

INSTITUTIONAL CAPACITY AND TRAINING PLAN

Institution	Capacity Assessment	Suggested Training
<p>The National Project Steering Committee (NPSC) – the NPSC will be a dedicated sub-committee of the National Food Security and Commodity Committee</p>	<p>The NPSC will have an overarching responsibility for the successful implementation of the project through monitoring the performance of the National Project Management Office (NPMO). The members of the NPSC will be drawn from a comprehensive range of public and private sector institutions with knowledge of food security and the commodity trade, and with experience of the agricultural and agribusiness sectors and value chains. They will be able to adjudicate on any key issues of project implementation arising, involving, particularly, budget responsibility, the expansion of project areas of operation, and range of commodities to be supported, beyond those indicated in the Project Administration Manual. The NPSC members will have expertise in ADB project implementation procedures and will be familiar with ADB safeguards on the environment, climate change risk and climate change mitigation and adaptation strategies, involuntary resettlement, indigenous peoples (IP) and ethnic groups (EG) support frameworks, The NPSC will also be familiar with ADB gender action plans and social inclusion strategies.</p>	<p>Members of the NPSC will be nominated by their institutions and will have experience of the management and supervision of multilateral and bilateral donor projects, particularly in the agriculture and natural resources sector and with those funded by the Asian Development Bank (ADB). The NPSC will be able to draw on the expertise of the NPMO and its project implementation consultants (PIC). Specific project training and capacity building is not proposed for the NPSC.</p>
<p>The National Project Management Office (NPMO) responsible to the Department of Planning and Cooperation (DOAC) of the Ministry of Agriculture and Forestry (MAF).</p>	<p>Key members of the NPMO staff and its Director will have experience in managing ADB loan and/or grant projects. Some experienced and available members of the following recently completed relevant donor sector projects are expected to be recruited to the NPMO (i) ADB Smallholder Development Project (SDP), (ii) ADB/IFAD Sustainable Natural Resource Management and Productivity Enhancement Project (SNRMPEP), (iii) ADB Capacity Building for Efficient Utilization of Biomass for Bioenergy and Food Security in the GMS Project (ADB TA7833-REG) – Inclusive Value Chain and Financial Assessment of Biofertilizer Factories (BOF) in Lao PDR, and (iv) the EU Enhancing Milled Rice Production in Lao PDR Project (EMRIP).</p> <p>The NPMO needs the capacity to administer, manage and coordinate a range of project activities involving infrastructure construction and upgrading (specifically rice mills, vegetable pack houses and BOF), climate smart agriculture (CSA) technology transfer and farm mechanization, agribusiness policy and standards development, and CSA and agribusiness training and capacity building.</p> <p>The NPMO members will have expertise in ADB project implementation procedures and will be familiar with ADB safeguards on the environment, climate change risk and climate change mitigation and adaptation strategies, involuntary resettlement, indigenous peoples (IP) and ethnic groups (EG) support frameworks, The NPMO will also be familiar with ADB gender action plans and social inclusion strategies.</p> <p>Regarding project support of the rice sub-sector, the NPMO will coordinate the relationships and roles of the key participants in the rice value chain and the</p>	<p>The NPMO will be supported by a team of project implementation consultants (PIC) who will develop training programs for key NPMO and PPIU members particularly in relation to areas of weakness in relation to project implementation. The PIC team is comprised of international and national specialists in the following disciplines:</p> <p>Agribusiness / Agricultural Marketing and Value Addition / Agricultural Economics / Agronomy / Agroprocessing / Engineering / Environment and Climate Change Safeguards and Community Development / Project Benefit Monitoring and Evaluation / Rural Infrastructure. A provision has also been made for engaging “unidentified international and national consultants, as needed, i.e. in financial management training, procurement and technical engineering issues concerned with infrastructure construction and upgrading, and training and capacity building.</p> <p>The NPMO can draw upon the PIC to provide training related to project activities, together with inputs from knowledgeable and experienced specialists within MAF Departments and other institutions involved with project implementation, viz. DOPC, DOA, DAEC, DOI, National Agriculture and Forestry Research</p>

