriculture policy)
Use of Fintech in Rural Financing		
Fintech in rural financing is a replicable and scalable model. Increasing financial access		Bank of Lao (Regulatory Function) more start-ups to be encouraged for IT based rural financing.

Asia Development Bank: A Special Addition: Asian Development Bank (ADB), one of the key multilateral institutions in Asia, proactively participated in the session. The interest of the officers of ADB was piqued by the discussions and the presentations, so they asked to make a brief presentation on a very important ADB pipeline project. The proposed project is in design phase. Mr. Omar Zafar Principal Natural Resources and Agriculture Specialist, from Environment, Natural Resources and Agriculture Division of ADB's Lao PDR Resident Mission appraised the audience about the pipeline project: Lao PDR: Sustainable Agrifood Systems Sector Project (SASSP).

Explaining the salient features of the project expected to be approved by the fourth quarter of 2024, he said that ADB is expected to provide a financing of 30 MUSD in concessional loan, with possibility of additional 20 MUSD from ASEAN Catalytic Green Finance Facility (ACGF) for seeking grant co-financing for technical assistance. The Department of SME Promotion of Ministry of Industry and Commerce (DOSMEP/MOIC) would be the executing agency whilst, Bank of Lao PDR and Ministry of Agriculture & Forestry would be implementing agencies.

Explaining the project design, Mr. Omar said that the SASS project is expected to impact, improvement in food security and nutrition and will increase agriculture exports in a climate resilient manner. The project outcome would be climate resilient and gender-sensitive nutritious food production and increasing agricultural value addition. The focus areas of the project would be improving smallholders' agriculture production in a nutrition sensitive and climate resilient manner. Secondly, the project will focus on commercial export-oriented agriculture in a climate resilient manner. There will be a strong mainstreamed gender element by targeting women in all project areas, nutrition, access, trade and women owned MSMEs. The project would be focusing on six commodities: 1) Coffee, 2) Tea, 3) Cassava, 4) Bamboo, 5) Passion fruit and 6) Animal Feed as input for export of livestock as per the regional and global standards. The following table provides the project design in further detail

<p>Output 1: Smallholder agriculture improved in a nutrition-sensitive and climate resilient manner</p>	<p>Output 2: Commercial export-oriented agriculture improved in a climate resilient manner.</p>
<p>Activity 1.1: Financial services for sustainable smallholder agriculture improved through working with Bank of Lao (BoL) in its regulatory capacity, Monetary Financial Institutions (MFIs) and Savings & Credit Unions (SCUs) borrowers, supported by TA.</p> <p>Activity 1.2: Technical services for sustainable smallholder agriculture and nutrition strengthened. (Embedded with MFIs and SCUs)</p> <p>Activity 1.3: Enabling environment for smallholder finance enhanced. (Policy dialogue with BOL)</p>	<p>Activity 2.1: Financial services for sustainable commercial agriculture improved. (SME Promotion Fund, commercial banks and MFIs > SMEs)</p> <p>Activity 2.2: Technical and business services for sustainable commercial agriculture strengthened. (Embedded in SMEs)</p> <p>Activity 2.3: Food safety certification promoted. (Dept. of Agriculture of Ministry of Agriculture and Forestry, potentially with FAO support)</p> <p>Activity 2.4: Climate resilient small-scale value chain infrastructure developed. (Irrigation, roads, energy – for production clusters)</p> <p>Activity 2.5: Enabling environment for agriculture exports enhanced. (Possibly through Lao National Chamber of Commerce and Industry)</p>

ADB’s upcoming project was appreciated by the audience and its design elements were said to be addressing the key gaps in the investments in sustainable agriculture in Lao PDR.

The Fifth Session: Business to Business (B2B) Concurrent Breakout Sessions on agriculture products-Tea, Agro-Forestry and Tourism, Livestock and Cassava: The breakout groups focused their discussions on the following elements:

