

## The Vanmai Community and Alternative Development in the North of Laos

Distinguished representatives, Ladies and Gentlemen, good afternoon and greetings from Southeast Asia and Lao PDR. I am honored to have the opportunity to join you here virtually today to share how UNODC supports Laos in addressing opium production as well as some of the progress we are making together on the ground. I will also introduce you to some of the people, families and communities we are working with.

As many of you are aware, Laos is a landlocked country part of the least developed countries in the world. It is also located at the centre of one of the major drug-producing regions in the world, the so-called “Golden triangle”. In the most remote and poorest parts of the country, you will find numerous isolated communities that survive by growing opium.

I used the term “survive” deliberately. For most of these communities, opium cultivation is just a way to make a living. They are poor, they are isolated, and they have limited access to education, markets, healthcare, and to other tools for meaningful socioeconomic development.

Over the past three years, UNODC has been working with one such community in the mountain areas of northern Laos, in Huapanh province bordering Vietnam. The Vanmai Community consists of 381 families from 12 villages, located in traditional opium-growing areas, where knowledge about opium poppies has been passed on from parents to children for generations. On the Vanmai web page, you can learn more about how the constant presence of opium has affected individual farmers in these communities.

You will meet Mr Yia who describes how he learned to grow opium from his parents at an early stage and how he is now moving into coffee; Mr Vandy who shares from his life as a daily opium user; and Mrs Her who tells us how she lost her husband to opium and now is losing her son. These stories are a sad illustration of how opium also affects the local communities where it is grown

During UNODC’s first visits to the Vanmai villages back in 2016, we were often told different versions of the same story when we asked about alternative income opportunities, access to markets and related challenges. We were told about how prices for the maize they cultivated were set by the only trader who would come to their village, offering a dollar and 50 cents per kg one year and 50 cents the next. We were told about how women in the villages made traditional weavings and handicraft, but also about how they had to buy expensive silk and colors from the outside. And we were told about one village that had started growing coffee after a businessman visited them and promised to

come back to buy the finished product. But in the end, they gave up when the businessman never returned.

At that time, Vanmai was not yet a community, but 12 separate villages all facing similar problems. Because of isolation, the lack of access to technology, to knowledge and to markets, they were all dependent on traders and other people coming to the villages to buy unprocessed products for low prices that farmers could not negotiate. They had no means of adding value to what they produced, no knowledge of what would happen to their products after being sold to middle men, and no way to reach out to end-markets by themselves. All these factors led them to stick to what they knew best: growing opium.

From these first meetings and conversations with the farmers, it became very clear that what these isolated villages really needed were tools that could help them take more charge of their future and become less dependent on strangers paying irregular visits. Together with the farmers, we therefore outlined a plan with three key goals:

First, it was clear to all that each family and each village would not be able to make a meaningful change alone or in isolation. This was the beginning of the Vanmai Community. Over the past three years, farmers from these 12 previously-isolated villages met regularly. They went on study tours together, attended workshops together, received training together, and discussed similarities and differences in the ways they produce agricultural products.

After a year of getting to know each other better, they decided to send representatives from each village to discuss a more formal cooperation. In September of this year, 381 families signed up to establish the Vanmai Cooperative by the end of 2019. Through this cooperative, farmers will add value to their products, reach markets, and identify and negotiate with buyers in a way that no farmer nor village can do alone.

The second goal of our work with these farmers was to help them access the tools to produce a high-value product. Coffee was initially selected due to the suitable highland areas, the growing international specialty coffee market, and the potential to add value through primary and secondary processing.

After careful consideration, the first 260 families decided to join the coffee programme in 2016, and started establishing their plantations under the close guidance of the UNODC agronomists. After seeing the progress made by the first farmers, additional men and women requested to join the programme in 2017 and 2018, resulting in the 381 families that are now in the process of establishing the Vanmai Coffee Cooperative. In total, the Vanmai Community now covers close to 400 hectares of

healthy coffee plantations, and the first small harvest is fast approaching. From October to December of this year the farmers will harvest and process their first 20 tonnes of green coffee beans, and in two to three years they expect to produce close to 400 tonnes between then.

The third goal of our work with the Vanmai farmers was to help them access the technology and knowledge they need to sell coffee on international markets. In preparation of the first harvest, primary processing facilities have been built in every village, and UNODC experts are now preparing to guide farmers through their first season of processing their own coffee beans. Next year, the construction of a central Vanmai office and of a secondary processing facility will begin.

While the Vanmai community is still in its early days, the farmers are quickly becoming experts. They are, step by step, learning the techniques and technologies necessary to produce high-quality coffee, and they have access to the necessary equipment and infrastructure. Most importantly, they are experiencing first-hand the benefits of having a strong community and better organization.

The coming year will be an exciting one for them – and for us! They will go through their first harvest, they will sell their first coffee, and they will officially establish the Vanmai Cooperative and start construction of their own cooperative-level processing facilities. Through this organization they hope to sell coffee and other products that can ensure an annual cash income of around 3,000 USD per family – a very large increase for a group of farmers where 80% of the families today make less than 800 USD per year from opium and other sources.

If they succeed, the Vanmai farmers will create the first commercially successful farmers' cooperative in the opium-growing northern provinces in Laos, and we are working closely with local authorities to ensure that these lessons are used in other development projects and to develop policies.

Vanmai means "*New Day*" in Lao language, and while the community will still require support from us and other partners in the near future, they hope that they have put behind them the days when they were forced to accept 50 cents for a kg of maize that was worth three times that price or to wait around for a buyer that never returned. Our goal is that they can also provide an example and a path forward that other communities in the vicinity can take to move away from drug production and to afford themselves a brighter future.

Ladies and gentlemen,

Thank you very much for your attention.