

Co-organized by  
Mekong Institute  
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LANCANG-MEKONG  
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P. R. CHINA

# CONCEPT NOTE



LANCANG - MEKONG  
**BUSINESS FORUM**  
2022

| November 9-11, 2022  
| Vientiane & Boten, Lao PDR

**Promoting Agribusiness  
and Investment in  
Processed Food Sector**

# The 4<sup>th</sup> Lancang-Mekong Business Forum 2022

## Promoting Agribusiness and Investment in Processed Food Sector

November 9-11, 2022 | Vientiane & Boten, Lao PDR

### CONCEPT NOTE

#### INTRODUCTION

The economies of Lancang-Mekong countries (LMC), i.e. Cambodia, China, Lao PDR, Myanmar, Thailand and Vietnam, are highly reliant on agriculture. Although not a key contributor to GDP in most countries, it employs a high proportion of the labor force, especially in Cambodia, Lao PDR, and Myanmar. The implication here is that agriculture is typically less productive than other sectors due to the low capital intensity and small-scale nature. Therefore, to improve productivity and income generated in the sector, agri-businesses should be developed to continue to ensure socioeconomic development and support for livelihoods.

Globalization, urbanization, and changing consumer preferences have had a profound impact on agriculture products. This has seen a marked shift towards processed and nicely packed food; frozen food with protein; and organic, green and health food. Food innovation, traceable food supply chains, good nutritional value and ethical ingredients have gradually become important concerns of consumers. New technology and innovation have affected the way of producing, processing, and preserving food in sustainable and cost-effective ways. As leading agriculture products producers, the LMCs have been paying attention to food sanitation, food safety and security, and processing agriculture products to add value and increase productivity and income into the agricultural sector.

Lao PDR is incredibly reliant on the agriculture sector. Although only contributing to around 14 per cent of GDP, agriculture employs over 60 per cent of the labor force within the country. The low GDP contribution indicates the limited productivity in the agriculture sector, meaning low wages. The sector faces challenges on several fronts. Firstly, the geography and mountain topography of Lao PDR mean that only 10 per cent of the country's land area is arable land used for agriculture. The mountain topography also makes transport and logistics difficult. Lao PDR has a tropical monsoon climate which can mean long dry seasons and reduced irrigation whilst flooding during rainy season can damage crops.

There are also several socioeconomic constraints facing the sector, including the reliance on subsistence farming, small scale production, limited value chain development, low prices, and competition for exports with neighboring countries. Similarly, there is low human capital development in the sector which contributes to weak productivity.

The Government of Lao PDR has recognized the importance of the agriculture sector. Policy frameworks to this end include the 8th Five-Year National Socio-Economic Development Plan (2016–2020) (NSED8), and the Agricultural Development Strategy to 2025 and Vision to 2030. Both frameworks include a greater emphasis on encouraging international trade in non-rice agriculture products, the recognition of the need to improve and ensure food quality both for national consumption and export, the need to legalize land tenure, and a lesser emphasis on local food security via trade regulation. The Government has recognized the important role agriculture can play in socioeconomic development and a principal policy goal is to reduce poverty, particularly among ethnic minority groups.

Lao PDR's trade has benefitted from several generalized system preferences (GSP) granted by developed countries, including the European Union. The Everything But Arms (EBA) initiative allows

agri-food products to be exported into EU countries without any tariff restrictions. One key issue here is the distance and the need for land transport. Processed foods last longer than fresh foods and developing this sector could be a key driver in enabling more Lao PDR-EU trade. In addition, bilateral trade agreements and special preferences received from Lao PDR's neighboring countries such as China, Vietnam, and Thailand who are Lao PDR's three main trading partners would also imply investment and trade opportunities, especially when the Lao-China Railway are ready to link Lao to major production and consumption areas in China and ASEAN. The recent World Bank study 2019-2020 showed that "the Lao-China Railway, which will connect Lao PDR to the entire network of the Belt and Road Initiative (BRI), has the potential to transform Lao PDR from a landlocked to a land-linked economy". The study suggested that the railway could lower land transport costs and attract traffic that is currently using maritime and air transport routes as long as complementary policies in place. This could make Lao more attractive as an investment destination.

