



Context

In the Lao People's Democratic Republic, nearly one quarter of the population live below the poverty line, earning less than a dollar a day. Poverty reduction efforts in rural areas in the country's northern provinces are hampered by a widespread dependence on the cultivation of poppy. To address this problem, and the related drug addiction, the Government established a national plan to eradicate opium cultivation. Today, the country is close to reaching its goal, however, there is a growing concern about the sustainability of the eradication and about its impact on former poppy-growing communities.

Strategy

In 2007, UNIDO, the United Nations Office on Drugs and Crime (UNODC) and the Government started a project to alleviate opium dependence and elevate living standards in three districts of the Oudomxay Province through crop diversification and value addition to agricultural commodities. The project combined the technical expertise and comparative advantages of both organizations. UNIDO provided technical assistance to enhance productive activities and strengthened capacities for trade at village, district and provincial levels, and UNODC contributed to a drug-free environment and improved living conditions through socio-economic development and viable, legal alternatives to opium.

Within the framework of UNIDO's assistance, more than 30 Village Productivity Groups were created and around 1,000 people trained in basic agro-processing and community development. They produce and sell sesame oil, handmade paper, brooms, bags knitted from natural fibres, as well as other products.

Results

- 36,000 persons in 22 villages benefited from the joint assistance
- 30 Village Productivity Groups were established in 16 villages, and were provided with tools and processing equipment
- Over 1,000 persons trained in basic agro-processing skills and community development
- Products are now locally produced and successfully sold
- Drug addicts are treated and rehabilitated within the communities

Impact/Outlook

The project recipients have started to share their newly-acquired knowledge with family and friends. A rough estimate shows that this has almost doubled the number of beneficiaries. A key role in the transformation of the local economy is now played by the Productivity and Marketing Centre in Oudomxay City, a much needed link between remote villages and markets and allows the villagers to also sell their products in the capital. Furthermore, they also gained direct market exposure by participating at different fairs, including the Lao Handicraft Festival.

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At a glance:

Goal: Alternative source of living for opium dependants
MDG: 1. Eradicate Extreme Poverty and Hunger
 3. Promote Gender Equality and Empower Women

Thematic area:

Poverty Reduction through Productive Activities
 Japan through the United Nations Trust Fund for Human Security (UNTFHS)

Donor: United Nations Office on Drugs and Crime (UNODC),
 Government of Lao PDR

Budget: USD 1,300,000

Status: completed

Duration: March 2007 – June 2011