



# National Multi-Stakeholder Dialogue on Responsible Agricultural Investment

10 November 2021, Lao PDR

## RAI in Lao PDR - Survey 2021

### RESULTS

Conducted:  
September-November 2021

ການລົງທຶນໃນຂະແໜງກະສິກໍາແບບມີຄວາມ  
ຮັບຜິດຊອບ (RAI) ຢູ່ໃນ ສປປ ລາວ - ການ  
ສໍາຫຼວດ ປີ 2021

ຂະແໜງກະສິກໍາ" ໃນການສໍາຫຼວດນີ້ ລວມເອົາບັນດາຂະແໜງການຍ່ອຍ ປ່າໄມ້, ການລ້ຽງສັດນໍ້າ ແລະ ອື່ນໆ.  
ໃຊ້ເວລາປະມານ 2-3 ນາທີ ເພື່ອຕື່ມແບບຟອມດຸ່ມນີ້ ຊຶ່ງການສໍາຫຼວດນີ້ແມ່ນ ແນໃສ່ກຸ່ມເປົ້າໝາຍ ເຊັ່ນ: ນັກ  
ທຶນ/ນັກທຸລະກິດ, າພກສ່ວນທີ່ກ່ຽວຂ້ອງໃນຕ່ອງໂສ້ ຂອງການຜະລິດກະສິກໍາຢູ່ສປປ ລາວ. ຈຸດປະສົງຂອງການ  
ສໍາຫຼວດ ແມ່ນເພື່ອເຮັດໃຫ້ມີຄວາມເຂົ້າໃຈດີຂຶ້ນ ກ່ຽວກັບ ແນວໃນ້ມ ກ່ຽວກັບ ທັດສະນະ ຕໍ່ກັບ ຈຸດປະສົງ ຂອງ  
ວ່າມີການປ່ຽນແປງແນວໃດ. ການສໍາຫຼວດນີ້ ແມ່ນດໍາເນີນຮ່ວມກັນ ລະຫວ່າງ ໂຄງການສະໜັບສະໜູນຂອງ  
ງກະສິກໍາ ແລະ ປ່າໄມ້, ກະຊວງແຜນການ ແລະ ການລົງທຶນ, ອົງການ FAO, GIZ ແລະ MRLG.