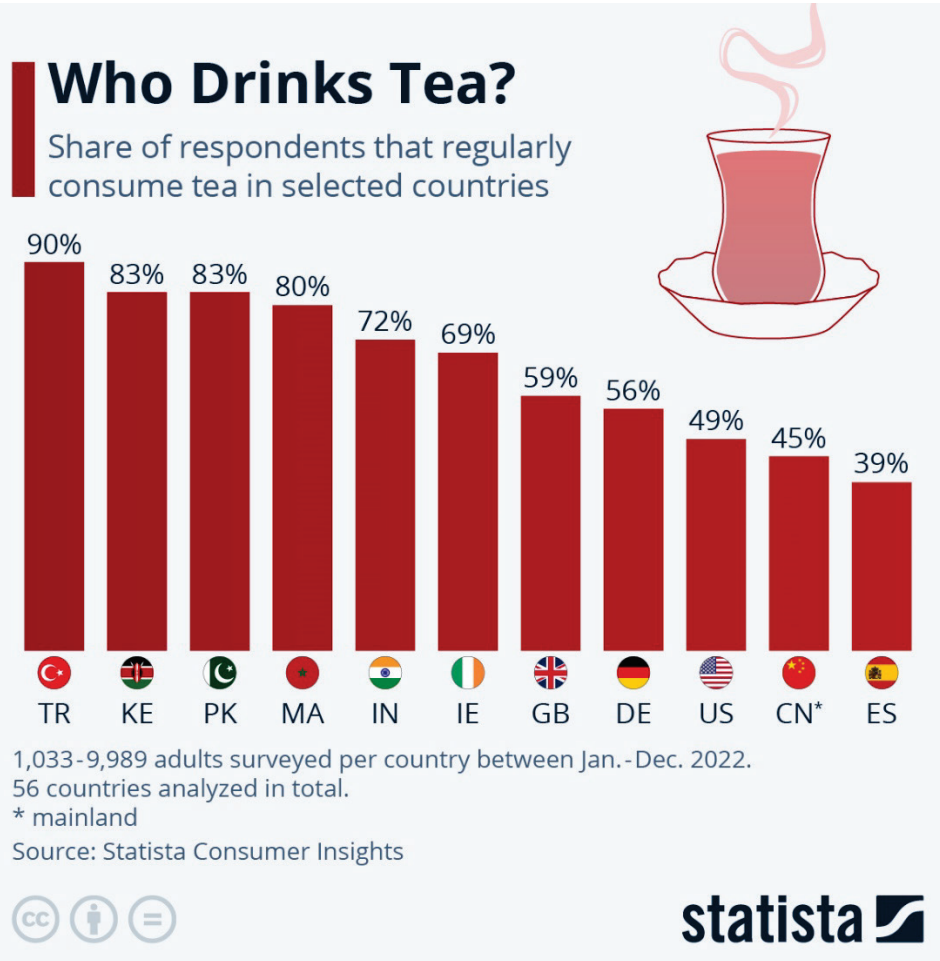
- Key challenges and opportunities in inputs, production, value addition, retail, and export; the wherewithal of the entire commodity value chains of these products.
- Proffer recommendation for making business cases for the four products sustainably and in climate resilient manner for presentation in 2023 HIHI Investment Forum in Rome.

The Tea Group

The challenges:

- The ancient tea forests and the smallholders' livelihoods connected with them is under threat due to the land tenure/rights issues, which result in land conversion.
- The issue of access to finance and markets by smallholders are main barriers. The Lao Tea market arrangements favour the external investors, who can produce at scale.
- There are no capacities locally for value addition to tea as a product, like processing, grading, packaging, and branding.
- Tea is picked manually and needs intense labour inputs.
- The harvest cycle of tea is also not like other cash crops like Cassava and small holders preference to acquire ready cash leads to cutting down tea trees and planting Cassava instead.
- modern processing technologies and plants, as well as logistics and export infrastructure is lacking.
- Changes in temperature and precipitation combined with expected increases in pests and diseases from climate change all pose significant threats to the sensitive tea plant.

The opportunities:



- The global tea market is huge, and the demand is increasing especially due to the health benefits believed to be associated with the beverage.
- “The tea sector has many small players and a small number of large players. A more sustainable sector will ensure a balance in economic and social empowerment across the supply chain”.
- New technologies and products such as the recent ‘ready to drink’ market as well as social media and online trading platforms will have a significant influence on the future tea industry.
- Most of the crop is wild tea, which is high quality, by default “organic and natural” and sells for as much as USD 6/kg.
- Additionally, 10 CTC black tea processing plants with the capacity of 225 MT per year each will allow Lao Tea sector to develop vertically. Tea has also been selected for One-Country-One-Product industry development by the Government of Lao PDR. Lao Tea is a growth sector and steadily the production and exports are increasing.
- Currently, other countries export Lao tea under their own brands, which suggests a large scope for the development of local tea brands.
- China buys tea from only 2 pickings, while the remaining 10-12 pickings are wasted and can be used for export to other countries and to enter European markets.

