

One Village One Product movement in Laos

Nobuo Hirohata, Yamaguchi University, Japan, hirohata@yamaguchi-u.ac.jp

Abstract: “One Village One Product movement (Ning Muang Ning Phalittaphan Movement)” in Oita prefecture of Japan is the successful case of the rural development. Various new agricultural products have been developed by villagers by themselves, and the rural development has been achieved through the movement. This distinguished method would be the model case of the Socio-Economic rural development in Laos.

Key-Words: *socio-economic development, rural development*

1. Introduction

Lao economy has been achieving the high economic growth since the middle of 1990's. On the way of this economic development, the economic gap between cities and rural area has been expanding. Under this background, the Socio-Economic developments in rural area become one of the key issues.

As a reference of Japanese successful experience, the introduction of the concept of the “OVOP (One Village One Product) movement” is useful for the rural development in Laos. The main purpose of the OVOP movement is the Socio-Economic development in rural area, by villagers by themselves, through the development of new products such as agricultural products and their processed products, handy crafts and so on. The rural governments support these activities only in terms of technologies and marketing.

The production level of the rice is already enough in Laos, and the new development of various products in agricultural sector and industrial sector are expected. The experience of the OVOP movement would be applied usefully to the Socio-Economic rural development in Laos.

This article introduces 1) the history of the NPC (New Plum and Chestnut) movement in Oyama village and the OVOP movement in Oita prefecture of Japan, 2) the key concepts and results of the movement, and 3) the transfer of

the movement from Japan to Asian countries through supports by Japanese government. This article explains 4) the development of OVOP movement in Laos, and discusses 5) the effectiveness of the movement in Laos for the further Socio-Economic rural development in the future.

2. One Village One Product movement

2.1 NPC movement

The original model of the “One Village One Product movement” was born in Oyama village, Oita prefecture, Japan in 1961 [5]. The village is located at mountainous area, and cultivation area is not enough for villagers. Harumi Yabata, the village chief of Oyama village, started the campaign of “NPC (New Plum and Chestnut) movement”. This movement aimed at the increase of revenues and rural development through cultivating plum and chestnut in collaboration of villagers. This movement overcame some difficulties such as the decrease of production by frost and plant disease, and successfully continued. The campaign title was very unique, “Go to Hawaii by cultivating plum and chestnut”, and actually 16 villagers went to Hawaii in the United States for sightseeing in 1967.

2.2 OVOP movement

The “One Village One Product movement” was advocated by Morihiko Hiramatsu, Governor of Oita prefecture in 1979. Under the backgrounds of needs of 1) the modification of

population concentration to cities and the depopulation in rural area, 2) the industrial development in rural area, and 3) the mobilization of activities of people in rural area, this policy was adopted by the government of Ohita prefecture in 1980. The policy was executed all over the prefecture as a regional movement. The purpose was the vitalization of rural economy through the development of new special products. The NPC movement was referred for the OVOP movement.

The procedure to implementing the “One Village One Product movement” is as follows. (Oita OVOP International Exchange Promotion Committee [9])

- 1) Mr. Hiramatsu proposed the movement to regional leaders
- 2) Mr. Hiramatsu explained the movement to people of all sectors in all the regions of Oita
- 3) The movement was further publicized through mass media
- 4) Prefectural research institutions and guidance facilities were established for technical supports in various industries
- 5) Training and education were offered to regional and industrial leaders
- 6) Special system for the distribution and sales of OVOP products was set up
- 7) Achievers of OVOP were rewarded

2.3 Key concept of the OVOP movement

“One Village One Product” is the concept of the movement. One village may develop some products, or some villages may develop one product. The concept of the “One Village One Product movement” is consists of three basic principles; 1) Local yet global, 2) Self-reliance and Creativity, and 3) Human Resource Development (see Figure1).

Firstly, the movement targets to create nationally and globally accepted products with the local culture and taste. Secondly, the movement should be leaded by villagers, and supported by the local government in the field of technologies and marketing. Thirdly, the movement focuses on the human

resource development, especially fosters persons with a challenging and creative spirit.