akiinoguchi@gmail.com (not shared) Switch account

ກັດຢູ່ໃນພາກສ່ວນໃດ? \*



ສະຫະພາບ ເອີຣົບ  
European Union



german  
cooperation  
DEUTSCHE ZUSAMMENARBEIT

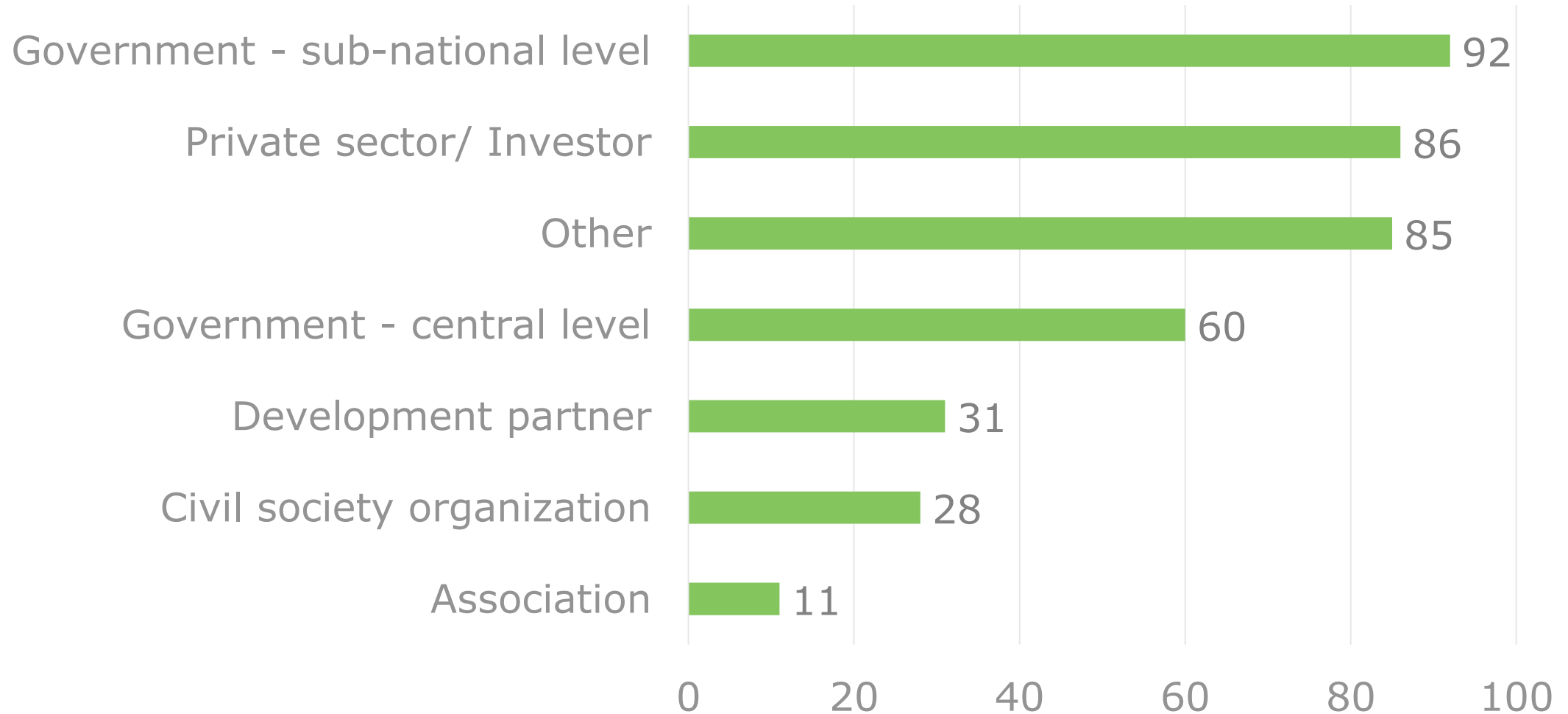
