# HUNGARIAN TIED AID LOAN PROGRAMS FOR THE DEVELOPMENT OF THE FOOD AND AGRICULTURE SECTOR IN THE LAO PDR



## Basic principles of Hungarian assistance in agriculture development

- Using the unique "green resources" available in Laos;
- Applying the value chain principle "from the field to the table" in food chain safety control and monitoring;
- Improving <u>local food supply</u> and exploitation of <u>export</u> opportunities;
- Establishment of <u>"model" systems and facilities"</u> to assist <u>commercialization</u> in the frame of <u>PPP</u>;
- Contribute to the <u>development of rural livelihood and food security</u> in selected regions;
- Human resources development in the agriculture and food sector;
- Science and technology cooperation between Lao and Hungarian institutions.

## Frame of economic cooperation in agriculture

Frame agreement



Loan agreement



Strategic partnership agreement between the Hungarian and Lao governments



Commercial contract







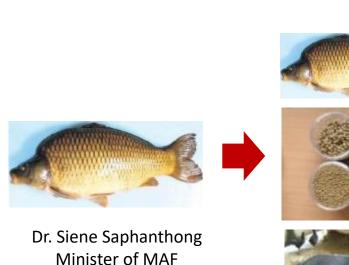
#### MoU

Ministry of Agriculture &
Ministry of Agriculture and Forestry

#### MoU

National Agriculture
Research and Innovation
Center, NAIK
&
National Agriculture and
Forestry Research
Institure, NAFRI

### **Development of economic cooperation**



"Fish is the entry point"











**AGRICULTURE** 



**WATER MANAGEMENT** 



**E-GOVERNMENT** 

2<sup>nd</sup> Tied Aid Loan

3<sup>rd</sup> Tied Aid Loan

## The 1st Hungarian tied aid loan program



**Title:** Development of livestock and aquaculture production

in the Lao P.D.R. by improving the conditions of quality

seed and feed supply

**Budget**: 8.6 million USD

**Time frame**: 2009-2011







## The 2nd Hungarian tied aid loan program



Title: Establishment of the food chain safety system in the lao P.D.R.

Budget: 30 million USD

**Time frame**: 2016-2018

#### The three main pillars of the program:

- Development of <u>institutional and legal</u> <u>background</u> of the food chain safety system
- Development of <u>laboratory and IT</u>
   <u>background</u> of the food chain safety system
- 3. Development of <u>model farms</u> to demonstrate the application and benefit of the food chain safety system

**Human Resources Development** 







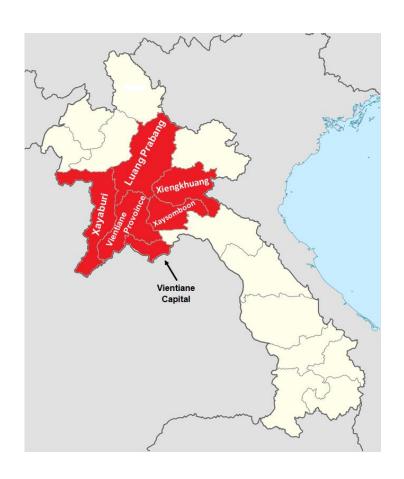
## The 3rd Hungarian tied aid loan program



**Title:** Development of food saftey and food security in the Lao P.D.R.

**Budget**: 35 million USD

**Time frame**: 2018-2020



- 1. Improve **soil management** to increase productivity
- Development of <u>production technologies of feed crops</u> (e.g. corn and soybean)
- Improve <u>agricultural water management</u> and develop irrigated crop production
- Develop <u>cattle farming</u> that is an emerging segment of the livestock sector;
- 5. Develop aquaculture to use the abundant aquatic resources
- Develop <u>post-harvest technologies</u> (storage, transport, preservation and processing);
- 7. Completion and consolidation of the operation of the <u>Food Chain</u> <u>Safety System.</u>

