By the end of 2016 the COPE project had achieved the following results:



12

new producer groups were formed and they started negotiating prices and selling their produce as groups.



## 88%

of producers and processors started applying newly learned techniques and improved their product quality.



## 4000kg

of tea were sold through new market linkages domestically and to China, Germany and Switzerland.



# 2.5 Billion LAK

in transactions were conducted under fair contract agreements between farmer groups and processors.

### **QUICK FACTS**



**Project Name:** Community Organization, Participation and Empowerment (COPE) **Location:** Phongsaly district and province

Stared: Implementation in 2014 (inception phase in 2013) Phase 1, 2014 -2016

Current Phase: phase II (2016-2020)

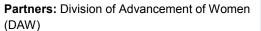
Reach: 1,712 farmers

**Beneficiaries:** Ethnically diverse of Phounoy, Kor and Hoh (Lao-Chinese), most isolated and underdeveloped areas of Phongsaly district,

Phongsaly province

Budget: CHF 1,100,000 (phase I), CHF

942,000 (phase II)



Ministry of Agriculture & Forestry (MAF) Provincial and district agriculture and forestry office of Phongsaly

Provincial and district industrial and commercial office of Phongsaly

#### Donors:

McKnight Foundation Happel Foundation Laguna Foundation

Swiss Agency for Development and Cooperation (SDC)

## Contact:

+ 856 21 263 189 laos@helvetas.org www.helvetas-laos.org







# CONNECTING SMALLHOLDER FARMERS TO MARKETS

According to legend, many centuries ago an old Chinese traveler lay down and died in front of a temple in Phongsaly province. In the dying man's pockets were *Camellia sinensis* leaves which took root and flourished, and that's how tea came to Phongsaly province. More than 400 years later, tea remains the main agricultural product of the province. Three types of tea are harvested in the area: the ancient 400-year-old tea, wild tea that grows in local forests, and plantation tea. All three varieties are packed with health benefits and unlike many other commercially grown teas, are 100% chemical free. This makes Phongsaly tea highly valued in overseas markets. Due to this potential, the provincial government has prioritized tea production and trade. But benefits to Phongsaly's tea farmers have been slow to materialize, as they are impeded by poor price negotiation skills, low production and processing quality, minimum price fixing by local authorities, and cumbersome export documentation procedures.

The Community Organization, Participation and Empowerment (COPE) project empowers women -- who make up a large number of tea growers – and other disadvantaged groups by improving the tea value chain, raising the capacity of local service providers, and facilitating policy dialogue to create an enabling policy environment for smallholder producers. As a result, local communities are more equipped to engage with markets and can make a better living.

ສ.ປ.ປ.ລາວ



# CONTEXT

Poverty remains a key issue for northern Laos, particularly in high upland areas. In 2015, Phongsaly province had an average GDP per capital of 798 USD with 27% of households living under the poverty line.

The Lao Government is committed to the socio-economic development of such regions as well as achieving the Sustainable Development Goals (SDGs). The COPE project is strategically positioned to contribute to several SDGs, including: ending poverty and hunger (SDG #1-2); ensuring healthy lives (SDG #3); achieving gender equality (SDG #5): and promoting inclusive and sustainable economic growth (SDG #8). In addition, COPE is aligned with the Ministry of Agriculture and Forestry's (MAF) vision of the gradual transition of smallholder farmers from subsistence to commercial agriculture through the use of technologies and practices that enable production of high-value agrifood products and through local value-added processing for domestic and overseas markets.

# **PROJECT**

The COPE project is designed based on experiences gained and best-practices developed through past Helvetas Laos projects. It is funded by several of Helvetas' core donors, such as the McKnight, Happel and Laguna Foundations, and was also co-financed by the Swiss Agency for Development and Cooperation (SDC) through the "Shan Tea project" during the phase I.

COPE contributes to sustainable, equitable socioeconomic development in Laos by supporting communitybased organizations' initiatives to improve livelihoods through better access to markets, with special emphasis on women and other disadvantaged groups.

Phase I (2014-2016) of COPE targeted 14 villages in Phongsaly province and focused on 1) organizing and mobilizing tea producer groups; 2) facilitating and improving access to technical services and capital in order to improve the productivity as well as processing and marketing capacity of tea producer groups; and 3) documenting best practices for evidence-based policy dialogue.

Phase II (2017-2020) expands target locations from 14 to 21 villages and continues the same activities while also seeking opportunities to expand to other commodities. replicating best-practices of the tea sector developed during the Phase I.



## Sustainable Value Chain **Development**

- Encourage the formation of producer groups to improve quality and product diversity
- Promote access to information. technology and techniques for improved productivity
- •Facilitate market linkages and fair contracts with traders
- •Foster responsible and inclusive business planning by processors, and adherence to standards



## **Access to Services**

- Promote improved service provision for female farmers
- Improve farmers and processors' access to credit
- Educate farmers on the responsible use of credit to raise productivity and quality
- Facilitate technical support from universities, government, civil society, and chambers of commerce
- Encourage sharing and coordination of business and market information



## **Enabling Environment**

- Promote pro-poor policies that foster efficiency of tea and other value chains
- Encourage documentation of good practices for policy dialogue
- Facilitate stakeholder coordination to improve effectiveness of tea value chain
- Promote improved trade policies to export tea and other agricultural products.



"...I've learned tea pruning techniques from the Chinese tea farmers. I will share this knowledge with my group and other tea farmers when I get back to my village."

Mr. Chan, Head of Tea Producer Group in Saiylom village. He participated in an exchange organised by the COPE project to learn about tea production in Simao (Pu'er) district, China.



"... one of the key lessons that I've learned from the COPE project is the a great opportunity application of partici- to learn from Phongpatory approach in project implementation. I plan to use the approach in my role as the gender

focal person for PAFO ."

"...we are still very new in the tea business. This has been saly Green Tea Factory how to promote products. I'm now planning to improve my packaging. This exhibition has also



given me new business ideas."

Mrs. Manichan, Phayasy Tea Factory

Ms. Bouapheng Souliyaso, Project Coordinator, Provincial Agriculture and Forestry Office (PAFO), Phongsaly province.