



RURAL ECONOMY AND NATURAL RESOURCE MANAGEMENT

CONCEPT PAPER FOR THE
MEKONG REGION PROGRAMME

SUMMARY



Goal and Objectives

It is intended that all SDC supported projects and regional initiatives should contribute both to the overall goal and to one or more specific objectives.

Rural Economy & NRM Goal and Objectives

The overall goal of SDC supported initiatives in the Rural Economy & NRM Programme is:

To support the development of livelihoods in the uplands and other poor rural areas of Vietnam, Lao PDR and the Mekong Region in terms of increased food security, income and employment, and environmental sustainability.

The specific objectives are:

- 1 To improve access of rural poor people – ethnic minorities and women in particular – to effective agriculture and forestry extension, research findings and private sector services;
- 2 To improve capacities of and governance by local institutions for more productive and sustainable management of natural resources;
- 3 To support policy formulation and implementation capacities of institutions at the provincial and national levels – for poverty alleviation through sustainable management of natural resources.

Guiding Principles and Strategic Approaches

Rural Economy & NRM Programme Guiding Principles (GP)

- 1 Ensuring consistency with the evolving framework of the national Poverty Reduction Strategies and sector policies in each country;
- 2 Promoting gender-balanced development at the community level and in all areas of human resource and institutional development;
- 3 Fostering complementarity between public and private sector services, and between the state and civil society;
- 4 Promoting participatory approaches and methods, notably through the combination of local knowledge and new innovative techniques in extension and action research.

Strategic Approaches (SA)

- 1 Focusing on the poor by targeting the uplands, poor rural regions and ethnic minorities;
- 2 Linking policy with practice by using field-based learning and experience as a basis for policy dialogue and advice;
- 3 Supporting local partner organisations and institutions in developing their own capacities for efficient and effective management;
- 4 Working with formal partnership fora and informal alliances to promote donor coordination and policy change at the national level;
- 5 Using a portfolio approach which contributes in a balanced and effective manner to the overall goal and objectives of the Rural Economy & NRM Programme;
- 6 Fostering collaborative linkages and learning networks between SDC supported projects and with other initiatives, both regionally and in-country;
- 7 Building on strengths and comparative advantages of SDC projects and programmes.





Guiding Principles (GP)

G.P. 1: Ensuring consistency with the evolving framework of the national Poverty Reduction Strategies and the sector policies in each country

A key principle behind all initiatives supported by SDC in the Mekong Region is to work within the framework of the government poverty reduction strategies. This implies that the goals and objectives of the Rural Economy & NRM programme, and of individual projects, contribute as directly as possible to the agenda set out in the national Poverty Reduction Strategy Papers (PRSP) and to the Millennium Development Goals (MDGs).

G.P. 2: Promoting gender-based development at the community level and in all areas of human resources and institutional development

Rural women play an important and sometimes dominant role in agricultural and forestry production, processing and marketing. Analysis, however, shows that women remain vulnerable in the Mekong Region due to lack of control over, and access to, essential resources, such as knowledge imparted through extension services and land use right certificates.

SDC's Policy on Gender Equality will be applied throughout the programme and tools such as the Gender Mainstreaming Toolkit, the Mekong Region Gender Guidelines or the Gender and Natural Resources Toolkit will be used. All projects will mainstream gender by addressing issues from the planning phase onwards (in a logframe), based on gender-disaggregated data and gender analysis. Clear indicators will help to monitor the progress in mainstreaming. In order to reach equally men and women at the community level, reflection processes will be facilitated to enhance awareness of partners on the implications of training and hiring more women within implementing institutions.

G.P. 3: Fostering complementarity between public and private sector services, and between the state and civil society

To ensure financial and institutional sustainability, SDC supported interventions will avoid distorting market mechanisms and will support the emergence of 'civil society'. Public interventions will only be supported in cases of market failure or for the benefit of the public goods. Such cases include environmental protection, biodiversity conservation, agricultural research for non-commercial crops or the provision of extension services in remote upland areas. The role of the state in the socialist countries of Vietnam and Lao PDR needs to be reviewed, in light of an increased role not only of the private sector, but also of civil society in the transition process. SDC will therefore also seek collaboration with the private sector and civil society.

