

Cambodia Partnership for  
Sustainable Agriculture  
2016-2017  
Supported by Grow Asia



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## Cambodia Partnership for Sustainable Agriculture (CPSA)

### Overview

At the 2015 Grow Asia Forum, Cambodia’s Minister of Commerce and the Secretary of State from the Ministry of Agriculture, Forestry and Fisheries, invited Grow Asia to help launch a Country Partnership on agriculture development, with the aim of increasing production and enabling access to markets. Based on a six-month consultation process with multiple stakeholders, six crops were identified as priorities for the government and of interest to offtaker companies, which are considered to benefit most from a multi-stakeholder, value chain approach.

The Cambodia Partnership for Sustainable Agriculture (CPSA) was formally launched in May 2016. Since then, work has been underway to develop value chain projects

across the six focus crops. Multiple discussions and scoping exercises have been carried out at provincial, national and regional levels to identify opportunities for sustainable collaboration between partners.

“CPSA is a unique and inclusive platform in Cambodia, aiming to facilitate access to market for smallholder farmers and strengthen the value chains of key crops. It is a timely initiative which aligns with current national development policies and the vision for a robust agricultural sector.”

**Dr. Rathana Peou**  
 CCAFS South East Asia Regional Scenarios  
 Coordinator and Policy Researcher

<b>Population</b>	<b>Percentage of population below the poverty line</b>	<b>Percentage of population in agricultural employment</b>	<b>Agricultural contribution to national GDP</b>
15.41 million	13.5%	54%	30.5%
<b>Agricultural land</b>	<b>Rural population</b>	<b>Mobile penetration</b>	
54,550 km <sup>2</sup>	79%	20.85 million	

## CPSA Governance and Structure

<b>CPSA Co-chairs</b>	<b>Core Committee</b>	<b>Crop Working Groups</b>	<b>Coordinator</b>
<ul style="list-style-type: none"> <li>– Ministry of Agriculture, Forestry and Fisheries</li> <li>– Private Sector Co-Chair</li> <li>– Farmer Co-Chair</li> </ul>	<ul style="list-style-type: none"> <li>– Working Group Leads</li> </ul>	<ul style="list-style-type: none"> <li>Six crop Working Groups<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>Part-time coordinator</li> </ul>

## Cassava



### Activities

The Cassava Working Group has identified challenges and opportunities for action within the cassava value chain in Cambodia. Cambodian cassava is known to be of high quality and there is considerable research being invested into the crop. However, challenges for the value chain remain, one of the biggest being the lack of post-harvest processing. Volatile prices have also taken their toll on consistency of supply and the maintenance of steady contracts between growers and offtake partners.

The Working Group, led by Swisscontact, is currently assessing the value chain to identify areas that could be strengthened to ensure better consistency of supply, sustainability in growing methods and value post-harvest. One project area being explored is the production of cassava chips. The group is looking to work with smallholders in Preah Vihear and Odor Meachey provinces to improve access to machinery for cassava slicing.

## Coconut



### Activities

Global consumption of coconut is increasing and the opportunity in Cambodia is significant, particularly for growers of mature coconuts. However, many farmers are not actively cultivating coconut or they are harvesting too early. In comparison, a mature coconut, just five months older in growth, commands approximately four times the price. Farmers currently opt for “cash now” rather than a higher price later.

Domestic supply of younger coconuts is also not meeting demand. This marks an opportunity to develop local production to capture the market.

Farmers would greatly benefit from training and knowledge transfer, and Cambodia could benefit from focusing on value-added processing for the crop nationally.

The Working Group is looking to gain a more holistic understanding of the current value chain to pinpoint key areas for improvement. Work is also underway to establish village based processing facilities in the Kampot province.

Future value chain projects are likely to focus on farmer education, better inputs and agronomy and creating market links.

## Palm Sugar

### Activities

Much of Cambodia's palm sugar production is currently taking place in Kampong Speu, where specific production standards (organic and "Geographic Identification") are in place and the sugar is certified to these standards.

The Working Group believes that there is an opportunity to expand production outside of these protocols to serve a wider market and improve export potential. Additionally, focus will be given to improving production efficiency to make Cambodian palm sugar more competitive. By increasing market demand, smallholders will be able to use this opportunity to improve their incomes.

Discussions are underway between palm sugar associations from Kampong Chhnang and Kampong Cham and local processors. These discussions are focused on developing a value chain that will link smallholders with international markets.

The group is also planning to complete a stock take of the sector and analyze the value chain to better understand the sustainable growth potential of Cambodian palm sugar.