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	<p>rice seed production and distribution system, as recommended by the Lao PDR Rice Policy Study, 2012.¹</p> <p>The NPMO will liaise with the Government Sector Working Group on Agriculture and Rural Development (SWG-ARD) through the DOPC, on issues of development coordination with other multilateral and bilateral donors.</p> <p>Key areas of perceived management weakness, where the NMPO will need capacity building and training, are: (i) CROP value addition (agroprocessing, packaging and branding); (ii) commodity marketing and compliance with food safety standards, regulations and certification; (iii) the development of public-private community partnerships, and contract farming; (iv) the preparations of feasibility studies and tender procedures; and (v) crop insurance.</p>	<p>Institute NAFRI, Ministry of Finance (MOF), Ministry of Environment and Mining (MOEM).²</p>
<p>Department of Planning and Cooperation (DOAC)</p>	<p>Responsibility for reporting to the Vice Minister, MAF, and the NPSC on project implementation progress. They have a liaison and overarching role in ensuring coordination and planning between the NPMO and the various MAF Departments, PAFOs, and other ministries involved in project implementation.</p>	<p>Specific project training and capacity building is not proposed for the DOPC which has considerable experience in the implementation of ADB projects in the agriculture and natural resources sector.</p>
<p>The Department of Agricultural Extension and Cooperation (DAEC) of the MAF</p>	<p>The DAEC have some experience in implementing ADB, and other donor agriculture sector projects, particularly, recently the SDP and SNRMPEP, and the EU funded EMRIP. They will have particular responsibility for implementing training and capacity building, in cooperation with the Provincial Project Implementation Units (PPIUs), They will, in the context of rice seed development, coordinate R-2 and R-3 production with NAFRI; and provide (i) training to PAFO/DAFO, and farmer/contract growers; (ii) oversight of field seed quality in provinces; (iii) maintenance of inventory and records of R-3 seeds; and (iv) maintenance close ties with provincial and district officers to ascertain the technical needs of farmers and their seed demands.</p>	<p>DAEC Staff will need further training, through the project's training of trainers (TOT) courses, in the specific subjects and agribusiness topics and capacity building to be delivered, through PAFOs and DAFOs, to farmers and Farmers Groups (FGs) / Water Users Groups (WUGs) benefiting from the project's interventions. The areas where DAEC staff knowledge will be improved in TOT courses cover, inter alia,</p> <ul style="list-style-type: none"> • controlled environmental agricultural technology including hydroponics; • good agricultural practices (GAP); • integrated pest management (IPM) practices; • good manufacturing practice (GMP) and hazard critical control points (HACCP) certification and compliance; • farm mechanization; • organic farming; • land preparation and sustainable land management (SLM) techniques; • on-farm micro irrigation techniques and innovation, and optimum water use practices; • post harvesting and handling; • value addition and marketing;

¹ Government of Lao PDR, Ministry of Agriculture and Forestry. 2012. *Lao P D R, Rice Policy Study*. IRRI / FAO / WB – Paave Eliste (Senior Economist, WB), Nano Santos (Economist, FAO), working under the overall guidance of Dr. Phouang Parisak Pravongviengkham, Vice Minister, MAF, Lao PDR.

² MOEM have responsibility for state owned biofertilizer factories.

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		<ul style="list-style-type: none"> • climate change adaptation techniques; • environmental issues in farming; and • gender, IP and EG issues in farming. <p>In delivering both TOT courses and training to FGs and WUGs, full use will be made of third party trainers such as non-governmental organizations and national subject specialists.</p>
The Department of Agriculture (DOA) of the MAF	The DOA will be responsible for the implementation of the project's programs regarding the improvement of plant protection procedures and the upgrading of the IPM laboratory operation and its equipment. They will need to coordinate these activities with DALAM and its soil and planned microbiology laboratory operations.	DOA staff, in its Standards and Certification Division, will need training and capacity building in the operation and use of the plant protection laboratory equipment to be provided to the DOA's IPM Division. Some of the training may be provided by the suppliers of the laboratory equipment; additionally, the PIC includes, inter alia, "unidentified" ad hoc consultants who may be engaged for specific plant protection and IPM related knowledge and capacity building activities for DOA staff.
The Department of Agricultural Land Management (DALAM)	The DOA will be responsible for the implementation of the project's programs regarding the improvement of soil testing procedures and compliance with organic fertilizer brand certification, and soil conservation techniques. They will need to coordinate these activities with the DOA Standards and Certification Division.	DALAM will need training and capacity building in the operation and use of the soil diagnostic laboratory equipment to be provided by the project. Some of the training may be provided by the suppliers of the laboratory equipment; additionally, the PIC includes, inter alia, "unidentified" ad hoc consultants who may be engaged for specific soil analysis, and microbiology related knowledge and capacity building activities for DALAM staff.
The Department of Irrigation (DOI) of the MAF	<p>The DOI will have overall responsibility for ensuring the successful implementation of the project's upgrading of tertiary canal and (associated farm road access subprojects).</p> <p>The DOI have experience in the implementation of ADB irrigation projects, particularly the ongoing ADB Greater Mekong Subregion East-West Economic Corridor Agriculture Infrastructure Sector Project (EWEC).</p>	DOI staff will need further training, through the project's training of trainers (TOT) courses, in specific subjects on optimum water usage and new and innovative climate-friendly irrigation, including micro-irrigation, techniques to be delivered, through PAFOs and DAFOs, to farmers and FGs/WUGs benefiting from the project's CSA interventions under its rural infrastructure upgrading subproject.
National Agriculture and Forestry Institute (NAFRI)	NAFRI will have a specific role in ensuring the successful implementation of CFAVC subprojects in upgrading State Rice Seed Centers and financial and technical support to their related rice seed FGs. Regarding rice seed NAFRI have been specifically tasked by MAF with (i) developing and refining rice seed production practices, and coordinating production of R- 1, R-2, and R-3 seed; (ii) providing training to MAF line agencies and PAFO/DAFO, and farmer contract growers; (iii) oversight of field seed quality in the province; and (iv) maintenance of inventory and records of R-1, R-2 and R-3 seed. NAFRI need to maintain close relationships with the DAEC, and PAFO and DAFO officers to ascertain technical needs of farmers and their seed demands. Furthermore,	NAFRI have extensive experience in, inter alia, implementing a variety of research trials in improving planting material and particularly climate-resilient rice seed varieties, eradication and mitigation of pests and diseases, and in improving crop yields. They need further capacity building in improving levels of sustainability through partial cost recovery from beneficiaries of their research activities.