Thus, there is a Business Case for Investment in Tea Sector in Lao PDR in tea production and processing and The Case Shall be presented in the Second Edition of HHI Investment Forum after agreement with The Government of Lao

The Cassava Group

The Challenges:

- The emerging challenge in Cassava production is over-cultivation of the crop by mainly the smallholders. This has led to many issues.
- Using slash and burn method most farmers are using forest land for cultivating the cash crop. The cultivation area of cassava has grown exponentially, from 76000 Ha in 2016 to 3324000 Ha in 2018 (MAF).
- Cassava Farmers are encroaching on national parks and protected forests in Lao PDR, burning and clearing large areas to make room for cassava crops.
- The cassava in its raw form is exported without any value addition and processing to Thailand and China.
- Cassava value chains are constrained by limited SPS facilities, lack of market information, storage and transportation facilities, and limited investment in secondary and tertiary processing.
- The new
- Cassava production is especially challenged by Cassava Mosaic Disease (CMD). CMD affects overall growth of the plant and production of tubers depending on the level of infection. Plants severely affected with CMD show poor growth with no tubers and a moderately affected plant produces few tubers with intermediate growth when compared to a healthy

plant). CIAT working with NAFRI, have been able to produce a CMD resistant variety, which can be a source of healthy mother plant export to the region especially Vietnam.

- The new ailment for Casava in the region is Witches Broom Disease. In Thailand, cassava witches' broom disease was first reported in 2008. It spread rapidly and is now widely distributed across the region. Affected plants show bunches of shoots with short internodes, small yellowish leaves at the top of the plants, brown vascular tissues the tubes that carry nutrients and water and poor storage root development.

The Opportunities

CASSAVA

A resilient crop with great potential



Cassava is a **high-starch** crop

Cassava grows year-round, even on marginal land

It is an important source of income for **small farmers**

Requires little **water**

Efficient use of input

Grows on **poor soils**

Since 2000, the global production increased by **100 million tonnes**

250 million tonnes of cassava are produced / year worldwide

30% of the world production is grown in **Asia**

The demand for dried cassava chips and starch is increasing in Asia for

- Livestock feed**
- Industry** (food, textil, beverage, pharma)
- Biofuel**

Cassava varieties developed by CIAT and partners occupy **2 million ha** in Asia

Since 2000, Vietnam production **↑X4** from **2 to 8.5 million tonnes**

In 2013, Vietnam cassava exports: **\$ USD 1,100 million**

- Lao PDR produces 3.3 million MT cassava per year, primarily by smallholder farmers. It is a climate resilient crop that can be used both for human food and for animal feed. The regional markets in Indo-China for cassava chips and starch are growing with an annual export of approximately USD 4 billion.

- Lao PDR is catching up with the trends in Cassava production. The export potential is immense with China being the leading importer followed by United States. The following table indicates the export trends of Lao Cassava produce:



Source: MAF

Note: the decrease in exports in 2020 was due to Covid

- The high regional and global demand and its resilience as a resistant crop and prices it fetches makes it a crop of choice for smallholders.
- Cassava production and processing is a profitable business in Lao PDR if done scientifically on the basis of understanding of demand and supply conditions.
- The production of cassava in Lao PDR has increased due to the increase in demand from global markets, particularly from near neighbours. Lao PDR has become one of the top five global cassava exporters. However, the Lao cassava industry is facing several constraints and challenges in production, processing and exporting. The main recommendations are the creation of cassava associations, the establishment of national cassava strategic plans, an increase in R&D investment, a strengthening of the extension services, and an increase in investment in infrastructure.

Thus, there is a Business Case for Investment in Cassava Sector in Lao PDR for Sustainable Processing, as the production is already quite significant. There is however a scope of vertical expansion, by increasing production and a sustainable value chain.