## Pepper

### Activities

Much of the pepper currently produced in Cambodia is exported through the informal market leading to lost value. Further value is lost due to a lack of processing, or ineffective processing, resulting in lower prices for growers. Lack of agronomy knowledge and proper farming and irrigation techniques results in lower yields and lost value. The Pepper Working Group's mission is to provide greater organization and guidance at a national level to mitigate these issues and, in turn, drive up the value of the Cambodian pepper sector.

The Working Group has developed a plan focused on farmer training and post-harvest processing. The project will support pepper cooperatives to improve standards and build a brand for their product. Local processors and multinational offtake partners are supporting the group to scale.

The Working Group is actively seeking new members to ensure that every stage of the value chain can be addressed.

## Rice

### Activities

In today's market, Cambodia's rice farmers are struggling to be competitive. Labor is harder to access and costs are increasing, farming practices are inefficient, high quality seed is lacking and there is insufficient infrastructure such as drying and storage facilities to deliver the quality and consistency required for today's customers.

Better agronomy knowledge, access to inputs and effective stewardship would help growers benefit from higher yields and profits. Moving away from the current monoculture practice - the production of a single crop - and diversifying plantings could also help Cambodian farmers to realize a competitive advantage.

The Working Group is assessing ways to bring greater levels of training to smallholders to improve efficiencies. It is also working with Farmers' Organizations to reach a greater number of growers.

Two possible projects are currently being explored, one focused on developing the rice seed sector, the other on contract farming. Strong interest and support from government, value chain partners, farmers, farmer groups and cooperatives present numerous opportunities for collaboration and cross sectoral-growth.

## Vegetables

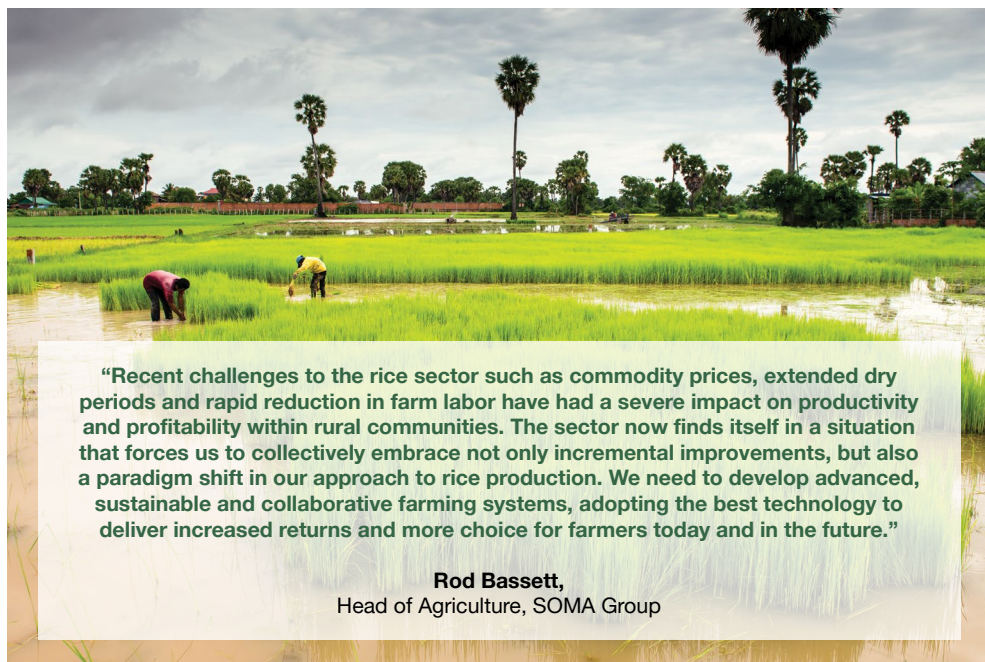
### Activities

There are already several projects and groups working to improve the vegetables sector in Cambodia, however, these are often localized and operate in isolation. Inconsistency in local production and an inability to be competitive with its regional neighbors has prevented Cambodia from realizing its full potential in vegetable production.

The Vegetables Working Group is focusing on aligning existing projects in the value chain to benefit the sector. They are also looking into better training for farmers and marketing of Cambodian produce to improve the value for smallholders.



