


Trading Food for Sustainable Development

Project Team Carries Out Inception Missions to Ethiopia, Lao PDR and Mongolia

The Commodities Branch project team travelled to three of the four beneficiary countries (Ethiopia, Lao PDR and Mongolia) to meet with key stakeholders from the public and private sector as well as development partners operating in each country, soliciting their feedback on the project's planned activities and exchanging information and views on how best to support development efforts of national authorities.

Stakeholders in the three countries acknowledged the need to investigate further how to better realise the potential of trading food to promote sustainable development, especially given the particular challenges of being landlocked.

WHY DOES THE PROJECT FOCUS ON FOOD VALUE CHAINS ?

 **Maize** is a very important agricultural commodity for **Lao PDR**. It is the second largest agricultural crop after rice by cultivation area, and its cultivation also provides upland farmers, many of which are below the poverty line, with a cash crop that can improve their living standards. The Laotian government has identified the increase in production and value addition in the maize sector as a priority objective, recognizing the need for studying the value chain of maize in order to prioritize, coordinate and time policy interventions.¹

 **Mongolia's livestock** herds and domestic meat production has surged in recent years, reaching 66.2 million head of livestock at the end of 2017. Meat production far exceeds domestic demand. Despite the growing demand for Mongolian meat from new and emerging markets, the country faces several challenges to export meat products. Livestock products only constituted US\$ 330 million or 7 % of its exports in 2016, down from US\$ 414 million in 2004. The Mongolian government has prioritized the meat sector in its Sustainable Development vision for 2030.²

 **Ethiopia** was the world's fifth largest **coffee producer** in terms of crop output in 2018. Though its coffee provides livelihood to 1.2 million coffee farmers and 15 million households, the potential has not been fully realized. The sector faces major difficulties to move up the global coffee value chain, as a result of low productivity levels and insufficient product traceability. Furthermore, the country exports little roasted coffee, even though roasted coffee adds more value than green beans. Ethiopian authorities are thus aiming at strengthening the coffee value chain in their development plan.³


¹ Sources : Laotian Government. Agriculture Development Strategy to 2025 and Vision to the Year 2030 and 8th Five-year National Socioeconomic Development Plan (2016–2020)

² Source : Mongolian Government, 2016. Mongolia Sustainable Development Vision 2030

³ Source : Ethiopian Government. National Coffee Development and Quality Improvement Strategy (2016–2022).



HOW WILL THE PROJECT MAKE A DIFFERENCE ?

 In **Lao PDR**, the project will analyse the “downstream” section of the maize value chain using both primary and secondary data sources, in order to illuminate policy discussions with different stakeholders from the public and private sectors. By focusing on the part of the maize value chain after production activities, our work complements ongoing and past work by the authorities and development partners which mostly focuses on the production side of the chain. We expect that the insights that will emerge from an up-to-date and integrated analysis of this sector will also leverage the efforts of other development partners working in Lao PDR in associated areas.

 In **Mongolia**, the project will support the country's efforts to leverage its livestock endowment and to access international markets. A survey will be conducted to analyse potential demand for Mongolian meat, map existing public projects to support meat exports, and collect key information such as best business practices applied by Mongolian meat exporters and the business procedure needed to export meat to key destination markets. We expect that the study will help key stakeholders (policy makers and business community) reach a clearer understanding on trade and industrial opportunities related to meat exports to emerging economies.

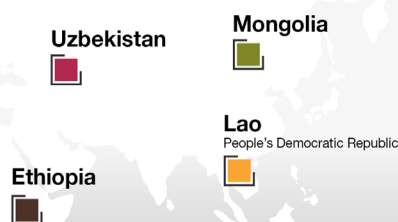
 In **Ethiopia**, a survey will be conducted on the coffee value chain to review the regulatory framework of the coffee industry, the effectiveness of the framework, and the regulatory gaps that hamper Ethiopian capacity to export roasted coffee. The survey will also analyze coffee roasters in Ethiopia by looking at their financial results, main products exported, technologies used, key suppliers and export markets. We expect that the study will allow coffee stakeholders in Ethiopia to seize the opportunities in the coffee roasting business, notably in export markets located in Africa and other developing regions.

WHAT ARE THE NEXT STEPS ?

- ➔ The **surveys** and **report preparation** are expected to be carried out in Spring and Summer 2019 in **Lao PDR, Mongolia and Ethiopia**.
- ➔ The **national workshops** are scheduled in **Mongolia for mid-September 2019**, in **Ethiopia for October 2019** and **Lao PDR for November 2019**.

A Project **Advisory Committee** was established to facilitate information exchange with other development partners to avoid overlapping interventions, also providing support to the project team and contributing to the efficient and effective implementation of project activities. Several international organizations and regional commissions of the UN Secretariat such as FAO, UN-OHRLS, ITC, UNDP, UNECE, UNECA, ESCAP and OIE were briefed about the project. They shared their expertise and recent experience in the project countries and on commodities with us and some of them also participated in the first meeting of the project's **Advisory Committee** on June 16, 2018.

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Integrating Landlocked
Commodity Dependent Developing Countries
into **Regional and Global Value Chains**

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