The Livestock Group

Challenges:

- Local livestock production meets only half of the domestic demand and a fraction of the export potential for livestock. The unmet annual domestic demand for beef and pork is estimated at 17,342 MT and 64,206 MT, respectively.
- There is also a huge demand for live cattle and pigs by neighbouring countries - China, Vietnam and Thailand. China alone has a 0.5 million heads quota for import of cattle from Lao PDR in 2021-2028, most of which remains unmet.
- The cow population in Lao PDR is 20,000 heads. The total local cattle are about 600,000 heads.
- The total number of cattle farms is 143 scattered in 10 provinces.
- Currently, beef demand in the domestic market is high, only 45% of the total demand is met by Lao cattle, 55% beef demand is met by imports.
- The country lacks a good quality parent breed and the pasture lands are underdeveloped. There is no feed factory for producing cattle feed in Lao PDR.
- Livestock value chains are constrained by lack of large animal farming enterprises, animal health infrastructure, modern slaughterhouses and production facilities for veterinary vaccines and drugs.
- Investments are also needed for aggregating smallholder cattle keepers, improving productivity of the breeds, and for logistics, packaging, SPS laboratories, cold chains and warehousing, to optimise production and trade for local and foreign markets.

Opportunities:



- About 70% of Laotians are working in the Agriculture sector hence a large workforce is available.
- According to the Master Land Use Plan, 4.5 million hectares are agricultural land and 0.7 million hectares is pastureland.
- Lao PDR is located at the heart of ASEAN, bordering with Thailand, Cambodia, Myanmar, Vietnam, and China. It's the center of the logistic hub in Southeast Asia thus can accrue profits due its locational advantage, especially the regional trade in livestock.
- Geographic and climatic condition are suitable for animal feed production, with good quality of land and water.

Thus, there is a Business Case for Investment in Livestock Sector in Lao PDR for Investment in breed improvement to fulfill the export quota to China, as it is the biggest market for live and processed meat.

The Agro-Forestry and Agro-Tourism Group

Challenges:

- Lao PDR's rich biodiversity is under pressure and is in decline. There is inadequate regulation, oversight, and supervision of natural resource exploitation and support for conservation. Many of the most important biodiversity landscapes are vulnerable to increased development pressures leading to environmental degradation. For example, the fragmentation of the biodiversity-rich forest landscape in southern Lao PDR is impairing the critical ecosystems that underpin local livelihoods.
- The transport cost (estimated to be 20% of production cost) makes Lao Agro-forestry products less competitive regionally and globally.
- The local species of trees for timber products are not considered profitable thus alien species are introduced by commercial forest farmers and large agro-forestry companies, disturbing the ecological systems and ecological balance.
- There is no regulatory framework for sustainable agro-forestry practices.
- The skill level of domestic workforce is not adequate for handling the machinery required for harvesting the timber for processing into timber related products.
- Agro-tourism is a growth industry, but the policies and incentives are not in place for encouraging agro-tourism.
- Agro-tourism is a niche market especially for the organic agriculture. The global trend is drifting increasingly towards preference for vegetarian consumption patterns in the developed world but there is diffused policy focus for developing this niche market.
- Arabica coffee one of the main coffee products of Lao PDR grows in shade. The agro-forestry at scale will undermine the coffee production as harvesting timber would damage the coffee plants.

Opportunities:



- **To fight climate change and biodiversity loss, the new law obliges companies to ensure products sold in the EU have not led to deforestation and forest degradation. The agro-forestry processing companies can use degraded land (which currently they are using) for growing timber for processing and export to EU. Thus, providing a competitive edge in the EU Market.**
- **The logistics cost is being reduced quickly due to a fully operational Lao-China railways and new connectivity infrastructure.**
- **The workforce engaged in agro-forestry is being trained.**

Thus, a Business Case for Investment in agro-forestry and agro-tourism in Lao PDR comes with both positives and negatives. It can be taken to HIFI Investment forum, depending on the wishes of the government.

Closing Session:

Maximo Torero, Chief Economist, Food and Agriculture Organization of the United Nations closed the National Forum on Investment in Sustainable Agriculture in Lao PDR. He delivered his closing remarks, remotely, via video-link from Japan.

On behalf of FAO he welcomed the leadership of the Lao Government and the Ministry of Agriculture to work Hand-In-Hand with many partners from the International and Development Community, the International Financial Institutions, the private sector, the United Nations, the Civil Society and all stakeholders.

He emphasized that the Green Growth Economic Corridor along the Lao-China railways is a game changer, transforming Lao PDR from a land locked country to a Land-linked country. It has the potential of changing lives, generating livelihoods, and alleviating poverty for the marginalized communities and groups. He hoped that it will act as a catalyst for sustainable growth and nurture the food systems through sustainable agriculture growth. He said that the launching of Hand In Hand Initiative (HIHI) in Lao PDR indicates the importance that FAO allocates to work together with all partners especially the private sector for a joint effort to domestic, regional and global challenges. The government led and government owned HIH initiative is designed as a support framework which charts out a roadmap for realizing the desired outcomes of SDGs.