**Human Resources Development** 

## "Model production systems" along the value chain

Science and technology support







#### Value chain















Food chain safety control

Food Chain Safety
Authority (inspection,
certification)

Food Chain Safety laboratories

## Model for wider application of results



Providing knowledge and technology



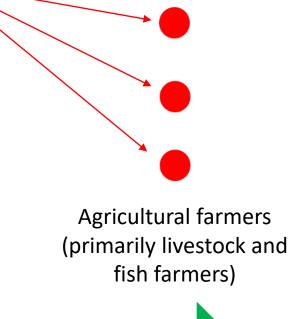
#### **Strong public sector support:**

Laws and regulations
Laboratory services
New technologies and breeds
Human resources



#### **Model farms:**

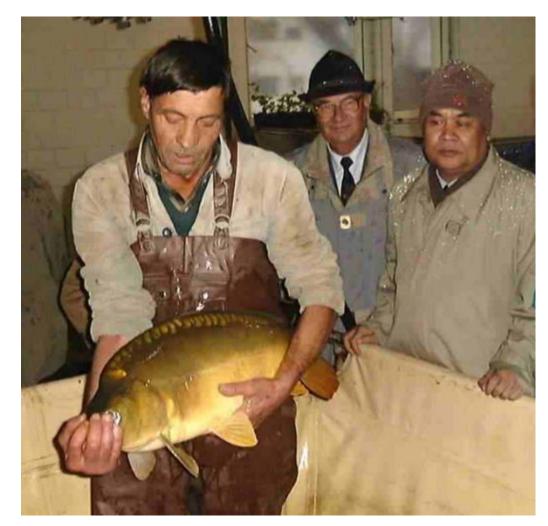
Demonstration of best management practices by advanced private sector partners



# Benefits of the Hungarian-Lao agricultural collaboration in the frame of tied aid loan programs

- Assists the commercialization program in the agriculture and food sector in Laos;
- Contributes to food safety and food security and to the improvement of rural livelihood;
- Paves the way for business cooperation and investments in agriculture;
- Contributes to the strengthening of human relations and friendship;





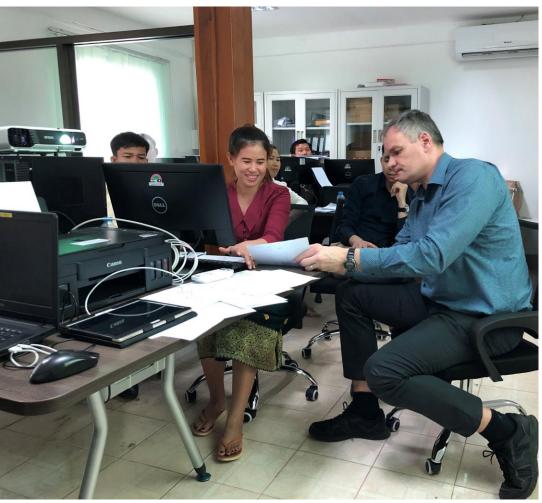


Fish was an "entry point of cooperation"



Young professionals became old but friendship remains strong.





Hungary helped to build land-links in the past and cyber-links in the present



Samsentai Road in Vientiane in the 1980's and in 2019 with a new meat shop that is one of the results of our partnership





Development of livestock farming is the priority area of our collaboration





Meeting of the ministers of foreign affairs H.E. Mr. Peter Szijjarto & H.E. Mr. Saleumxay Kommasith in Budapest in 2016

Signing of the loan agreement of the agriculture project in Vientiane in 2016



Legendary personality in the Hungarian-Lao friendship Madam Magda



H.E. Madam Pany Yathotou with Lao students who is studying in Hungary in the frame of the Stipendium Hungaricum program





The friendship Associations are active in both countries and provide a continued support to strengthen friendship



Milestone event in Hungarian Lao cooperation 2019 March 11 Meeting of the Prime Ministers H.E. Mr. Viktor Orban and H.E. Mr. Thongloun Sisoulith





ຂອບໃຈ Köszönöm! Thank you!