Implemented by



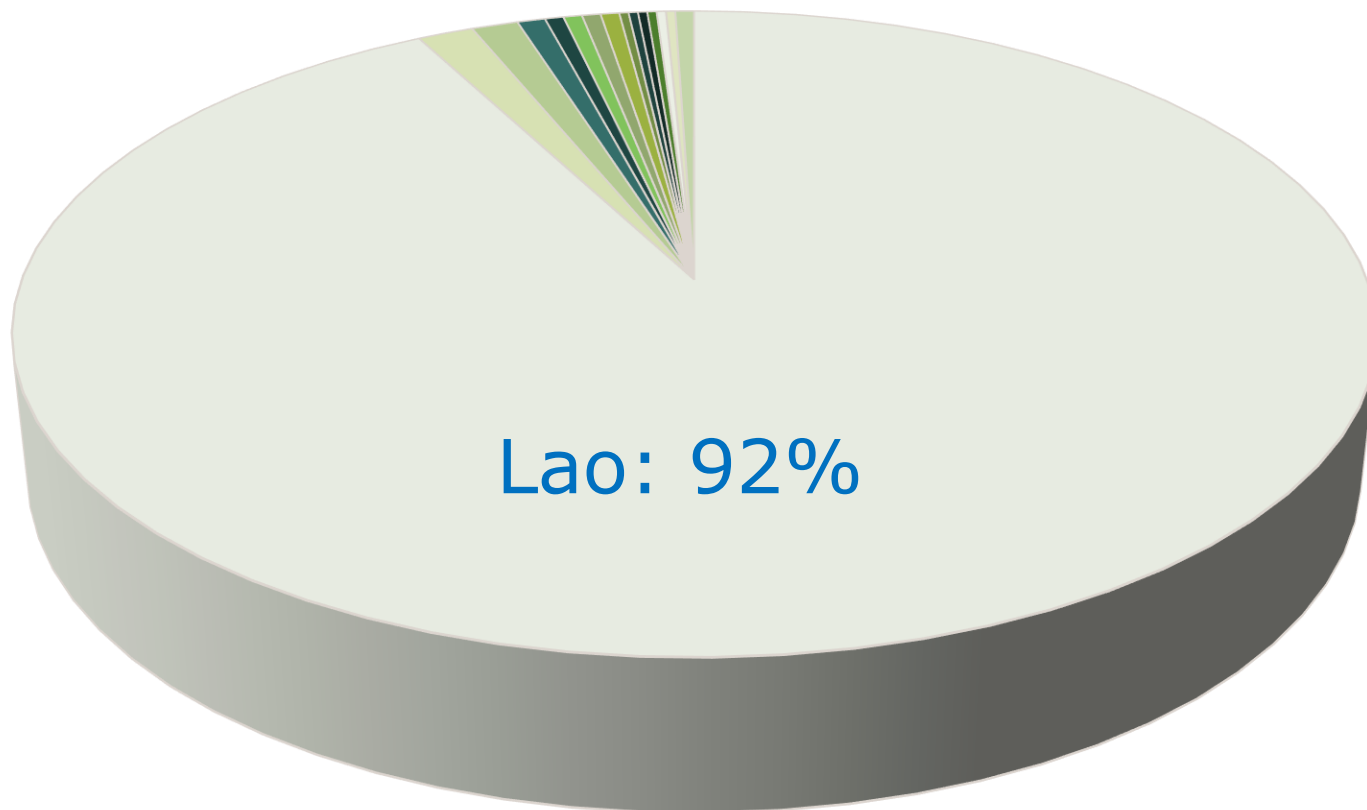
giz Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

le Ag

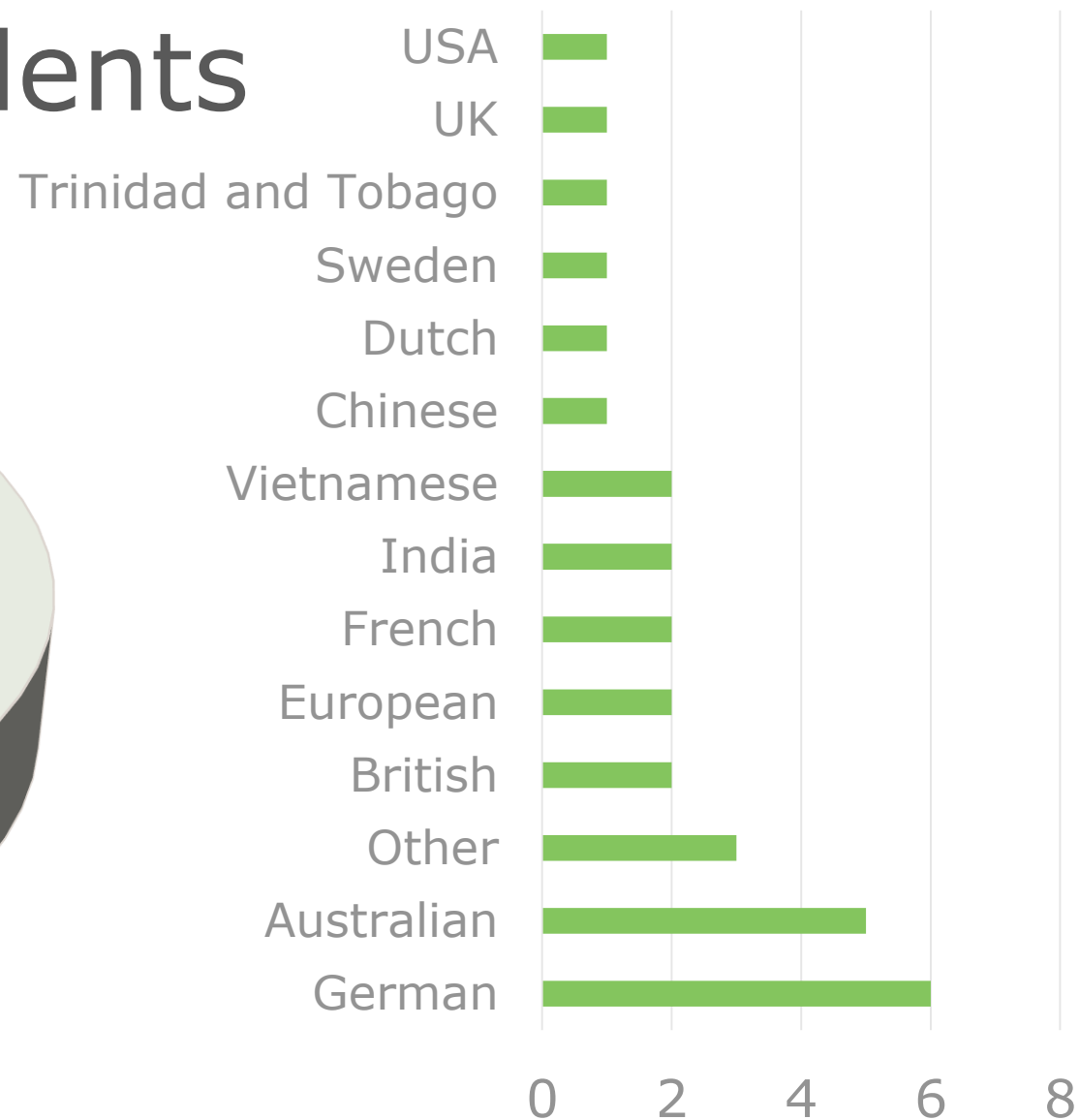
# Respondents (total: 382)