Enumerating, the advantages and positives of HIHI the Chief Economist said that:

1. The Hand in Hand Initiative aims at contributing and make progress in achieving SDG 1, 2 and 10 targets on eradicating poverty, hunger and malnutrition and reduce inequalities.
2. In this investment forum, the Government of Lao presented the programme and its components that are built with support by the Hand in Hand Initiative of FAO.
3. The programme identifies opportunities to implement interventions, investments and projects that are beneficial for every partner, the government and Lao people!
4. The opportunities leverage the potential of agriculture and food systems in order to increase revenues and bring profits to small and large investors and contribute to the mandate of development partners.
5. The opportunities aim to bring growth through trade and market approaches by developing high value commodity chains, promote agroindustries, cold storage, warehouse facilities and electronic commerce but also through high automation technologies and sustainable production of inputs along the corridor.
6. A number of parameters shape the operations of the Hand in Hand initiative in Lao:
 - a. Strong evidence based on socioeconomic and biophysical data that the FAO-Geospatial platform in collaboration with Lao GIS unit are developing together for context specific and targeted interventions.
 - b. A number of analyses supported by the FAO investment center, agribusiness, nutrition, gender and governance experts in consultation with the Government are in progress or finalized. Studies identify opportunities to link farmers to internal and export markets, agroindustries and link locally produced commodities with the tourism sector.
 - c. Targeting regions where the poor and vulnerable reside but also the highest revenue and income potential is in order to reduce inequalities for women and youth, and reduce poverty and malnutrition.
 - d. Significant efforts are undertaken that interventions respect the vast natural resources in Lao and minimize tradeoffs in nature and the environment.

The programme developed with FAO Hand in Hand support reflects government priorities for investments for a multimillion-dollar assessment of programme/resource/investment needs with the leadership of the

Lao government. Currently the Initiative’s assessment is for about 200 million \$US just for three investment cases (cassava, maize-livestock integrated systems and tea).

Talking about the first HHI Investment forum he informed the audience that the Lao government presented the programme in the **First HiH investment forum in Rome last October**, to a wide range of development partners including the private sector generating significant interest to move towards the actual implementation of the investments.

He told the audience that Lao PDR is also participating in the **2nd HiH Investment forum in October 2023** in order to explore further possibilities for attracting investments in national agrifood systems supported by HiH.

He said that In the Hand in Hand Initiative all partners are invited to participate. The forums today in Vientiane and the global forum in Rome, provide a platform for dialogue in order to present and eventually mobilize investments.

These effort will be multilevel and multilayer always under the leadership of the governments at global, regional and national forums. Bilateral meetings between the government and development partners will facilitate making progress in implementing these investments.

On behalf of the FAO Director General he wished to express his certainty that the Hand in Hand Initiative and this programme will contribute to improving the lives of people in Lao while creating opportunities for all partners to work and speed up agricultural development. He concluded his address with these final words.

Annexure A: List of Participants:

No	Name and Surname	Designation	Organization
1	H.E. Mr. Thongphat Vongmany	Deputy Minister	MAF
2	Dr. Thatsaka Saphangthong	Director-General	DOPC, MAF
3	Mr. Sonexay Chanthavong	Director of Div	Ministry of Information, Culture and Tourist
4	Mr. khamvilaya Xaysompheng	Technical Officer	Department of Investment Promotion, MPI
5	Mr. Thosack Syluangsoth		Proverty Reduction Fund, MAF
6			
7	Dr. Phommy Inthichack	DDG	DOPC, MAF
8	Mr. Souksavanh Sengdaheuanghoung	Technical Officer	DOPC, MAF