G.P. 4: Promoting participatory approaches and methods, notably through the combination of local knowledge and new innovative techniques in extension and action research

Initiatives supported by SDC should be demand-driven – that is, based on the priority needs and circumstances of the poor (both women and men). These initiatives should promote participatory approaches and the involvement of the primary stakeholders in all stages of problem identification, applied research and extension.

This should be linked to the provision of a varieties of offers – that is, a range of technology options, adaptations and services suited to the particular needs of and opportunities for different farmer groups, combining local knowledge and traditional technologies with new techniques and innovations. By having at their disposal a range of options, farmers will make choices they perceive to be most appropriate for their circumstances.

Strategic Approaches

S.A. 1: Focusing on the poor by targeting the uplands and poor rural regions and ethnic minorities

In Vietnam and Lao PDR, the incidence of poverty is highest in the uplands, which is also where most of the ethnic minorities are located. Many poor people live in remote, mountainous areas and are normally highly dependent on forest products. Major constraints encountered in these areas include low education, high population growth, poor health conditions and limited access to markets. A large part of the population is still practising pioneering swidden cultivation or swidden cultivation with short fallow (less than 7 years) without being fully aware of their contribution to natural resource destruction. Despite great efforts of the governments on poverty alleviation, poor communes and ethnic minority groups still face great difficulties in overcoming poverty. While they represent only 14% of the Vietnam's total population, ethnic minorities account for about 30% of the poor. The poverty rates for ethnic minorities remain very high at 70% and their food poverty rate might even have increased. This is in contrast to the national poverty rate which was halved between 1993 and 2002 and reaches now 29%. Ethnic minorities and upland areas in both Lao PDR and Vietnam have the highest rate of poverty and are likely to remain poor in the years to come.

S.A. 2: Linking policy with practice by using field-based learning and experience as a basis for policy dialogue and advice

An important aspect of SDC work in this programme is to find ways of linking experience gained within the framework of focused geographical and field-based work, with policy dialogue and advice at higher levels with a view to contributing to the creation of an appropriate policy, legal and institutional environment. Policy-makers at the national and provincial level in both Vietnam and Lao PDR are often influenced in their decisions by examples of activities that have worked well in practice.

Setting up this synergy between field experience and policy dialogue is especially important when considering the development needs and potential of the remote upland areas. This is because the local realities of working in these remote areas are further removed from the day-to-day concerns of many decision-makers. Well-substantiated examples of best practices for upland development are therefore essential in order to inform and influence policy decisions.

SDC will only provide support to new approaches if these are strictly required as there are a large number of 'pilot projects' which never get beyond this stage. If new approaches are deemed necessary (and this could be the case in the uplands), such pilot schemes would need to involve local authorities from the start, and clear plans should be drafted on how to scale up the project. The potential to replicate needs to be assessed from the start in terms of available local/domestic resources (financial, institutions and human capacities).



S.A. 3: Supporting local partner organisations and institutions in developing their own capacities for efficient and effective management

In order to ensure that local organisations can fulfil their role, it is important that systematic capacity development is built into all projects and programmes. Such capacity development components should address not only technical issues related to Rural Economy & NRM (problem analysis in respect to processes of resource degradation and their effects on poverty, alternative options for NRM), but also methodological, social and managerial issues such as social organisation, conflict resolution, planning and implementation, group formation, team building, participation in decision-making processes, moderation and skill facilitation, and project cycle management.

Capacity development efforts will be directed at three levels: at the individual level (human resource development), at the organisational level (organisational development), and at the network level with the aim to strengthen and develop collaborative arrangements to make optimal use of the comparative advantages of individual organisations.

