MEKONG INSIGHTS

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PROGRAMME UPDATES

Switzerland lends additional support to agriculture in Laos

Vientiane, Lao PDR - Minister of Agriculture and Forestry, Mr. Sitaheng Rasphone and the Ambassador of Switzerland to the Lao PDR, Mr. Rodolphe Imhoof signed an agreement on 13 February 2008 for the Alignment Phase of the Laos Extension for Agriculture Project (LEAP), which values at CHF815,000 (around USD652,000).

The six-month Alignment Phase, which will last by end of June 2008, aims to adjust the extension approach and the design of the project to the new strategies and structures of Ministry of Agriculture and Forestry (MAF). Emphasis will be given to strengthening newly created Technical Service Centres at the Provincial and Kumban levels.

LEAP is funded by the Swiss Agency for Development and Cooperation (SDC) and has been implemented by the National Agriculture and Forestry Extension Service (NAFES) with technical assistance from Helvetas, a Swiss Non Governmental Organisation.

The Alignment Phase of LEAP reflects the commitment of both MAF and SDC to the principles of the Vientiane Declaration on Aid Effectiveness, as agreed at the 9th Round Table Meeting in November 2006.

Started in 2001, LEAP aims at contributing to the development of a decentralised, participatory, pluralistic and sustainable agricultural extension system that is capable of benefiting poorer households and communities, and reaches male and female farmers equally.

Since 2002, LEAP has organised training for farmers in more than 200 villages, covering all provinces of the country. The ‘Lao Extension Approach’ developed under the project was officially adopted by NAFES in 2005 and has also been used by a number of other projects. The approach has so far reached approximately 20,000 farmers across the country.

Farmers trained using the Lao Extension Approach have been able to increase the value of their rice production by an average of more than three million Lao kip, while the value of chicken production has increased by more than one million kip.

The establishment of an effective extension service is an important means for achieving the Government’s goals of poverty eradication, food security and commodity production.
Switzerland plans further assistance to Lao poverty reduction

Vientiane, Lao PDR – Switzerland plans to provide further support to poverty reduction in Laos through its engagement with Poverty Reduction Fund (PRF).

The present and future of PRF and Swiss position towards the Fund were discussed in a meeting between Standing Deputy Minister Somsavad Lengsavath and a SDC delegation led by Switzerland’s Ambassador to Laos Mr Rodolphe S. Imhoof on 13 February.

Accordingly, SDC participates in the current preparation phase and it will make the final decision based on results of the planning process in order to join the Fund in the third quarter of 2008. SDC considers a first contribution of CHF6 million (about USD4.8 million) for the period 2008-11.

The Poverty Reduction Fund was established in 2002, under the Prime Minister's decree to support one of the primary goals of the national socio-economic development plan and the government's policy to eradicate poverty and move the country off the UN's least-developed country list by 2020.

The objective of the fund is to assist villages to develop community infrastructure and access to services, strengthen local institutions to support participatory decision-making and build capacity and empower poor communities to plan and manage their development.

The PRF started its operations in April 2003 and by 2007 the fund was operational in 21 districts in some 1,984 villages in Huaphan, Xieng Khuang, Savannakhet, Champassak and Saravan Provinces. Project preparation for the second phase of support by the World Bank were initiated in September 2007 and the planning process, which is led by the PRF, is expected to be completed in first half of 2008.

Newly adopted law needs close coordination

Hai Phong, Vietnam - How to effectively implement the Law on Domestic Violence Prevention was put high on the agenda of a two-day workshop being held in mid-January 2008 by Ministry of Culture, Sports and Tourism in Do Son Town, Hai Phong.

The Consultation Workshop on Domestic Violence Prevention, which was supported by Switzerland, aimed at establishing coordination mechanisms among government bodies, mass organisations and non-governmental organisations in the battle against domestic violence.

During the workshop, over 70 people representing different Ministries, civil society, international organizations shared experiences
on domestic violence prevention and discussed the draft Decree on Implementation of Law on Domestic Violence Prevention.

“Coordination is closely linked with participation and the fight against domestic violence needs action on different levels ranging from policy to grassroots level, and from national to communal level,” Mr Jean-Hubert Lebet, Switzerland’s Ambassador to Vietnam, addressed the importance of coordination. “Over the past years Vietnamese civil society organisations have taken various initiatives for the prevention of domestic violence and the experiences gained through projects on local level might provide valuable inputs for the effective and nationwide implementation of the law.”