No	Name and Surname	Designation	Organization
9	Mr. Soulivong Xayyavong	DDG	NAFRI, MAF
10	Mr. Souliya Chanvisay		Department of Economic, MOFA
11	Mr. Daovy Vongxay	Director-General	Department of International Organizations, MOFA
12	Mr. Bounthan	Deputy Minister Secretary	MAF
13	Mr. Bounthien Vongkaisone		Department of Irrigation, MAF
14	Mr. Danouphone Vongkhily	Deputy Director of Div	Ministry of Industry and Commerce
15	Ms. Souksakhone Champamany	Technical Officer	Ministry of Industry and Commerce
16	Mr. Phayphot Manirath	Deputy Director of Div	Prime Minister Office
17	Mr. Phanisone Samountry	Deputy Director of Div	DOPC, MAF
18	Dr. Phanthavong Vongsack	Deputy Director-General	DLF, MAF
19	Dr. Vongpaphanh Manivong	Deputy	PRF, MAF
20	Mr. Bouachanh	Director	SAS
21	Dr. Viengxay Vansilalom	DDG	FDD, MOH
22	Akkhaphon Nammachack	Deputy Director of Div	Bank of Lao PDR
23	Ms. Saithala Sipangna	Technical Officer	DOPC, MAF
24	Mr. Joumany Chanthavong	Technical Officer	DOPC, MAF
25	Dr. Piya Wongpit	Head of Department	NUOL
26	Mr. Somsamay Vongthilath	Deputy Head of Planning	DOPC, MAF
27	Ms. Thpphaphone Phiengvilaivanh	Technical Officer	DOI
28	Mr. Sengaloun Nhotleuxay	DDG	MoHA
29	Ms. Sitthiphone Vilaysone	DDG	MOIC
30	Mr. Saychanh Lithchana	Director	MOF
31	Ms. Khanthaly Vongnalath	DDG	MPWT
32	Ms. Phetsamone Songvilay	Technical Officer	DOA
33	Mr. Oudom Kongsengdala	Deputy Head of Div	MOES
34	Ms. Khamla Xayapheng	Deputy	DAEC
35	Dr. Somvang Phimmavong	DDG	DOF
36	Khampone Insixiangmay	LYV	LYV

No	Name and Surname	Designation	Organization
37	Phaisouvane Thepsymeuang	Technical Officer	Bank of Lao PDR
38	Soneparsit Mangnomek	Deputy Director	Bank of Lao PDR
39	H.E. Ms. Morakot Sriswasdi	Ambassador	Royal Thai Embassy
40	Ms. Jirusaya Birananda	Minister and Deputy Chief of Mission	Royal Thai Embassy
41	Takuya UO		Embassy of Japan
42	H.E. Ms. Ina Marciulionyte	Ambassador	EU
43	Ms. Vincent Vire	Head of Cooperation	EU
44	Mr. Viengsavanh Sisombath	Program Officer	JICA
45	Ms. Rapunzel A. Acop	First Secretary and Consul of the Embassy	Philippines Embassy
45	Mr. Wang Haipei	Economic Officer	Embassy of PRC
46	Mr. Brian Jungwiwattanaporn	Political Officer	Embassy of United State of America
47	Ms. Vuong Thi Xuan Thung	First Secretary	Embassy of Vietnam
48	Mr. Nay Lik OO	First Secretary	Embassy of Myanmar
49	Ms. Assunta Testa	Attache	EU
50	Mr. KyungHyun Min	Director	The Green
51	Mr. Nasar Hayat	FAOR	FAO
52	Mr. Chanthalath Pongmala	AFAOR	FAO
53	Mr. Kashif Noon	International Coordination	FAO
54	Ms. Leyla Werleigh	Programme Coordination and Resource Mobilisation Specialist	FAO

No	Name and Surname	Designation	Organization
55	Dr. Olayvanh Singvilay	National Project Coordinator	FAO
56	Dr. Phanthanousone Khennavong	National Policy Expert	FAO
57	Mr. Sitthikone Mounlamai	National Programme Support Officer	FAO
58	Ms. Phetsamone Chandala	Programme Assist	FAO
59	Ms. Soulisa Savatdiphon	AFAOR	FAO
60	Ms. Lathsamy Yaisompheng	Administration Support for HR and Procurement	FAO
61	Mr. Vilaylack Khouvisith	Communication	FAO
62	Mr. Shi Jiaoqun	Special Adviser at FAO Regional Office for South-South Triangular Cooperation and Keynote Speaker	FAO
63	Ms. Cathy Cao Xi	Regional Innovative Finance and Partnerships Specialist	FAO
64	Mr. Leo Loth	CTA ECTAD	FAO
65	Ms. Sengphachanh Sonethavixay	TA	FAO
66	Ms. Souphaphone Thavonesouk	Programme Manager	EUD
67	Ms. Jiheun Haylie Kim		FAO
68	Ms. Nguyen Thi Phuong Oanh	IOS	FAO
69	Mr. Phoutthasack Chanthavong	IT	FAO

