Non-timber forest products (NTFP) are known as important source of cash for many of the world poorest, including for the upland dwellers of the Lao PDR. The Lao PDR government advocates a market-led development strategy as a way to eradicate extreme poverty and hunger. Nevertheless, the promotion of market involvement is a challenging task as it depends on the effectiveness of collaborative arrangements of all stakeholders involved in its commercialisation.

In order to improve the chances of market integration of paper mulberry bark, a promising NTFP, a multi-stakeholder process was settled to enhance action between chain stakeholders. The process started with a participatory analysis of the Lao paper mulberry supply-chain. This process allowed interaction between different functions of the supply-chain (e.g. producers, district traders, exporters, manufacturers, consultants, government extension). Multi-stakeholder workshops offer a platform for social learning, in which the stakeholders of the supply-chain can innovate and adapt their strategies in response to changing social and environmental conditions that are affecting the supply-chain. Increased discussion about the necessary changes to improve the supply-chain allowed participants to decide what type of interventions should be done, so that these interventions could fit their needs, responsibilities, benefits and thus, enhance their ownership over the project and assure the implementation of action-plans.

Most of the planned activities were related to production issues: increase the planted area, improve quality of the bark, form a village marketing group and promote contracts. In addition, individual causal maps made to individual farmers, at that time, show that they perceived individual benefits from pursuing the agreed action-plan. Nevertheless, one year after the process started, results show that some of the agreed actions were not implemented by stakeholders and that increased income and stable prices were not achieved equally throughout the supply-chain. It is argued that even though stakeholders are aware of the benefits of implementing the action-plan, there are capacities and structures that impede them to change the status quo of the supply-chain. This paper discusses the influence of these constraining factors on development interventions in the Lao context.

**Keywords:** Lao PDR, multi-stakeholder process, NTFP, participatory supply chain analysis, rural development, social learning

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