To catch up the emerging opportunities, Mekong Institute (MI), collaborating with the Department of Trade Promotion (DTP), Ministry of Industry and Commerce of Lao PDR, will co-organize the 4<sup>th</sup> Lancang Mekong Business Forum on the theme of "Promoting Agribusiness and Investment in Processed Food Sector in Lao PDR" on November 9-11, 2022, in Vientiane and Boten, Lao PDR.

The forum will provide a platform to discuss the challenges and opportunities of agribusiness and processed food sector in Lao PDR and LM countries, showcase the innovative agro-food products and facilitate business matching between the Lao companies and foreign manufacturers, suppliers, traders and investors from LM region and beyond. The forum will also arrange field visit to a local food processing company and special economic zone to understand the capacity of Lao food processing and explore investment incentives, services and facilities offered by the Lao government.

The Business Forum is part of a long-term project being implemented by MI in collaboration with the Ministry of Commerce of Thailand and supported by the Lancang-Mekong Cooperation Special Fund (LMCSF) of P. R. China. The LM Business Forum in Vientiane is the fourth event of six such forums planned for each Lancang-Mekong country during 2018-2024 to promote agribusiness and processed food sector in the Lancang-Mekong region

## THE GOALS AND OBJECTIVES

The Business Forum is an important platform for sharing innovations, good practices, challenges, and opportunities in the agro-food processing industry in Lao PDR and other LM countries. It provides a unique opportunity for the agro-food processing industry value chain actors to seek potential partners and discuss partnership and investment plans. It allows a transition to sustainable processed-food in Lao PDR and other LM countries to be established as the ultimate objective. The specific objectives of the forum are:

- To exchange business information and market opportunities in agro-food processing sector in the LM countries;
- To gain information on new trends in food processing industry sector, innovative products, and sustainable processing;
- To establish business connections between Lao companies and buyers and investors from other LM countries and beyond; and
- To assist traders and investors to understand Lao's agro-food processing market, investment policies, and incentives and identify potential business partners.

## BUSINESS FORUM STRUCTURE



The Forum will comprise of:

### **Part 1: Business Seminar**

Day 1, November 9, 2022 at 09:00-12:10 (Bangkok Time) | Hybrid (Onsite & Zoom)

A half-day business seminar will be arranged on the first day to introduce the economic zone and industry part in Lao PDR, and the policy support and investment incentives for agro-food processing sector in Lao PDR. The morning session will also introduce the current development status, business opportunities, and promotion strategy of agro-food processing sector in Lao PDR.

I. The Panel Discussion will cover the following topics:

- Post-COVID19 Recovery – promoting agribusiness and investment in agro-food processing sector in Lao PDR;
- Policy support, incentives, and Economic Zone arrangement for promoting trade and investment in agro-food processing sector in Lao PDR;
- Readiness of Lao to catch up the megatrends and opportunities in agro-food processing sector.

II. Introduction for Business Matching and Field Visit Preparation:

- Introduction of business matching arrangement
- Summary of the Lao and non-Lao companies and their business requests and interests
- Introduction of Structured Learning Visit arrangement to Boten by train.

### **Part 2: Business Matching (Onsite)**

- Day 1, November 9, 2022 at 14:00-17:00 (8 time slots, 20 mins/meeting)

The business matching will be attended by selected agro-food processing companies and service providers from Lao, and buyers, service providers, traders and investors from other five LM countries and beyond. It aims to provide an opportunity to have direct exposure of the Cambodian processed food sector through a platform for conducting concrete business negotiations. 35 pairs of companies are expected to meet and discuss the potential cooperation.

## The Business Matching will comprise of the following sub-activities:

### (i) Pre-Business Matching (online)

Pre business matching will be conducted through the dynamic web portal developed as part of this project. The prospective companies from LM and other countries will be required to register on this platform and provide their company profile including products/services and indicate their specific business interests. The information will be used to identify specific business interests and facilitate onsite and online business-to-business meeting appointment.

### (ii) Onsite and Virtual Business Matching

- The onsite one-to-one business matching between Lao companies and buyers and investors from LM and other countries will be arranged during the forum on November 9, 2022 afternoon at 14:00-17:00 with seven (8) time slots, 20 mins per meeting;
- MI staff and its cooperation partners will provide onsite consultations to B2B parties arrange meetings based on the pre matching results obtained from web portal, record progress of the business matching, and obtain feedback.
- To assist those participants who couldn't travel to Lao PDR, the online business matching will be arranged on November 17, 2022 for all day through MI Virtual Business Matching Portal (powered by Jublia).