Domestic violence is a worldwide issue harming both women’s physical and mental health and destabilizing many families. In late 2007, the -

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National Assembly ratified the Law on Domestic Violence Prevention and it can become a basis for women’ rights protection if it is properly implemented.

Reports at a conference organised in June 2007 by Women’s Union in Hanoi showed that domestic violence is common in rural, remote and isolated areas, where women and children are often physically and emotionally abused. According to the reports, most of battered women have never reported the abuse.

Encouraging experience with first nationally executed project

Vietnam - The Support to Trade Promotion and Export Development in Vietnam Project has been concluded and initial assessments show that the project was very successful, particularly with regard to project impacts, ownership and sustainability.

“This is the first SECO-supported project in Vietnam implemented with full national execution. We are planning for a project evaluation in mid 2008 to review the longer-term impacts of the project,” said Deputy Country Director Daniel Lenggenhager after the final steering committee meeting. “Notwithstanding the results of the evaluation, the first experience of a project with national execution has been very positive and SECO will proceed on this path in future projects.”

The main objective of the project was to assist the Government of Vietnam in achieving export growth rate targets set for the decade. It supported VietTrade in the development of National (Sectoral) Export Strategies and strengthened VietTrade’s capacity as the focal point for a national trade development network. More specifically, the project has strengthened VietTrade’s capacity to respond to the needs of exporting enterprises and to provide trade related training, trade information and counselling services to trade support institutions and exporting enterprises on a sustainable basis.
For the first two years, the project was executed by ITC in partnership with VietTrade. From October 2006 to December 2007, VietTrade became fully responsible for execution and ITC was subcontracted by VietTrade for delivering specified international outputs. After a year of operation, this modality has proven to be the right approach.

**Switzerland promotes policy dialogue in the banking sector**

*Vietnam* – More than 100 Vietnamese executives from private and state-owned banks, representatives from the State Bank of Vietnam (SBV) and other senior government officials working on financial markets gathered for a two-day Bank Restructuring Workshop held in Hanoi and replicated in Ho Chi Minh City at the end of February to discuss about equitization, a central issue for Vietnam’s financial sector reform.

The workshop under the theme “Regulatory and Management Foundations for the Equitization Process” was the 4th in a series of events jointly organised by SECO and SBV, providing a forum for the SBV as a market regulator to have a policy discussion with bank executives, government officials and academics on topics relevant for the development of Vietnamese banking sector.

Switzerland’s Ambassador to Vietnam Mr Lebet Jean-Hubert pointed out in his opening speech that one goal was to enable Vietnamese bankers and regulators to learn from and exchange with international experts on best practice in issues key to financial system stability. Even more importantly, the workshops aimed to initiate a permanent dialogue between supervisors and different actors striving for a well-designed regulatory framework of Vietnam’s financial sector.

Among the distinguished speakers were G. Rich, Swiss professor and former National Bank chief economist, and L. Camacho, Credit Suisse Vice Chair and former Finance Minister of the Philippines. After the workshop, SBV is preparing a report summarising main points of discussions to be used in further developing its strategies. Concepts, approaches and ideas shared during the workshop are expected to influence SBV policy formulation and thus positively affect financial sector development.

**FACTS & FIGURES**

**Bird flu resurfaces in northern Laos**

A fresh outbreak of bird flu among fowls has struck the Lao southern province of Luang Namtha, local media reported on 12 February. According to a report from the Department of Livestock and Fisheries (Ministry of Agriculture and Forestry), some 600 poultry in Nam Ma village, Long district died and their specimens have been tested positive to bird flu virus strain H5N1. (VNA 12 Feb 2008)

**Fifth person dead from A/H5N1 flu in Vietnam**

The Head of the Preventive Health and Environment Agency (Ministry of Health) on February 25 confirmed the fifth death from A/H5N1 flu in Vietnam so far this year. Earlier, the Veterinary Agency on 24 February announced that bird flu has appeared in the northern province of Ninh Binh, raising the total number of provinces with infections to eight. (VietnamNet 26 Feb 2008)