S.A. 4: Working with formal partnership fora and informal alliances to promote donor coordination and policy change at the national level

At the national level, various fora for policy dialogue exist around the poverty reduction strategies and sector policy-making processes and programmes. These fora include formal partnerships (such as the Forest Sector Support Programme and Partnership – FSSP & P in Vietnam, discussed below) as well as informal groups of donors and government partners and agencies. Active participation in these fora is important for institutional learning for both SDC and implementing agencies. This is to feed experience from project implementation back to policy-makers and to enable SDC to help strengthen national policy-making processes and the content of policies. These partnerships are also an important means for SDC to clarify its own strategic direction for the Mekong Region and renewal of the SDC portfolio.

S.A. 5: Using a portfolio approach, which contributes in a balanced and effective manner to the overall goal and objectives of the Rural Economy & NRM programme

The Rural Economy & NRM programme is considered to be a portfolio composed of several projects and policy support with certain aspects receiving more or less emphasis:

- Rice sufficiency is the primary indicator of poverty in the eyes of the poor, particularly in Lao PDR. Household food security and rice production in the uplands is therefore a priority for SDC. Once rice and basic food sufficiency is ensured, households are willing to diversify their farm production. SDC further supports this diversification as it contributes to improved diets (e.g. vegetable or animal production) and farmers need to climb up the value ladder and produce more for the market which improves their food security through higher income.
- SDC emphasises support for interventions, which have proven positive impact and make efficient use of resources. Innovative areas of intervention with potential for impact are, however, also needed. These will be carefully selected before funding decisions are made.

- Most SDC support is directed at organisational and institutional strengthening and at the policy level as it is efficient for realising a relatively wide outcome and impact. Good knowledge of local realities, particularly complex in the uplands, is, however, also crucial for a sound understanding of the target populations and the development of participatory processes. Factors such as ethnicity, gender issues, education, agro-ecological factors and economic determinants such as market access and transport costs contribute to the complexity. An area-based approach will therefore also be sought, either within projects, which have a thematic focus (e.g. extension services, agroenterprises), or through geographical interventions (e.g. the project on Poverty Alleviation in Remote Upland Areas – PARUA).

S.A. 6: Fostering collaborative linkages and learning networks between SDC supported projects and other initiatives both regionally and in-country

Projects and partner organisations supported by both SDC and seco are actively encouraged to develop collaborative linkages in order to exchange experience and to pool expertise to jointly undertake work in the geographical areas in which they are working. Research-extension linkages are of particular importance in this regard. Combined with this, SDC also wishes to take a regional approach and perspective where possible and appropriate, particularly in order to reinforce project-level work through strengthening research and training networks. Some agencies, such as the Regional Community Forestry Training Centre for Asia and the Pacific (RECOFTC) and the Asian Vegetable Research and Development Centre–Asian Regional Centre (AVRDC–ARC) have a regional mandate and it is intended that strong linkages should be maintained or established between these regional agencies and the in-country projects.

S.A. 7: Building on the strengths and comparative advantages of SDC and its projects in the region

SDC's main strengths and comparative advantage, as well as areas of potential in the future, may be summarised as follows:

- SDC and partners are comparatively strong in human resource and institutional development, particularly in extension, research, training and education – this strength can be built on in the future, with agriculture and forestry research and extension forming the backbone of Rural Economy & NRM programme.
- SDC has a high profile and prominent role in some sub-sectors, notably in capacity building in forestry in Vietnam and agriculture research and extension in Lao PDR, that enables active policy dialogue in these sectors.
- SDC and partners have achieved important advances in applied research and technology development (notably with rice in Lao PDR, and also with vegetable research regionally).
- The comparative advantage of SDC in the uplands includes experience in mountain agriculture, access to Swiss centres of competence in agricultural research, extension and training and experience with small-scale mixed farming systems and organic agriculture.



Rural Economy and Natural Resource Management Mekong Region Projects and Linkages