No	Name and Surname	Designation	Organization
70	Mr. Sithhideth Abhay	Knowledge Managemnt Expert	FAO
71	Mr. Maurice Andres Rawlins	Sr Environmental Specialist	World Bank
72	Ms. Chitlatda Keomuongchanh	Agriculture Economist	World Bank
73	Mr. Konsavang Nghordsaysone	Economist	World Bank
74	Ms. Emma R. Allen	Sr Country Economist	ADB
75	Mr. Omar Zafar	Principal Natural Resources and Agriculture Specialist	ADB
76	Mr. Sommai FAMING	Country Representative	UNIDO
77	Santi Sayarath	TA	
78	Mane Petwreeau	Representative	SoProco
79	Phongsavanh Phomkong	Head	IFC
80	Mr. Bounleuth Luangpaseuth	Vice president and Keynote Speaker	LNCCI
81	Mr. Soupganthong Phonxayya	Director of Div	LNCCI
82	Mr. Ferene Levai	GM	ADC
83	Mrs. Bounphitack Somsihalath	GM Assistant	ADC
86	Ms. Somphavanh Chanthafon		S.DFORES Export-Import Sole Co., Ltd
87	Mr. Soulaxay Phouchana	Director	Lao Gold Cham
88	Ms. Vilayphone Vilaylack	Assistant Director	Lao Gold Cham
89	Mr. Przemek Pruszynski	CEO and Keynote Speaker	ECCIL

No	Name and Surname	Designation	Organization
90	Mr. Tee Chee Seng	CEO and Keynote Speaker	Vientiane Logistics Park
91	Mr. Guowu XU	Managing Director and keynote speaker	, China General Chamber of Commerce in Lao PDR, Chairman of Xuanye Ecological Agriculture Development Co.,
92	Mr. Tim Scheffman	CEO and Keynote Speaker	LTS Ventures
93	Mr. Jonathan Newby	Cassava Team Lead and moderator	CIAT
94	Mr. Sisomphone PASITHIPHONE	Sales Manager	Moving Lao Sales Company
95	Mr. Steven Cleary		
96	Vientiane Logistics Park	IPD Manager	VLP
97	Sivata Sengdouangchanh		
98	Souphavanh Thiengchanhxay	DCEO	Boualapha
99	BounOum Phanthapanya	Director	KN Co., Ltd
100	Sisombath Sipaseud	CEU	Ptx adv
101	Mr. Bounsangong Fongmany	DDG	DALAM
102	Lyn Emyan	Director	AVIC
103	Mr. Khonekeo Soukamalayvong	Deputy Head of Div	China Cooperation
104	Mr. Khounthavy Somvangxay	Assistant	
105	Mr. Vongpheng		
106	Mr. Chalernsay		
107	Mr. Lamngern	Journalist	MAF
108	Ms. Khemmaly	Journalist	MAF
109	Ms. Soukthavy	Journalist	KPL
110	Ms. khamnoy	Journalist	Economic Daily
111	Ms. Onh Faisomethong	Journalist	Vientiane Mai
112	Ms. Tamon	Journalist	Xinhua
113	Mr. Sisouvanh	Journalist	Lao National TV
114	Ms. Vilayvieng	Journalist	Lao National TV

No	Name and Surname	Designation	Organization
115	Mr. Khamphachanh	Journalist	Lao National TV
116	Ms. Banhlangthong	Journalist	Lao National Radio
117	Manyphone Vongphachanh	Journalist	Laotian Times
118	Noypaserd	Journalist	Lao Youth Radio
119	Ms. Sisouvanh	Journalist	Lao National TV
120	Ms. Khemaksone	Journalist	Vientiane Capital TV

Annexure B: Agenda of the National Investment Forum on Investments in Sustainable Agriculture in Lao PDR