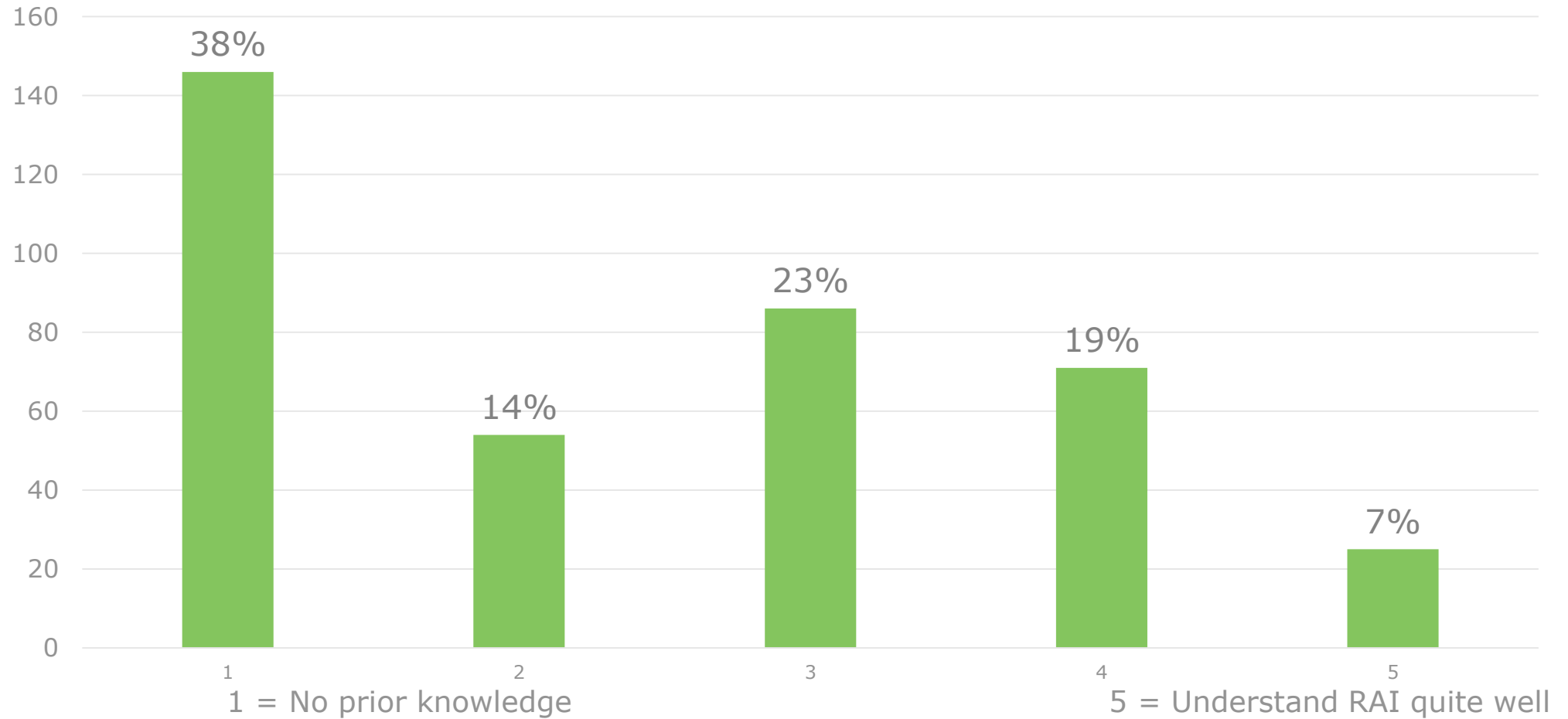
# Nationality of Respondents



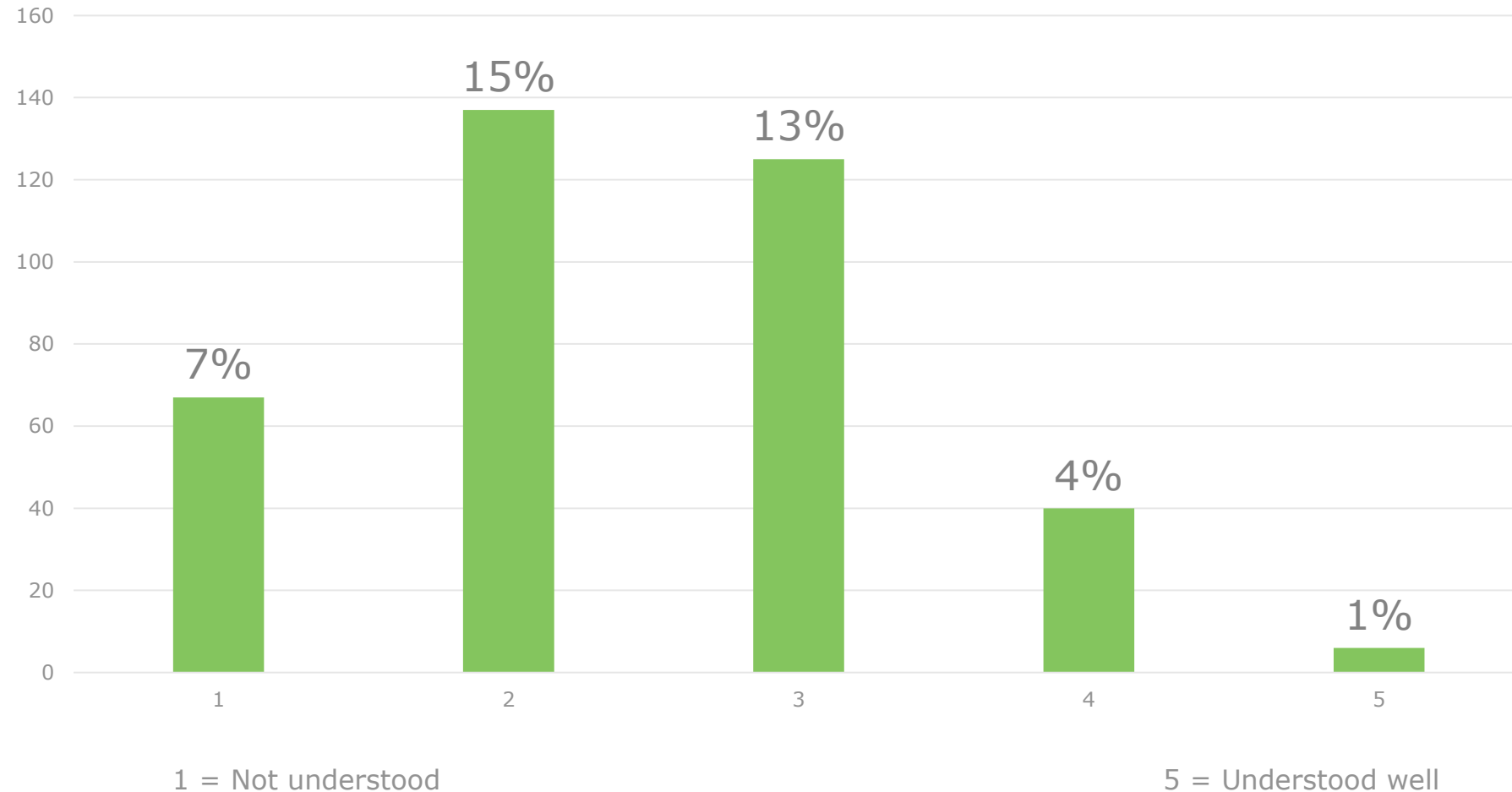
## Non-Lao nationalities



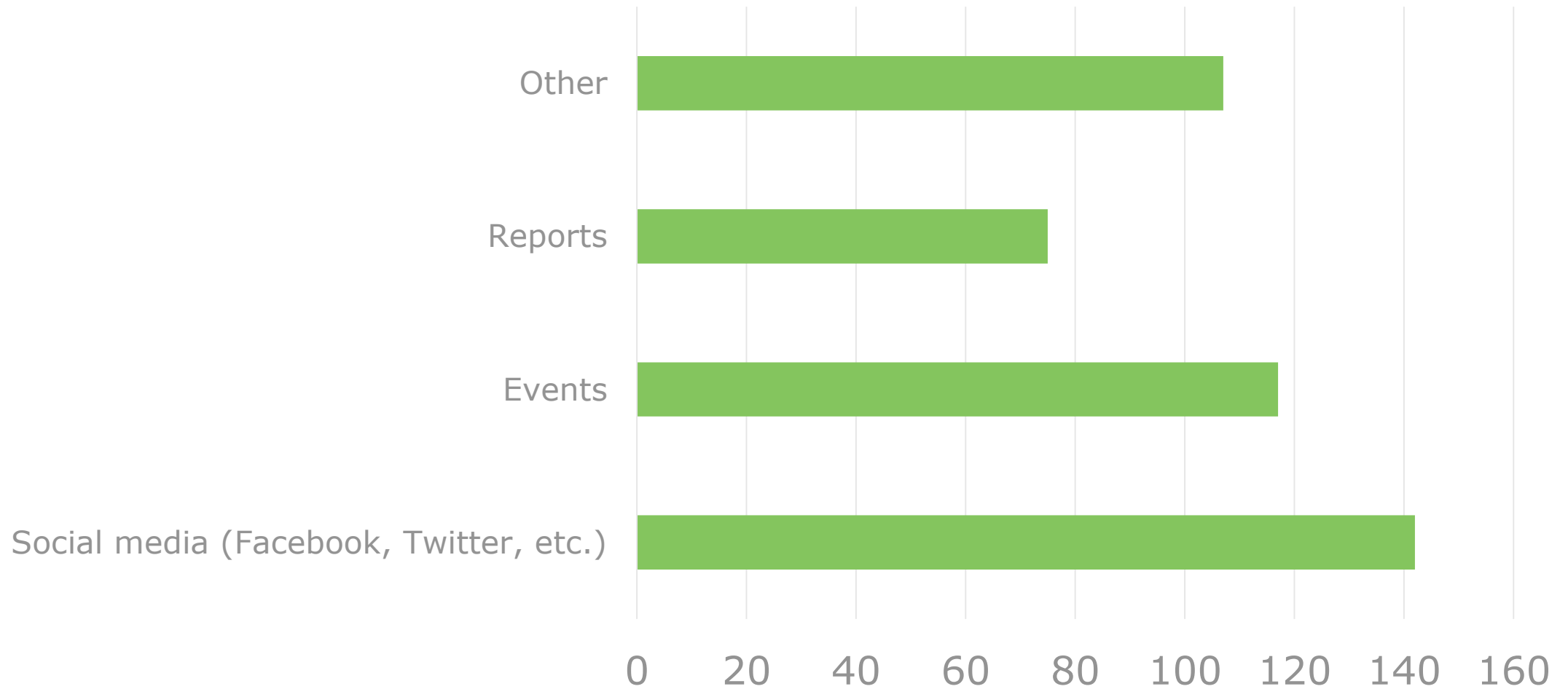
# How well do **you** know RAI?



