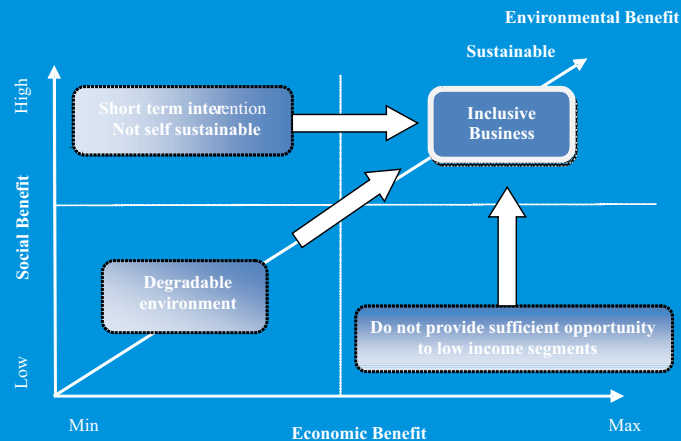


## SNV Approach

SNV will use two approaches,  
a) value chain development and  
b) inclusive business concept.

The former aims at understanding all steps from production to end consumption/use where small-holders benefit and get stronger position on decision and thus minimise risk and market failure.

The latter improves inclusion of small scale producers and entrepreneurs in value chain to increase production, income and employment opportunities for them. Inclusive business has not only economic and social dimensions, but it considers as well environmental aspects, a key for sustainable biofuel production. The base of inclusive business is described in the following picture.



## SNV Contact

For any further information and request, you are welcome to contact us at our offices:

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# Biofuel Fact Sheet



Lao PDR

Netherlands  
Development  
Organisation

**SNV**



## Background

Like many other governments, the Government of Lao PDR (GoL) has been investigating in recent years to develop the production and use of biofuels based on the premise of positive environmental and social impacts, notably the mitigation of climate change through greenhouse gas abatement, fossil fuels dependence reduction, security of energy supply and maintaining employment in the agricultural sector. To address these issues, the GoL has signed and ratified the Kyoto agreement, drafted a policy for biofuel development (targeting 5% of national fuel consumption by 2015), committed to several researches and engaged in discussions with the private sector for investment in the sector.

## SNV Goal

SNV is dedicated to a society where all people enjoy the freedom to pursue their own sustainable development. We contribute to this by strengthening the capacity of local organisation. SNV's specific goal towards biofuel development is to create demand and supply for sustainable biofuel development that optimises social, economic and environmental benefits, whilst minimising biofuel key negative impacts.

## SNV Guidelines

SNV will follow international standard developed in 2008 that comprises global principles and criteria for sustainable biofuels production issued during the Roundtable on Sustainable Biofuels

(for access to complete documentation go to <http://cgse.epfl.ch/page65660-en.html>). The criteria cover main topics such as:

- 1) legal framework and governance,
- 2) social responsibility and pro poor development,
- 3) natural resources management,
- 4) partnership and dialogue and
- 5) capacity strengthening and development.

## SNV Clients and Position

SNV works principally with meso-level organisations from public and private sector (e.g. farmers organisation, association, provincial administration, local company, etc...) in strengthening their capacities. SNV can position itself also to facilitate government energy policies and institutional frameworks that open markets for environmentally friendly businesses catering to local energy, needs (cooking, lighting, agricultural machinery, etc...) as well as export markets to further extend. Thus, SNV connects macro to micro stakeholders of the biofuel value chain with an emphasis on intermediate actors at the meso level.

## SNV Feedstocks' Choices

SNV will lobby and support the development of biofuel feedstocks that could provide economic viability, social suitability and environmental durability. Feedstock like Jatropha has been identified by the GoL as the plant with the most biodiesel potential in Lao PDR. Jatropha was also identified by a regional study in the Mekong Region (commissioned by SNV and WWF) as one

of the most suitable feedstock for smallholders. Potential feedstocks such as Cassava and Sugarcane are other opportunities for biofuel production will also be considered.

## SNV Focus Areas

SNV provides advisory services in Savannakhet, Khammouane, Luang Prabang, Houaphanh and Vientiane Capital to implements activities with its multi-disciplinary adviser teams.