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<p>Provincial Project Implementation Units (PPIUs) in Vientiane, Khammouane, Savannakhet, Saravan, Champasak and Sekong Provinces – located Provincial Agriculture and Forestry Offices (PAFOs).</p>	<p>close liaison should be maintained with the DOA Standards and Certification Division.</p> <p>The PPIU staff will have an extensive and comprehensive work load which includes support to the following project interventions (i) liaison with contractors on the upgrading of rural infrastructure (tertiary canal and farm access roads); (ii) on-farm CSA technology transfer and farm mechanization; (iii) support and promotion of FGs and agricultural cooperatives (AC) development (including the O&M of vegetable pack houses); (iv) liaison with rice seed centers being upgraded through subproject; (v) monitoring the upgrading of rice mills and BOF factories; and (vi) training and capacity building of farmers and FGs/WUGs in GAP and related CSA methods, awareness and knowledge acquisition.</p> <p>The PPIUs will need to liaise closely with the Divisional Agriculture and Forestry Offices (DAFOs) in Vientiane, Khammouane, Savannakhet, Saravan, Champasak and Sekong Provinces, who will be the first point of contact for the project's main beneficiaries, the farmers, FGs and WUGs.</p> <p>It will be a responsibility of the PPIUs to provide six monthly reports to the NPMO under the Project Performance Management System (PPMS), including monitoring and reporting on the progress of the smallholder financing scheme (SFS) set up by the project for FGs. In this context, they will need to be competent in report writing and the preparation of financial and management accounts.</p> <p>Although some PPIU staff have had experience of implementing ADB projects, e.g. the SDP and SNRMPEP, and the EU funded EMRIP, weaknesses exist amongst PPIU staff particularly the organization of FGs to develop value addition, marketing/contract farming activities and agribusiness enterprises and the monitoring and evaluation of infrastructure projects.</p>	<p>PPIU training and capacity building will focus on their being able to support FGs, WUGs and ACs. It is essential that farmers and their households are fully aware of the benefits of belonging to a FG and/or a WUG and such awareness begins with the DAFOs, the farmers first point of contact for project activity. The current situation, whereby FG membership is often a small percentage of a village farming community, is unsatisfactory. The success and sustainability of the project depends on the active involvement of FGs, WUGs and ACs in its investment activities. Training programs will be designed and initiated by the NPMO supported by the PIC and in liaison with DAEC and DOI, and incorporated into the TOT courses. The courses will be guided by the FAO's "Climate Smart Agriculture workbook (2013)". Particular attention will be devoted to the management, administration, transparency, and networking capacity building of FGs, WUGs and ACs. Further priority will be given to a correct understanding of the cropping calendar and its importance to farmer knowledge of "what to plant" "when to plant" and "when to sell and to whom", together with the importance of crop rotation, which appears to be imperfectly understood by some farmers. Furthermore, the PPIUs will need additional training in report writing and preparation of regular financial and management accounts.</p>
<p>Sector Working Group on Agriculture and Rural Development (SWG-ARD)</p>	<p>Formed in 2013, Chaired by the Vice-Minister of the Ministry of Agriculture and Forestry (MAF), with the Department of Planning and Cooperation of the MAF acting as the organization's secretariat. The overall objective of the SWG-ARD is to support the implementation of the National Socio-Economic Development Plan and achieve the millennium development goals (MDGs) relevant to the ARD sector, viz MDG 1 (eradicate extreme poverty and hunger) and MDG 7 (ensure environmental sustainability). The SWG-ARD has the following sub sector working groups (SSWGs); (i) Farmers and Agribusiness - chaired by the Department of Agricultural Extension and Cooperatives DAEC) of MAF (ii) Uplands - chaired by the DOPC; and (iii) Agro-biodiversity, chaired by NAFRI. The SWG-ARD meets three times per year.</p> <p>The specific objectives of the SWG ARD are to:</p> <ul style="list-style-type: none"> • Provide a forum for dialogue and coordination between the Government of Laos and development partners and other stakeholders on sectoral 	<p>Specific project training and capacity building is not proposed for the SWG-ARD</p>

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	<p>development matters or cross-cutting issues specific to the agriculture and rural development sector;</p> <ul style="list-style-type: none"> • Promote the development of concerned sectors including policy dialogue and joint priority setting, domestic and external resource mobilization, result-orientated management, monitoring of progress and achievements; • Facilitate the implementation of sector-related actions and targets embodied in the Vientiane Declaration Country Action Plan; • Ensure coherence and linkages between the Round Table Meeting (RTM) as the overall coordination forum and coordination at the sectoral level; and • Ensure the follow up and implementation of RTM guidance, guide and monitor the SSWGs under the SWG-ARD. The NPMO will liaise with the SWG-ARD through the DOPC. 	