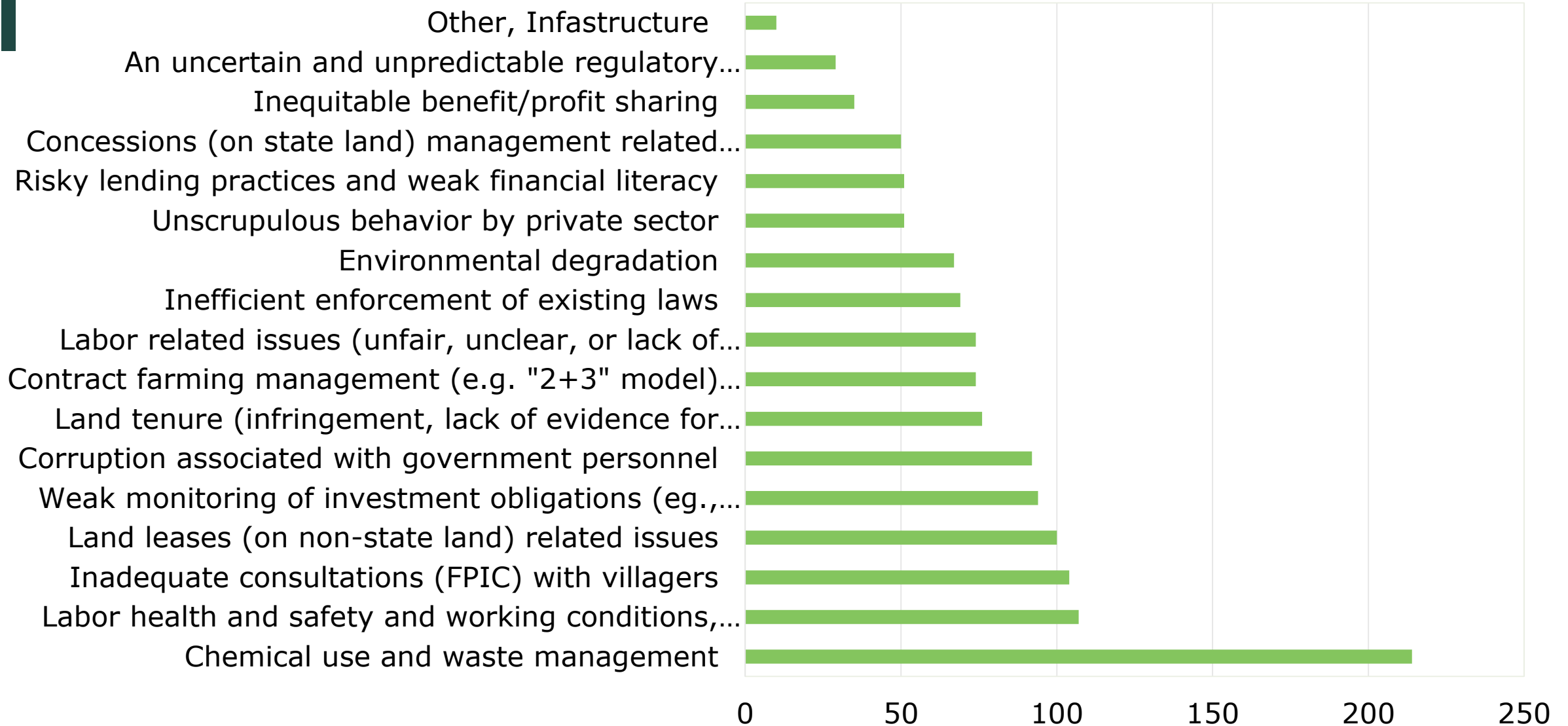
# How well do you think the concept of responsible investment is understood **among Lao stakeholders?**



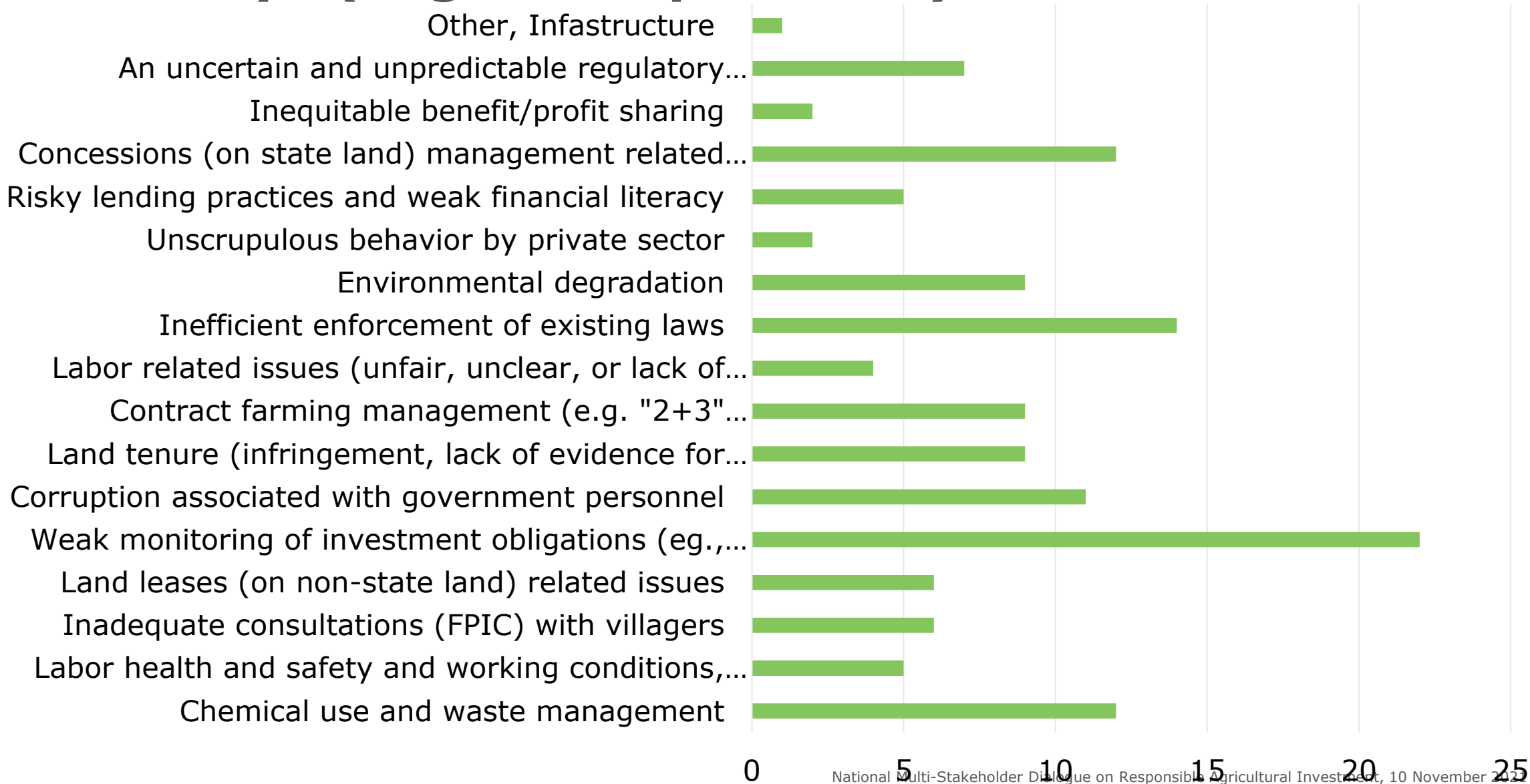
# Where have you learned about RAI so far?



