

11. Reduce risk of indebtedness among farmers through raising awareness about challenges and risks of borrowing money and contract farming. In addition, ensure that all loans have a clear production and marketing plan.

12. At present, Farmer's Organizations throughout the country are not consolidated which is difficult for farmers to express their voice effectively. We would like to propose for establishment of the National Farmers' Federation.

13. Develop clear legislation to support organization and function of farmer organizations.

14. We would like to participate more in policy and regulation formulations such as price set up, ban of import and export, tax and tariff rates, service fees, export process, land concession, etc.



Delegates of the conference agreed to rank identified issues and the top 5 *priority issues* are:

1. *Policy for low interest loan for reasonable period (point No. 5)*
2. *Provide market information from local and international markets (point No. 1)*
3. *Learning new production techniques (point No. 9)*
4. *Ban and reduce foreign direct investments that cause negative impacts for local productions (point No. 6)*
5. *Tax exemption for production and trade of agriculture product (point No. 4) and reduce health and environmental impact from use of chemical in agriculture (point No. 8)*

A workshop of Farmer's Organisation engaged in commercial agriculture production in Northern Laos was organised by Sub Sector Working Group on Farmers and Agribusiness (SWGAB). The objectives of the workshop were to share lessons and experiences, establish a network amongst FO and identify key issues as faced by the FOs on commercial agriculture production. Above statement is the output of the workshop.

Electronic file of the statement is available @
www.lao44org and www.laofab.org

Farmers' Statement



Farmer's Conference on Commercial Agriculture

**19 - 20 June 2013,
Luangnamtha, Lao PDR**

We, the representatives of 28 Farmer's Organizations (production groups, association and cooperatives) from 8 Northern provinces: Phongsaly, Oudomxay, Luangnamtha, Bokeo, Sayabouri, Luangprabang, Xiengkhouang and Houaphan, representing 5,943 farmers (2,893 women) discussed opportunities and constraints on production and organization for commercial agriculture. Through the two days discussions, we would like to express our opinions as following:

Farmer's Organizations play an important role in commercial agriculture because it consolidates efforts of individual farmer to improve production techniques, access to inputs, improve processing and quality of commodities for supply to local and international markets.

We would like to express our appreciation to the Party and the Government in supporting farmers to get organized. With the supports from relevant Government organizations in all levels, farmers are able to get organized easily as production groups, associations and cooperatives. In addition, the Government also provides policies and services to promote commodity productions such as provision of low interest credits, production inputs, production techniques and linking to markets.



However, commercial agriculture has risks, especially with our existing situation; limited technical knowledge, lack of fund for investment, insufficient planning to meet market demand, inconsistent production to meet quantity and quality needs of the market, and limited access to different markets. In addition, infrastructure such as roads, electricity and irrigation is still inadequate. With these mentioned limitations, we would like to call for supports as following:

1. Provide market information regularly for main commodities such as rice, maize, sugarcane, rubber, vegetables and large livestock. This provides the basis to help farmers access to new markets and increase their negotiation power.
2. Liaison with relevant organizations to arrange buying contracts with international buyers to ensure that farmers have access to reliable export markets that clearly define prices, quantity and quality of the commodity.
3. Ensure fairness for farmers and investors in contract farming such as setting up price agreements based on market price in order to ensure that all parties share equal benefits and responsibilities.
4. Implement policies on tax exemption for import of agriculture inputs and equipment; and reduce electricity tariff for agriculture productions. In additions, consider to exclude or reduce service fees and income taxes for farmers.



5. Provide low interest credits with reasonable periods related to each type of productions, and strictly implement the policy to ensure that all farmers can access to the policies easily and widely.
6. Ban or reduce foreign direct investments that cause negative impacts to local agriculture production especially the investments that directly affect to production land and prices of local produced products.
7. The import of agriculture products should be managed cautiously that affect prices of locally produced products and income of the farmers.
8. Reduce health and environmental impacts from the use of chemicals in agriculture production, especially the use of herbicides and pesticides by strictly controlling the import and selling of chemicals in local markets as well as raise awareness about the negative impacts of chemical use to the farmers.
9. Help farmers to learn more relevant production techniques in order to increase productivity, reduce production cost, and ensure quality and sustainability of the productions.
10. Train farmers on management issues such as management of members; benefit sharing; business planning; production planning; and financial management aiming to strengthen the production groups and develop them to become effective business units.