Time	AGENDA	
9:00 -9:15	Registration of participants	
9:15 -10:00	<p>Opening Session</p> <ol style="list-style-type: none"> Welcome Speech by the Honourable Minister for Agriculture and Forestry, His Excellency Dr. Phet Phomphiphak Hand and Hand Initiative (HHI): Framework form Investment in Sustainable Agriculture in the Lao PDR by the Representative of the Food and Agriculture Organization of The United Nations, Mr. Nasar Hayat 	<p>Master of Ceremonies</p> <p>Dr. Phommy Inthichack, Deputy Director General, Department of Planning and Cooperation Ministry of Agriculture and Forestry</p>
10:00-10:20	Tea Break and Group Photo	
10:20-11:20	<p>Session 2: Investing in Agriculture Value Chains: Pathway to Sustainable and Inclusive Economic Growth – Perspectives from the Private Sector.</p> <ol style="list-style-type: none"> Emerging Economies: the Journey from LDC to MIC and the Role of the agriculture Sector. Keynote address by Mr. Bounleuth Luangpaseuth, Vice President, Lao National Chamber of Commerce and Industries (LNCCI). <p>Q&A</p> <ol style="list-style-type: none"> Lao PDR “The Bridge Country” – Keynote address by Mr. Tee Chee Seng, CEO Vientiane Logistics Park. <p>Q&A</p>	<p>Master of Ceremonies</p> <p>Dr. Phommy Inthichack, Deputy Director General, Department of Planning and Cooperation Ministry of Agriculture and Forestry</p>

Time	AGENDA	
	<p>3. Trading in Agriculture Commodities beyond Asia. Keynote address by Mr. Przemek Pruszynski, European Chamber of Commerce and Industry Lao PDR.</p> <p>Q&A</p> <p>4. The Dynamics of Market Demand in the People’s Republic of China: Touching Base on Lao-China Agri-Food Trade. -Keynote address by Mr. Guowu XU, Managing Director, China General Chamber of Commerce in Lao PDR, Chairman of Xuanye Ecological Agriculture Development Co., Ltd</p> <p>Q&A</p>	
11:20-11:30	Short-Break	
11:30-12:30	<p>Session 3: Lao PDR: Showcasing the Land-Linked Vision of the Lao Government and its Incentives Structure.</p> <p>1. Video on Investment Process in the Lao PDR (5mn). Minsistry of Planning and Investment.</p> <p>2. Government of Lao PDR’s Economic Diplomacy for FDI in Agriculture sector. Ministry of Foreign Affairs, Economic Affairs Department</p> <p>Q&A</p> <p>3. Financing Green Growth: Incentives in Monetary Policy. Central Bank of the Lao PDR</p> <p>Q&A</p>	<p>Master of Ceremonies</p> <p>Dr. Phommy Inthichack, Deputy Director General, Department of Planning and Cooperation Ministry of Agriculture and Forestry</p>
12:30-13:30	Lunch Break	

Time	AGENDA			
13:30-14:30	<p>Session 4: Green Financing the Need of the Hour: Governments, International Financial Institutions and Private Sector Working Hand in Hand.</p> <ol style="list-style-type: none"> Mobilizing South-Led Finance and Enhancing South-South Trade to Foster Agriculture Development in the Lao PDR. Keynote Address by Mr. Shi Jiaoqun, Special Adviser at FAO Regional Office for South-South Triangular Cooperation <p>Q&A</p> <ol style="list-style-type: none"> The Role of the International Finance Corporation (IFC) and Private Sector Investments. Keynote address by Mr. Phongsavanh Phomkong, International Finance Corporation, World Bank Group. <p>Q&A</p> <ol style="list-style-type: none"> Use of Fintech in Rural Financing. Keynote Address by Mr. Tim Scheffman CEO LTS Ventures. <p>Q&A</p>			<p>Moderator Rana Kashif Noon, International Coordination Specialist, FAO Lao PDR</p>
14:30-15:30	<p>Session 5: Business to Business (B2B) Concurrent Breakout Sessions</p>			
	<p>Livestock potential: The Way Forward. Moderator: Dr. Olayvanh Singvilay, Project Coordinator FAO</p>	<p>Tea, Growth, Processing, and Export: Need for a New Brew. Moderator: Mr. Chanthalath Pongmala, Assistant FAO Representative Lao PDR</p>	<p>Agriculture Forestry and Agro-Tourism: Linking Green Growth with Markets Moderator: Ms. Leyla Werleigh, Programme Coordination and Resource Mobilization Specialist, FAO Lao PDR</p>	<p>Promoting Value Chains and Value Additions in Cassava Moderator: Jonathan Newby, Cassava Team Lead CIAT</p>

Time	AGENDA			
15:30-16:00	Closing session: <ol style="list-style-type: none"> 1. Closing Remarks by Mr. Maximo Torero, Chief Economist, Food and Agriculture Organization of the United Nations 2. Closing Remarks by the Ministry of Agriculture and Forestry 			

Group Photo:



The participants of the National Forum on Investment in Sustainable Agriculture in Lao People's Democratic Republic

21 April 2023