# What are the 3 TOP issues/problems regarding RAI in Lao today?



# What are the 3 TOP issues/problems regarding RAI in Lao today? (English respondents)



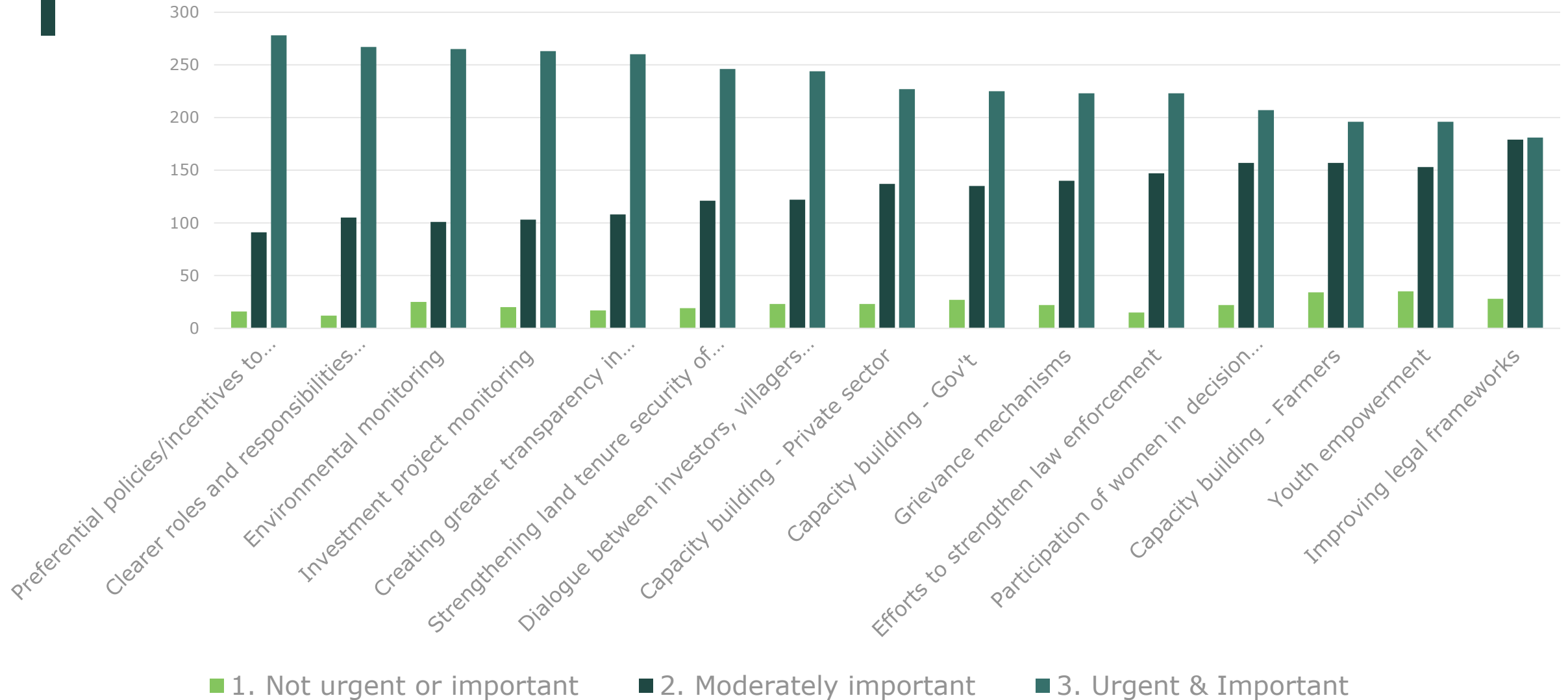
# Explain the above

- Lao PDR has plenty of regulations or laws but in practice, **enforcement is needed**
- **Long term vision in land-use planning** and science-backed food production is severely lacking
- **Contractual agriculture is simply too risky**
- Contract farming: risk should be spread fairly between farmers and investors
- The **Chinese model of contract farming** has been embraced by farmers across northern Laos, because the entry cost is low, markets are reliable **and the risks are shared reasonably between the farmer and the investor**. Both lose in the event of crop failure
- Investment guidelines and procedures are **implemented differently from national and provinces**

# Explain the above – Lao Responses

- **Contradicting laws** should be revised then the people will understand and enforce.
- **SME contracts directly with farmers without information going to government.** This creates difficulty for the government to monitor and manage and to protect the rights, benefits, obligations of the state, the people and domestic and foreign investors
- Land leasing/concessions misses participation from communities as defined in **FPIC** principles.
- Stakeholders across sectors (justice, environment, trade, planning, agriculture-forestry) do **not have enough collaboration.**
- **Not strong law enforcement;** many laws are available but not enforceable.
- low effective, **not transparent** projects; public cannot access to information, lack of monitoring from mass media to report the impact of the projects.
- There are **no law experts to protect affected communities.** Communities do not have law experts (lawyer to protect them as defined in the laws)