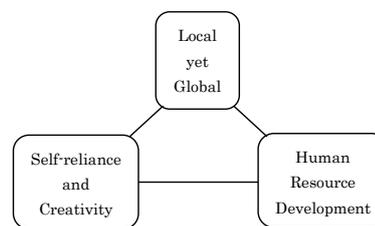


Figure1. Basic principles of OVOP

(Source: Oita OVOP International Exchange Promotion Committee [9])

2.3.1 Local yet global

In Oita prefecture, over 300 new products has been developed through the OVOP movement. Major products are agricultural products including vegetables, fruits and flowers, fishery products, livestock products, condiment, handicrafts, and so on (see Table 1).

Some products are well known to consumers all over Japan. The most famous five products are 1) dried mushroom, 2) kabosu (a kind of citrus fruit) and its processed product, 3) mandarin orange, 4) beef, and 5) shochu.

The united brand, “The Oita” was established. The purpose is a rise in position of products developed through the OVOP movement in the whole domestic and global market.

2.3.2 Self-reliance and Creativity

The OVOP movement is initiated autonomously in 58 cities, towns and villages of Oita Prefecture. The local government does not provide any subsidies for the OVOP movement. The government supports in product development by governmental institutions such as Agricultural Technology Center, Mushrooms Research and Guidance Center, Livestock Experimental Station, and Institute of Marine & Fisheries Science. The government also supports public relation activities of OVOP products and sets up regional markets. Especially, groups and individuals with outstanding achievement in OVOP are honored with rewards.

Table1. Major products developed through OVOP movement
in Oita prefecture

	Industry	Products
1	Agricultural products	(Vegetable) Tomato, Eggplant, Spinach, Cucumber, Bell peppers, Leek, Pickles, Chinese cabbage, Lettuce, Sweet corn, Asparagus, Parsley, Broccoli, Tobacco, Perilla, Mitsuba, Watercress, Saffron, Burdock, Taro, Dropwort, Ginger, Sugar cane, Konnyaku (Fruit) Kabosu, Orange, Strawberry, Citrus, Loquat, Kiwi, Pear, Persimmon, Melon, Water melon, Plum, Grape, Peach (Wild plant) Mushroom, Bamboo shoot, Chestnut, Ginkgo nut (Flower) Rose, Balloon flower, Chrysanthemum, Sweet pea, Lily, Gentian (Others) Shochu, Sake, Green tea, Mineral water, Honey
2	Fishery products	Mackerel, Horse mackerel, Flat fish, Prawn, Shellfish, Sharp-toothed eel, Fresh-water soft shell turtle
3	Livestock products	Beef, Milk, Milk products, Pork
4	Condiment	Miso, Soy sauce, Egg-yolks, Wasabi
5	Handycrafts	Bamboo wear, Lacquer ware, Pottery, Pearl

Source: Oita OVOP International Exchange Promotion
Committee [9]

2.3.3 Human Resource Development

The government of Oita prefecture set up many kinds of training schools that were exclusively designed for each industry, such as Agricultural Training School, Commerce School, International College, Environment School, IT Academy, and OVOP Women's 100 Member Group. The purpose is to educate potential leaders who work by day, and study by night.

3. One Village One Product movement in the world

One Village One Product movement has been introduced in foreign countries such as China, Mongolia, Philippines, Malaysia, Indonesia, Thailand, Cambodia, and also in Laos. The government of Oita has been engaged in inter-regional/local diplomacy with these countries through its support for the promotion of OVOP movement.

The Ministry of Economy, Trade and Industry of Japan (METI) started the "One Village One Product" campaign in 2006. The purpose is the advertisement of handy craft produced in Asian and African countries. (METI [8])

Japan External Trade Organization (JETRO) opened the "One Village One Product" market at the Narita international airport and Kansai international airport in Japan. (JETRO [6])

4. One Village One Product movement in Laos

The Ministry of Economy, Trade and Industry of Japan made a preliminary survey on the possibility to spread over the concept of the "One Village One Product movement" in Laos in 2005. The survey team collected many kinds of handy craft products such as textiles, pottery and rattan products from all over the country [2].