### (iii) Post-Forum Evaluation (a three-week period and a three-month period after the event)

The organizing team will send a post-event evaluation to companies who attended the business matching to monitor the cooperation progress and results within three weeks, and another one, within three months after the forum. At the same time, MI will follow up through emails and phone calls, and provide necessary online consultations required, to facilitate investment projects among LM businesses.

## **Part 3: Exhibition** | Day 1, November 9, 2022 full-day

The 4<sup>th</sup> Lancang-Mekong Business Forum 2022 will feature an exhibition zone for participated companies. The Lao companies and others LM companies will have the opportunity to present their products and services specific to processed food sector. This area will be dedicated to food products, technologies related to food processing, and packaging and labeling, among others.

## **Part 4: Structured Learning Visit (SLV)** | Vientiane-Boten, Day 2, November 10-11, 2022

A SLV will be organized on the second day of the forum with the aim of providing participants with an opportunity to understand Lao's agro-processing business and facilities, including packaging, processing, standards and certification process, quality control technologies, research and development (R&D), skill development, input suppliers, and investment policies and incentives offered by Boten Special Economic Zone (SEZ) in Lao PDR.

## **EXPECTED OUTCOMES**

At the end of the Business Forum, the participants are expected to be able to identify potential business partners for a wide range of business possibilities including market access, technology, R&D, information, joint ventures, and finance in the processed food sector. The participants would also obtain updates on the latest technology and product innovation to improve productivity, competitiveness, and business networking in Lao and other LM countries.

## TARGET PARTICIPANTS

Around **80 participants** are expected to attend the On-Site Business Forum on November 9, 2022 and **50 seats** will be offered by MI to the Boten Special Economic Zoon by taking train from Vientiane to Boten, including:

**A. 25 non-Lao companies' senior representatives from Cambodia, P.R. China, Myanmar, Thailand and Vietnam, and other foreign companies based in Lancang-Mekong and other South East Asia countries, and can travel to Lao PDR will be invited** to attend the onsite activities.

This includes companies dealing in processed food trading, processing, machinery manufacturers or suppliers, technology suppliers, R&D centres, input suppliers, packagers, certification bodies, logistics providers, transporters, marketing, and trade related service providers in processed food sector.

**B. 45 companies' senior representatives based in Lao PDR**

- Representing players along the agro-food processing supplying chain, including producers, exporters, eco-tourism and relevant service providers;
- Among the 45 companies based in Lao PDR, 20 seats planned to be reserved for Lao companies based in Vientiane, 15 seats for Lao companies from provinces and 10 seats for non-Lao companies based in Lao PDR.

**C. 10 representatives** of other agro-food processing stakeholders including Lao and foreign chamber of commerce, business association, international organization, research institutes, and government agencies and media.

Besides the aforementioned 80 participants, the forum is also open to relevant participants worldwide to attend business seminar and virtual business matching via On-line channel (powered by Zoom and Business Matching System).

*\*\*The forum mainly target registrants from LM countries, but also open seats for other countries.*

*\*\*The participants from the companies must be senior level staff. He/she must be able to speak English and have basic business negotiation/discussion skills with the potential business partners on behalf of their company.*

## TRAVEL AND COST

### Special offer I

*for 25 non-Lao company participants outside of Lao PDR and based in the South East Asia countries*

MI will select a total of 25 companies from all registrants, five (5) each from Cambodia, P.R. China, Myanmar, Thailand, and Viet Nam, or their representatives based in South East Asia countries and are interested to attend the onsite forum activities.

### Conditions:

- A total of 25 companies will be selected on the basis of their business matching interests, available flight and airfare, and COVID-19 travel restrictions and quarantine requirements of their home country;
- The selected company must be headquartered in/originated from Cambodia, P.R. China, Myanmar, Thailand, and Viet Nam and involved in trade and investment of agribusiness and agro-food processing in Lancang-Mekong (LM) countries;
- The representative of the company should be the owners or senior managers;
- A letter of consent signed by the company headquarters/representative office is required to prove the employment relationship.

