

LAOS



Boosting Coffee Production

Annual Project Impact Report

Reporting Period:
July 2019 - June 2020

Thank you for your support

As one of the most ethnically diverse countries in South-East Asia, over 65% of Laos's population is made up of more than 100 ethnic groups. Although a complex issue, there is a strong link between ethnicity and poverty, particularly in upland areas. Women are most at risk of not benefitting from economic change, so CARE is working closely with poor urban women and remote ethnic women and men to create a path for sustainable change.

More than 70 percent of the population of Laos depends on farming to make their living. They work on their farms every day but many struggle to find a market for their coffee. When they do, they often don't make enough to provide for their family.

With your help, CARE has been able to assist 2,643 farmers (1,079 women, 1,564 men) to increase their income and improve nutrition for their families and community in the past year. This includes 35 women and 59 men with a disability.

Project activities are helping local farmers to increase their yields, produce higher quality coffee and connect with markets so that they can improve their income. CARE is also teaching these farmers how to diversify their crops and improve food security.

With increased income and improved farming techniques, women can lift themselves out of poverty, families will have better nutrition and their children will have brighter futures.



Quick facts



More than 70% of the population in Laos depends on farming to make a living.



Coffee is the most valuable agricultural export commodity – an important part of the rural economy in southern Laos..



Coffee production provides employment for 40,000 families in seven districts of southern Laos.



What you've helped achieve this reporting period

July 2019 – June 2020

Providing life-changing education

In the past year, 95 women and men in 30 villages were given regular training about the coffee seasonal calendar, with hands-on experience in pruning, planting and coffee grading and post-harvest cleaning.

363 men and women were trained in practicing advanced coffee garden/ plantation management, based on the coffee seasonal calendar.

99 women and men in 30 coffee producers' groups were trained and practised advanced coffee garden/ plantation management.

All members from 14 wet processing centres were trained in managing processing centres, and about the Coffee Cooperative model.

84 farmers (including 45 women) were trained in improving coffee processing techniques.

42 women and men were trained in coffee trading on site in order to gain the skills and knowledge to be able to represent farmers and deal directly with buyers.

All 248 Village Savings and Loans Associations (VSLA) members were from 17 groups and were trained in VSLA management.

Increasing income and profitability

11 processing centres received funding to buy materials to support their work and three villages were granted full funding to build new coffee processing centres.

In a 191% increase on last season, coffee green bean sales volumes increased from 18.4 tons to 53.5 tons. This resulted in a 175% sales revenue increase, from 52,000USD to 143,000USD. As part of the project exit strategy, CARE will advise on investing this income to provide a sustainable livelihood for farmers after the project completion.



Creating strong networks

CARE has engaged a private sector partner, Coffee Producers Cooperative (CPC), to build up capacity and provide instructions on how to achieve Fairtrade or Organic Certification. CARE considered the possibility of Fairtrade Certification, but given the time constraints of the current project, it will be looked at in a future project.

CARE trained 14 farmer groups (including 11 female groups) on the Cooperative model which helps build the skills of local producers and improves their access to the coffee market. They were supported on their pathway to becoming a fully registered Coffee Producer Cooperative.

CARE also facilitated one exchange learning visit to CPC to learn about the coffee value chain. Farmers also visited a potential private buyer, and they were visited by Le Trio Coffee Shop to see how they were processing coffee. This resulted in a sale.

The project strengthened relationships with four private buyers by brokering a partnership between the buyers and the farmers — two have now bought from the farmers for two consecutive years.

Seven private buyers were interested in buying directly from the farmers. Cutting out the middle man increases the farmers' return on green coffee beans.

CARE published and distributed 30 sets of posters advertising the current price of materials from suppliers, keeping farmers informed of what these things should cost.

A mid-term review and full progress report was shared with government partners.

Increasing gender equality and disability inclusion

435 women and men were educated on gender equality. This led to discussions within families and communities, which will help to break harmful social norms.

By improving negotiation skills and forming collective strategies for women-led coffee processing groups, CARE is strengthening women's confidence and creating better opportunities for them to profit from coffee production. During the past year, 11 women's production groups and 14 women-led processing groups were established.

Learnings

CARE has identified that producers need to focus solely on interested buyers (who will adhere to corporate/social responsibility) and tighten communications and networking to focus on the balance between supply and demand. This will help to ensure that changes are sustainable.

Farmers need greater knowledge of global prices and local markets in order to help them make profitable cultivation choices.

Financial resources (loans or grants) need to be delivered in time for farmers to benefit from the upcoming season.

Project management is important to ensure crop diversity — otherwise producers may become too enthusiastic and over-invest. This, combined with the volatile nature of coffee prices and the difficulty in producing, is an ongoing risk. Producers need to focus on quality as well as quantity.



CASE STUDY

Growing hope

Mrs Keolaivieng is a 37-year-old mother of five who lives in Dakvang Village in Sekong. As the leader of the village female coffee farming group, she knows firsthand how learning more about farming can change the possibilities for her community.

In 2006, she worked in the gardens of her community in exchange for coffee seedlings which she planted on half a hectare, before expanding to one hectare six years later. She was working hard, but she did not find it very profitable and she could barely support her family.

“The price of selling the red cherry and dried cherry is so cheap — it is like I was robbed by the middle buyer but I could not do anything about it,” she says.

In 2018, Mrs Keolaivieng was trained by CARE on how to plant, maintain, harvest, process and ensure quality control. This, in conjunction with support and equipment from CARE, means that she and her husband have improved their farming techniques and their business

is growing. Their son now also works on the farm with them and Mrs Keolaivieng is training other community members in coffee farming.

“I am very happy with the new techniques that we have learnt and are benefitting from. It is much more profitable to sell green beans, rather than the red and dried cherry. We can now afford to send our children to school and buy them materials for learning. We can also buy rice for our family.

“We have invested money and we will continue working with our coffee farming committee to produce the best quality coffee — this will help my family and also our other committee members,” she says proudly.

Mrs Keolaivieng and her husband are now preparing to expand their coffee plantation and to continue growing their business. With your support, we are changing the possibilities for families like hers and helping to break generational poverty.





If you would like more information about this project and how you can be involved, please contact:

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**Australian
Aid** 



It starts with equal