Japan International Cooperation Agency (JICA) and the Laos Government jointly implemented the "Macroeconomic Policy Support (MAPS)" project from 2000 through 2005. The results of the survey in agriculture sector suggested the effectiveness of the introduction of "One Village One Product

(Ning Muang Ning Phalittaphan Movement)” concept in Laos. (CPI and JICA [1])

Following the MAPS project, JICA implemented “The One District One Product Pilot Project in Savannakhet and Saravanh Provinces”. The overall goal of the project was the dissemination of the movement in both provinces. The outputs of the projects were 1) Implementation system for ODOP pilot project is institutionally formed, 2) Capacity of staffs who are in charge of ODOP is developed, 3) Produced ODOP products are sold in the explored markets, and 4) Dissemination system of ODOP is prepared in Savannakhet and Saravanh provinces. The project started from December, 2008 and successfully finished in December, 2011. Major new products developed through the JICA project were shochu, banana brandy, honey products, handy crafts made of rattan, textiles and so on [7].

5. Issues and challenges

This article explains the history, concept and achievements of Socio-Economic rural development through the OVOP movement in Oita prefecture of Japan and foreign countries including the pilot project in Savannakhet and Saravanh Provinces in Laos.

There is one more distinguished success story of Socio-Economic rural development in Laos. Villagers in Ban Had Ngao village, Louang Namtha province started the planting and cultivation of natural rubber in 1994. This trial has been successful by the leadership of village chief and the efforts of villagers to overcome many kinds of difficulties. (interview with the village chief, 2006)

In fact, it is not so easy to develop new valuable products in rural area, because of the lack of technologies. Products must be met with the demand of consumers that usually require low price and high quality at the same time. For example, there are many difficulties to produce qualified textiles dyeing with vegetables. Key issues are 1) protection of impurities contamination in the process of the extract of natural colors from some special glasses and insects, 2) moderate temperature, duration and sequence in the process of

dyeing, and 3) the continuous production of constant quality product.

The production level of the rice is already enough in Laos, and the new development of various products in agricultural sector and industrial sector are expected. The government assistance would be required in terms of technology transfer and diffusion, especially in the field of technologies of high valued fruits and vegetables, and their processed products. The supports of marketing and forging value chains by governments are also important [4].

The introduction of the concept of the “OVOP (One Village One Product) movement” in Laos would be useful for the further socio-economic rural development in the future. Moreover, it would be contributed to the decrease of imports and increase of exports of agricultural products and their processed products.

References:

- [1] Committee for the Planning and Investment Lao People’s Democratic Republic and Japan International Cooperation Agency (2005) Macroeconomic Policy Support for Socio-Economic Development in the Lao PDR
- [2] Japan Intelligent Trust (2005) Thailand and Lao PDR Industrial Linkage Survey, Ministry of Economy, Trade and Industry of Japan
- [3] Hiramatsu Morihiko (1982) Recommendation of the One Village One Product movement, Gyosei
- [4] Hirohata Nobuo (2012) Catching-up Product Cycle Model of the Agriculture Sector in Laos, Business Management Journal Vol.3, Laos-Japan Human Resource Development Institute of National University of Laos
- [5] Yamagami Susumu and Fujimoto Takeshi (2006) The origin of the One Village One Product movement - Regional Development in Ohyama village, One Village One Product movement and Developing Countries, Institute of Developing Economy
- [6] Japan External Trade Organization, <http://www.jetro.go.jp/jetro/activities/oda/ovop/market/>

[7] Japan International Cooperation Agency,

<http://www.jica.go.jp/project/english/laos/0608988/>

[8] Ministry of Economy, Trade and Industry of Japan,

http://www.meti.go.jp/policy/trade_policy/ovop/

[9] Oita OVOP International Exchange Promotion Committee,

<http://www.ovop.jp/en/>