Cost covered by MI would include:

- One round-trip economy class **international air ticket** between some locations in the LM countries and Vientiane (the air ticket needs to be purchased by the selected 25 participants first and will be reimbursed by MI during the forum in Lao PDR and should be within MI budget);
- One round-trip **train ticket** between Vientiane to Boten;
- Three nights' **accommodation** (Nov 9th, 10th, and/or 11th) in Vientiane and one night (Nov 10) in Boten will be provided. MI will book hotel only when the participants sent the issued air ticket and confirm the participation;
- Airport transfer and meals on some days
- Other travel costs such as Lao visa, travel, and health insurance among all others, etc. are NOT covered by MI;
- Those interested to attend the forum on-site may send an email with the travel details to Ms. Wen Hao at [haowen@mekonginstitute.org](mailto:haowen@mekonginstitute.org).

### Special offer II

for 15 company participants based in Lao PDR

- MI will provide a round-trip **train ticket** from Vientiane to Boten on Nov 10-11, 2022,
- One-night of **accommodation** and **lunch** in Boten on Nov 10 during the field visit, for a total of invited/selected 15 company participants based in Lao PDR

## HOW TO REGISTER

The full registration procedure and timeline are below:

### **Step 1: Forum Registration** (open for all registrants from LM region and worldwide)

 Upon the forum announcement

Please complete the first step of registration at <https://www.surveymonkey.com/r/LMBF4inLao>.

- Prepare the following information in advance and complete the first step of registration, such as:
  - ✓ **Contact person**
  - ✓ **Company profile:** company introduction, logo, name, description, website link, social media account links, business video links, brochure, products catalogue, etc.
  - ✓ **Key words** to indicate business industry and main products/services
  - ✓ **Specified** expectations from the forum and business matching interests (most importantly)
- Select **sessions and activities**, and **ways (onsite/online)** to attend the forum.
- Check **email inbox** to access the guideline for next step of registration.

### **Step 2: Profile Management** (for selected registrants only, with priority for registrants from LM region\*)

 Open the system in one (1) week prior to the forum

- Check email inbox in **(1) week before** the forum date, and follow the guideline to access your account to updating your company profile.
- Explore the **forum agenda**, information of speakers, session topics, and other arrangement.
- Update and edit **company profile** (offer to the selected registrants only).
- **Important note:** the contact information will not be exposed in the business matching interface, but the registrants are able to **chat** with any other registrants in the interface to exchange contact information.

### Step 3: Business Matching (for selected company registrants, with priority from companies from LM region\*)



Open the system in one (1) week prior to the forum

- In the profile page, **only the type of selected company participants** are able to: i) **edit company profile**, ii) **upload products/services** information (photo, description, video link, etc.), and iii) view time slot and **make one-to-one onsite and virtual business matching meeting appointments**;
- The **ON-SITE business matching** meetings will be arranged for around 70 companies on **November 9, 2022** afternoon.

Table: Registration Procedure and Account Management Privileges

Type of Registrants	Step 1: Forum Registration	Step 2-3: Profile Management & Business Matching Set-up (Register's Account)					
		Contact Person Profile	Company Profile	Products Info.	Chat	Onsite 1:1 Meeting Nov 9, 2022 PM	Virtual 1:1 Meeting Nov 17, 2022 all-day
✓ Government							
✓ Business Association							
✓ International & Regional Organization	✓	✓			✓		
✓ Research Institute							
✓ Company	✓	✓	✓	✓	✓	✓	✓

## CONTACTS

For more details, please visit the forum official website please contact:

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### Department of Trade Promotion (DTP), Ministry of Industry and Commerce (MOIC)



กระทรวงอุตสาหกรรม และ พาณิชย์  
Ministry of Industry and Comm



Department of Trade Promotion





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## About the Mekong Institute

The Mekong Institute (MI) is an intergovernmental organization that contributes to regional cooperation and integration through capacity development, dialogue, and advocacy for the acceleration of sustainable socioeconomic development and poverty alleviation in the Greater Mekong Subregion (GMS).

Founded and represented by Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Viet Nam, MI's strategies are aligned with the core tenets of the GMS Cooperation Program Strategic Framework 2030, ASEAN Economic Community, and the 2030 Agenda for Sustainable Development.

MI supports these frameworks through the implementation of projects across the areas of Agricultural Development and Commercialization, Trade and Investment Facilitation, and Sustainable Energy and Environment, while addressing issues of social inclusion and vulnerability, digital economy and innovation, and labor mobility to cement holistic and sustainable development impacts in the subregion and beyond.

MI is the recipient of the ASEAN Prize 2021 for its long-established efforts toward accelerating sustainable socio-economic development in the region, improving the lives of ASEAN people.