# Prioritize importance of the following interventions to help address the issues/problems you identified



# Explain the above

- Production **quality control** needs to be fixed to build trust of customers
- Supporting marketing for local farmers is urgent, to ensure no **monopsony which leads to price control**
- Specific **support for women** to achieve economic empowerment
- Democratic governance needs dialogue. **Dialogue needs transparency**
- I consider the work on **law enforcement** more essential than the further improvement of the legal framework looking at the impact level and the concrete situation in the villages
- There are many laws and policies that govern agricultural investment, **but it is very difficult for the authorities to know and understand them**, let alone enforce them
- Efforts to strengthen **law enforcement** is a must
- Consistent and **serious commitments needed from law enforcement agencies**

# Explain the above - Lao responses

- Increase **transparency** in decision making and operation process in the public sector
- The **local authorities** must listen to and **find the solutions together**, it should also establish regular communication platforms in order to build cooperation from all sectors
- The **law enforcement is the most crucial**. There are related regulations but those are not strongly enforced particularly the matters related to monitoring and sanctions.
- The discussion between farmers, public sector and private sector (investors) must take place in order to **build common understanding** of measures related to the RAI
- It is urgent and necessary to **build understanding among Lao youth** because there are many young people and they can produce significant contribution to the country if they deeply understand what they are doing

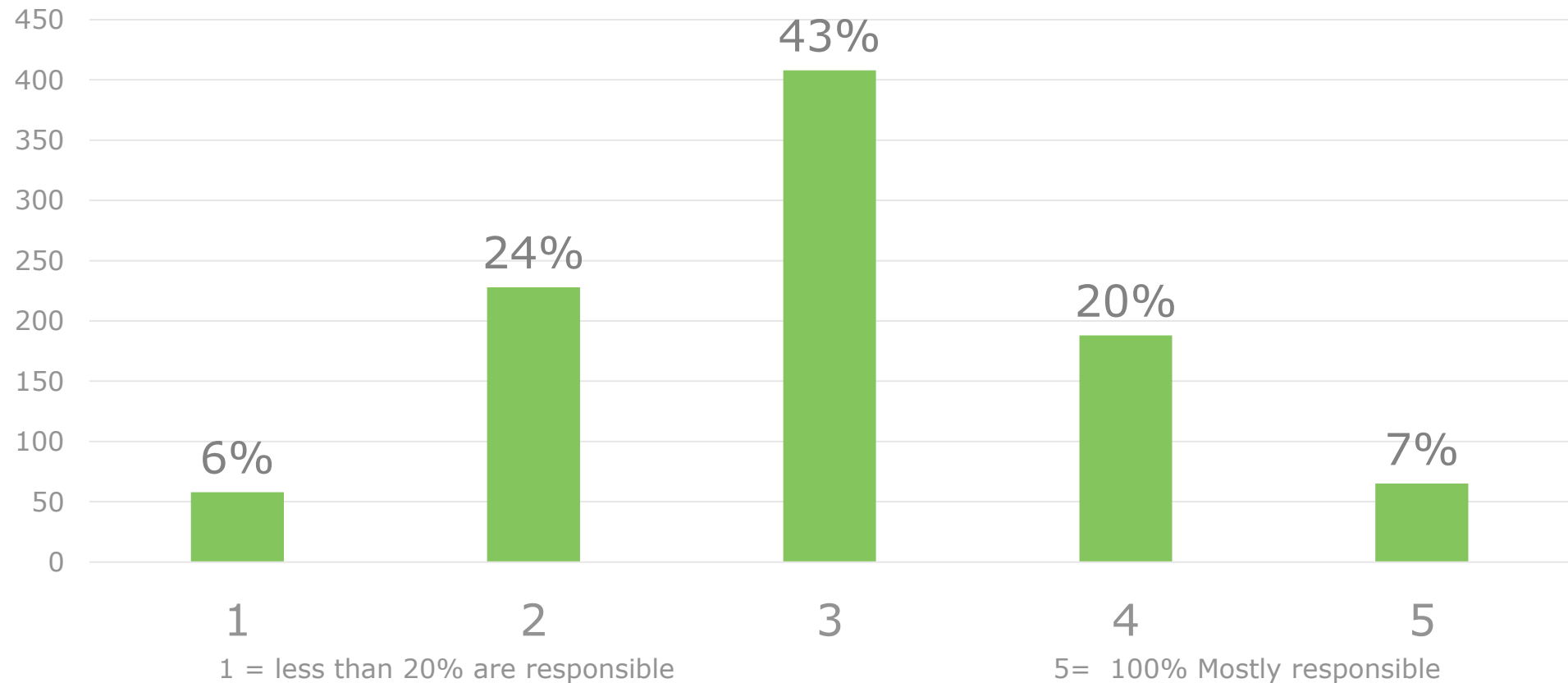
# Any other important interventions?

- **Involve more private sector** in the policy decision making
- There needs to be better **analysis of regional trends in agric trade and investments**, and the **GOL needs a clearer strategy** for how it wants to position itself in that bigger picture.
- **A cross-sectoral approach in decision-making**; in the past the approval of land-based investments often took place in uncoordinated manner, which led to conflict. A **cross-sectoral data integration and sharing across administrative levels** could be an important step to support this process.
- **Sanctions** for investors who does not comply
- Efforts to **strengthen law enforcement** and to put **grievance mechanisms** in place with local communities actively participating in the processes.

