

Bridging Economic Development and Biodiversity Conservation through Value Chain Approach in Lao PDR

A Success Story

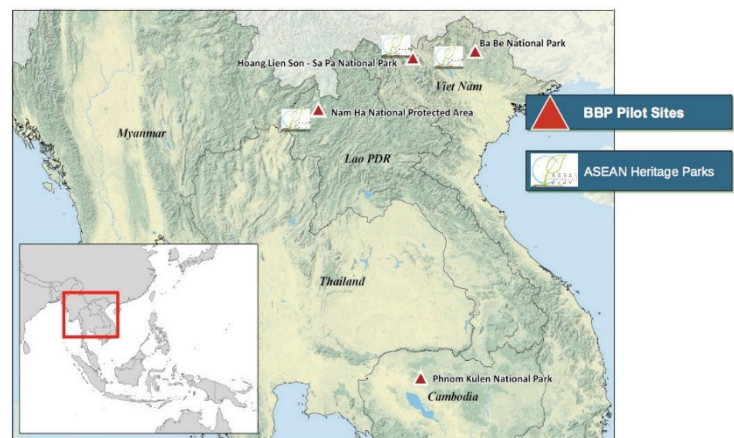
Background

The Nam Ha National Park, situated in the province of Luang Namtha in Lao PDR, is the largest protected area in the northern Indochina subtropical forest zone and an extremely important watershed. It is home to more than 20 different ethnic groups, making it a remarkable repository of ethnic diversity and indigenous knowledge. The Park, which was declared an ASEAN Heritage Park in 2003, is also considered botanically unique as it harbors at least 38 species of large mammals, over 300 bird species, important butterflies, amphibians and reptiles, and a wide variety of non-timber forest products such as bamboo and cardamom.

Despite the abundance of forest resources, such as bamboo, villagers live mostly from rice farming and selling bamboo poles or young bamboo shoots for food. Due to a lack of livelihood options, villagers were often engaged in slash & burn agriculture and hunting activities.

The Project

In order to bridge the urgent need for sustainable economic development for the villagers in the remote areas and for the protection of biodiversity in Nam Ha National Park, the project “Biodiversity –based Products (BBP) as an Economic Source for the Improvement of Livelihoods and Biodiversity Protection” is supporting local communities in the buffer zones of protected areas to generate sustainable income through the promotion of biodiversity-based value chains.

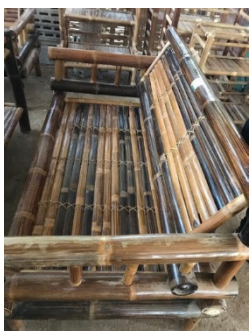


Funded by the Federal Government of Germany through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, the BBP project is being jointly implemented in Cambodia, Lao PDR and Viet Nam by the ASEAN Centre for Biodiversity and GFA Consulting Group GmbH.

In Lao PDR, the BBP Project is implemented in collaboration with the Department of Forestry (DoF) under the Ministry of Agriculture and Forestry (MAF) and the Provincial and District Agriculture and Forestry Office (PAFO/ DAFO) in Nam Ha National Protected Area.

Business development and Successes

In Lao PDR, the focus of the BBP Project is on the establishment of biodiversity-based products made from bamboo to provide better





DR. DICKY SIMORANGKIR
Project Director
Email: dicky.simorangkir@giz.de

MS. BIANCA SCHLEGEL
Team Leader
Email: Bianca.Schlegel@gfa-group.de

income for the communities. Bamboo production is completely new to the villagers as they only used to sell young bamboo shoots or larger poles for income.

The BBP Project is supporting 96 households in four villages around Nam Ha NPA. They were organized in two producer groups per village, one each for furniture and for handicraft production.

As part of the group formation, by-laws and business plans were developed that included the establishment of a group fund wherein 20-30% of the income from sales are set aside for further investments and long-term financing.

Where biodiversity, in the case of Laos specifically bamboo, is the primary material for producing products such as handicraft and furniture, its conservation comes as a prerequisite to ensure its sustainability. The project, together with PAFO and the Nam Ha NPA management and the villagers, conducted a bamboo forest inventory to identify the bamboo forest production area and developed an official forest management plan for the bamboo resources. This will allow the villagers to manage 180 hectares of bamboo forest found around the four villages that will include harvesting schedules, training in identifying, tending and harvesting of wildlings for food and pole production, and monitoring. Through the new stable income, unsustainable collection of NTFPs and other harmful practices such as illegal logging and hunting, are reduced.

Capacity building measures were an essential part of the upgrading strategy for the value chain which included proper treatment of the bamboo to avoid insect infestation, understanding of market demands for modern designs as well as in natural resource management, leadership and gender. Apart from strengthening the groups' knowledge and capacities in sustainable bamboo production, the project also linked the producer groups with the market. The Lao Bamboo Trader Association (BTA) is an active

private sector partner of the project, not only for training the villagers in the various bamboo-based handicraft and furniture designs to meet the market demands but also as a conduit to the final consumption market. Village outlets were built to target various buyers passing by the villages, tourists or travelers to/from China. The constant growth in sales is also largely attributed to the participation in different local and national trade fairs that provided opportunities for business matchmaking, to showcase their products, gain new market access and expand the biodiversity-based business operations.

A major milestone was receiving the One District One Product (ODOP) certification for the producer groups in early 2019, strongly supported by the Province of Luang Namtha. This certification, issued by the Ministry of Industry and Commerce through its district offices, affirms compliance to national quality standards for traded goods and emphasizes the locally sourced raw material under systematic management.

The successful establishment of the bamboo value chain in Nam Ha NPA has resulted in some villagers shifting from slash-and-burn agriculture and other seasonal work to fulltime bamboo production. Project beneficiaries have expressed satisfaction with the new and stable source of income, especially compared to unpredictable NTFP collection before.

The bamboo value chain pilot in Lao PDR has shown that sustainable management of natural resources and economic development can go hand-in-hand. The value chain methodology brings together government, private sector and local communities to find better ways in reducing poverty by using but not depleting the natural resources. Biodiversity-based enterprises have an incentive to conserve biodiversity as their businesses rely on those resources and provide new opportunities for local communities in remote areas around protected areas.

Published by

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices Bonn and Eschborn, Germany

Biodiversity-based Product as an economic source for the
improvement of livelihood and biodiversity protection
ACB Building D.M. Lantican Ave.
College, Laguna 4031 Philippines
T +63 49 536 2865
F +64 49 536 2865
www.aseanbiodiversity.org
www.giz.de

Author(s)

Agnes Pantastico, Bianca Schlegel

Layout

Jimmy Hilario

As at

May 2019

GIZ is responsible for the content of this publication.

In cooperation with



On behalf of

Federal Ministry for Economic
Cooperation and Development (BMZ)

Division

Name of Division

Addresses of
the BMZ offices

BMZ Bonn	BMZ Berlin
Dahlmannstraße 4	Stresemannstraße 94
53113 Bonn, Germany	10963 Berlin, Germany
T +49 (0)228 99 535-0	T +49 (0)30 18 535-0
F +49 (0)228 99 535-3500	F +49 (0)30 18 535-2501
poststelle@bmz.bund.de	
www.bmz.de	