Targeted Agribusinesses:

Rice millers or processors, maize millers or processors, and horticulture processors or traders who are registered in Lao PDR and operating in the project provinces:

- Khammouane Province.
- Bolikhamxay Province.
- Xayabury Province.
- Vientiane Province.
- Vientiane Capital.

Eligible Criteria:

- Registered in Lao PDR.
- Operating in a project province.
- Profitable agribusiness.
- Healthy financial position.
- Financial statements available on the past two years of business operation.
- Sound Business Proposal to establish productive part nership with farmer groups or farmer organization.
- Adequate of technical and managerial capacity.

Eligible Expenditures:

YES

- New machinery and new equipment.
- Specialized technical assistance to improve product quality and reduce postharvest and processing losses.
- Specialized support to increase market capacity and business expansion to source raw materials from and link GAP farmers to markets.
- Civil work of post-harvest handling and processing facilities.

Ineligible Expenditures:

NO

- Operating costs
- Purchase of land
- Salaries for employees

Office Address:

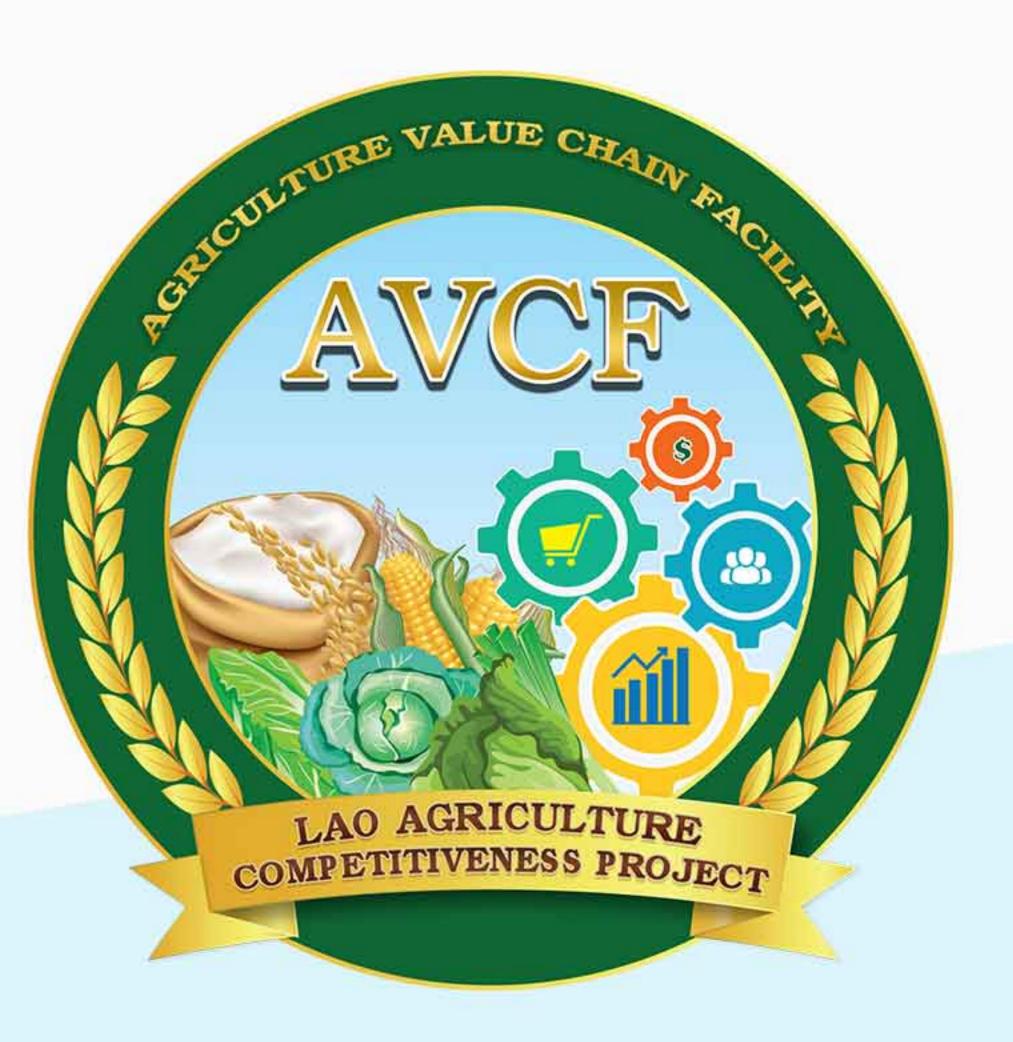
AVCF-LACP/MAF Project Services Building, Phonxay Road, Phonxay Village Saysettha District, Vientiane Capital.

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Lao Agriculture Competitivenes Project (LACP)

Agriculture Value Chain Facility (AVCF)









ABOUT AVCF

The Agriculture Value Chain Facility (AVCF) is a matching grant facility for agribusinesses (ABs) in Component B—Enhanced Agricultural Commercialization under the Lao PDR Agriculture Competitiveness Project (LACP), financed by the World Bank and implemented by the Ministry of Agriculture and Forestry (MAF) in partnership with SNV Netherlands Development Organisation.

How AVCF Helps Agribusinesses:

AVCF assists agribusinesses to upgrade their post-harvest handling and their processing facilities, to enhance their management capacity to improve the product quality, increase their operational efficiency and reduce physical losses in the rice, maize and horticulture value chains.

AVCF Approach:

1. Provides free technical services to mentor agribusinesses and identify operational bottlenecks and deficiencies for investment towards improved operational standards and efficiency in the rice, maize and horticulture value chains.

- 2. Supports preparation and appraisal of business proposals; supports preparation of Business Plan and provides hand-on support and monitoring of Business Plan implementation.
- 3. Provides matching grants for upgrading post-harvest handling and processing facilities and for improving the management capacity to enhance product quality, increase operational efficiency, reduce physical losses and link with farmer groups to improve the marketing of farm products.

Matching Grant Limit:

Maximum grant is 50 percent of the total cost of the Business Plan of the agribusiness, the matching grant will not exceed a maximum amount of:

- A. US\$25,000 for an agribusiness in horticulture value chains.
- b. US\$125,000 for an agribusiness in rice and maize value chains.

Application Steps: Seminar, Workshop Announcements on local TV, radio, magazine and posters Expression of Interest Prepare Business Proposals Submit Business Proposals

Proposal

Develop Business Plan

Approval/

Signing

Evaluation of Business Proposals by an Independent Committee
Invite approved agribusinesses to prepare Detailed Business Plan

Develop Detailed Business Plan, assisted by local consultants and service providers

Approval/
Signing

Detailed Business Plan appraised and Letter of
Grant Agreement (LGA) signed by MAF

Implement approved Business Plan,
Supervision, Monitoring and Evaluation