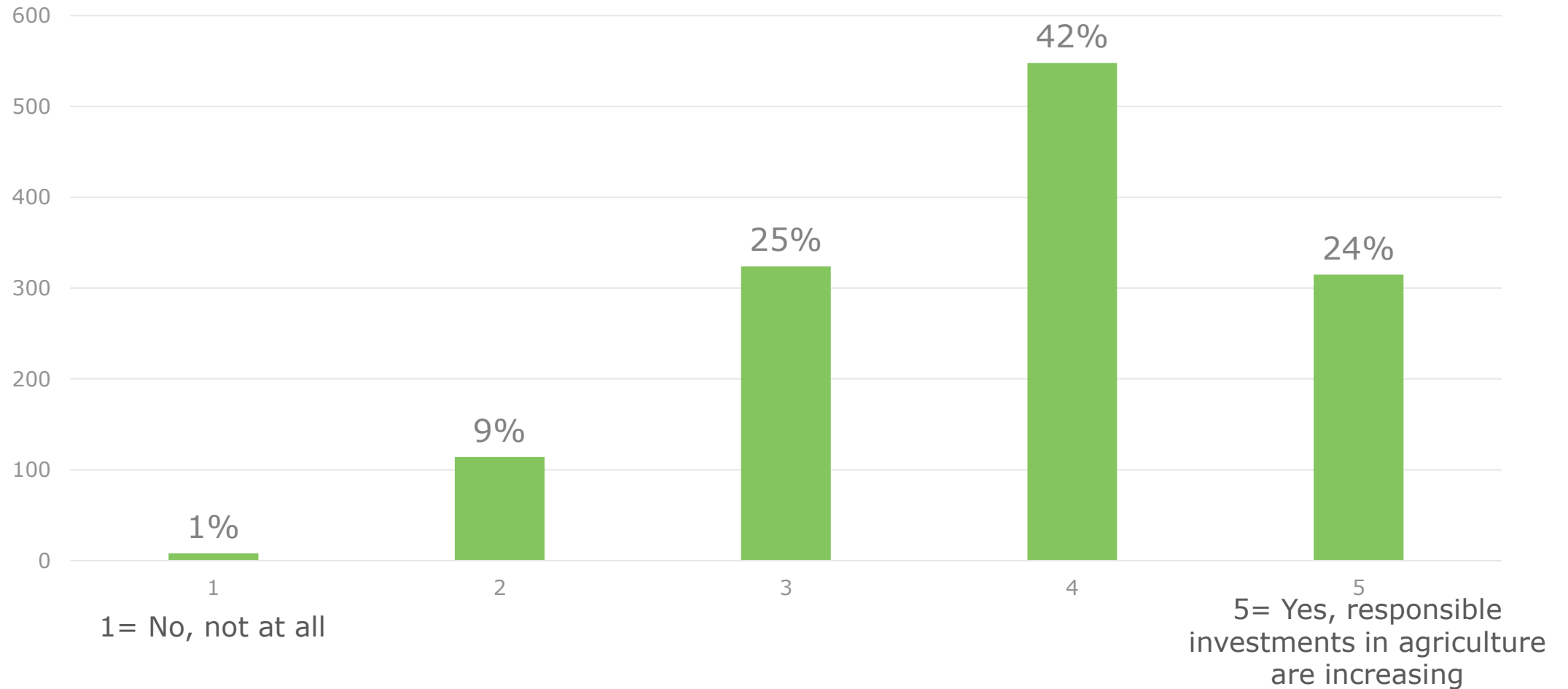
# Any other important interventions? - Lao responses

- **Strength capacity at district level** because so far these works have been implemented by higher level
- The approval of investment needs to **align with land suitability**
- Some **grievances of the affected people are not resolved** because there are many issues involved and not clear what organizations are responsible for
- should **limit the agro-product imports which can produce in the country** in order to build capacity and trust to the domestic farmers
- **Research - development** on investment and production according to the **green and sustainable approach** should take place continuously
- Must improve the public administrative procedure by having **promotion policies for entrepreneurs** in all dimensions, such as access to finance, technical support to entrepreneurs, establishment of production groups, exchanges

# What portion of agriculture investments in Lao are currently "responsible"?



# Is Lao attracting more responsible investments in agriculture than before?



# Free thoughts on RAI

- We start in forestry sub-sector 30 years ago. **We never learn up to day about RAI !**
- Note that Stora Enso (a responsible company) is pulling from Laos due to unwillingness of Lao government to ... develop a **level playing field**
- I think we should consider to **also engage with the actors in the investors' countries** including the government, financial institutions, and consumers since they may play important role to encourage investors to be responsible too.
- **Secure land tenure** and provide knowledge to villagers, farmers to understand and know how to protect themselves and alternative sources of income for farmers, if they could cultivate and enjoin with their life, the outside investor won't have more power over them
- **RAI is a good concept but difficult to understand as it is not really a legal mechanism** or a plan that you can fulfil by following point 1-10.
- I also see Chinese companies now putting signs up in front of their plantations, often **GAP principles but I also have seen RAI (in LPB Province). So what does it mean?** As far as I know there is no certification system for it or a kind of control mechanism in Laos. So there needs to be a **certification or control mechanism** as well.

# Free thoughts on RAI – Lao responses

- Propose to the survey conductor to present and disseminate the information so all sectors can assess together what are problems, who is responsible
- RAI must have measures to monitor, inspect and review regularly after implementation of the project "Leave No One Behind"
- [Collect all impacts during the implementation](#), revise regulations to be more comprehensive in order to resolve problems completely
- [Avoid stop implementation after finishing financial assistance](#), this are not good ending.
- Must have the [detail monitoring and inspection of investment](#) aimed for high quality as defined in the plans. Many projects have well written plans but low quality of implementation.



# ຂະແໜງກະສິກໍາແບບມີຄວາມ (RAI) ຢູ່ໃນ ສປປ ລາວ - ການ 2021

ສໍາຫຼວດນີ້ ລວມເອົາບັນດາຂະແໜງການຢ່ອຍ ປ່າໄມ້, ການລ້ຽງສັດນໍ້າ ແລະ ອື່ນໆ.  
ເພື່ອຕື່ມແບບຟອມດຸ່ມນີ້ ຊຶ່ງການສໍາຫຼວດນີ້ແມ່ນ ແນໃສ່ກຸ່ມເປົ້າໝາຍ ເຊັ່ນ: ນັກ  
ສ່ວນທີ່ກ່ຽວຂ້ອງໃນຕ່າງໂສ້ ຂອງການຜະລິດກະສິກໍາຢູ່ສປປ ລາວ. ຈຸດປະສົງຂອງການ  
ມີຄວາມເຂົ້າໃຈດີຂຶ້ນ ກ່ຽວກັບ ແນວໃນໄມ້ ກ່ຽວກັບ ທັດສະນະ ຕໍ່ກັບ ຈຸດປະສົງ ຂອງ  
ແນວໃດ. ການສໍາຫຼວດນີ້ ແມ່ນດໍາເນີນຮ່ວມກັນ ລະຫວ່າງ ໂຄງການສະໜັບສະໜູນຂອງ  
ໄມ້, ກະຊວງແຜນການ ແລະ ການວິທິນ, ອົງການ FAO, GIZ ແລະ MRLG.

mail.com (not shared) [Switch account](#)

ສ່ວນໃດ? \*

ສູນກາງ



Implemented by  
**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

# Thank you for joining the survey!