## Highlight Project Rice Seed Sector Development



**“Recent challenges to the rice sector such as commodity prices, extended dry periods and rapid reduction in farm labor have had a severe impact on productivity and profitability within rural communities. The sector now finds itself in a situation that forces us to collectively embrace not only incremental improvements, but also a paradigm shift in our approach to rice production. We need to develop advanced, sustainable and collaborative farming systems, adopting the best technology to deliver increased returns and more choice for farmers today and in the future.”**

**Rod Bassett,**  
Head of Agriculture, SOMA Group

### Overview

The Rice Working Group has received a huge amount of interest from stakeholders across different sectors. As a key crop for the country and of strategic focus for the government, rice presents a business opportunity for the private sector, a growth opportunity for government and, most importantly, an opportunity for smallholder farmers to improve their livelihoods.

SOMA Agriculture is currently leading the group and has collaboratively developed two project plans. The first is a contract farming pilot that focuses on creating a viable and replicable contract farming model, designed to provide much needed investment in climate-smart, sustainable paddy production and international standard seed production. The second project, incorporating elements from the first, is investment in a viable seed multiplication system and processing facilities.

SOMA Agriculture looks to build state-of-the-art seed processing facilities in Battambang and Kampong Thom Province. Each of the two

processing facilities will have 125 ton per day advanced drying capability for Phase 1 of the project, moving to 250 ton per day for Phase 2. They will also provide the highest quality cleaning, grading, aspiration, de-stoning, sorting and seed treatment processes. Introducing these facilities will be an important step toward capturing much of the value that is currently lost in the rice sector. SOMA Agriculture aims to work collaboratively with key stakeholders Cambodia Agriculture Research and Development Institute (CARDI), the International Rice Institute (IRRI) and the Ministry of Agriculture, Forestry and Fisheries (MAFF) to improve both quality and supply of foundation along with registered and certified seed with high market demand. Resources will also be dedicated to developing newer, improved varieties that will allow the Cambodian rice sector to become more competitive.

By developing the project in collaboration with the Rice Working Group, SOMA Agriculture is aligning with and aiming to build on existing projects and activities.

## Partners

### Cassava

- **Swisscontact**
- Cambodia Agricultural Value Chain Program (CAVAC)
- Cambodia Institute for Research and Development (CIRD)
- United Nations Development Programme (UNDP)
- Ministry of Commerce
- Ministry of Agriculture, Forestry and Fisheries
- SNV

### Coconut

- **Coco Khmer**
- Ministry of Agriculture, Forestry and Fisheries
- One Earth Foods
- Cambodia Institute for Research and Development (CIRD)
- Cambodia Agricultural Value Chain Program (CAVAC)
- Swisscontact

### Palm Sugar

- **Cambodia Institute for Research and Development (CIRD)**
- **Unilever Cambodia**
- Palm Sugar Association of Kampong Speu
- Ministry of Agriculture, Forestry and Fisheries
- Cambodia Agricultural Value Chain Program (CAVAC)
- Swisscontact
- Khmer Organic
- Confirel

### Pepper

- **Cambodia Institute for Research and Development (CIRD)**
- Co-operative Association of Cambodia
- Ministry of Agriculture, Forestry and Fisheries
- Cambodia Agricultural Value Chain Program (CAVAC)
- Confirel
- Olam
- Agriculture Soils
- NEDSpice

### Rice

- **SOMA Agriculture**
- Ministry of Agriculture, Forestry and Fisheries
- Environmental Change Institute-Oxford University
- Cambodian Rice Federation
- Asia Development Bank (ADB)
- International Fund for Agricultural Development (IFAD)
- Cambodia Agricultural Value Chain Program (CAVAC)
- Yara International
- Badische Anilin- und Soda-Fabrik (BASF)
- DuPont
- Harvest Center Cambodia
- CLAAS
- Australian Embassy
- British Embassy
- ASR Cambodia

### Vegetables

- **Swisscontact**
- SOMA Group
- East-West Seed
- Department of Agricultural Legislation (Ministry of Agriculture, Forestry, and Fisheries)
- Green Leaf Farm
- Agence Française de Développement
- Cambodia Institute for Research and Development (CIRD)
- Cambodia Agricultural Value Chain Program (CAVAC)
- Ministry of Agriculture, Forestry and Fisheries
- Farmer Nature Net (FNN)
- SNV

# Cambodia Partnership for Sustainable Agriculture 2016-2017

Key strategic focuses for the year ahead:

## Focus 1

Implementing Working Groups' value chain projects and exploring opportunities to scale

## Focus 2

Continuing to increase the capacity of the CPSA Secretariat

## Focus 3

Continuing to expand the network and engaging more stakeholders from the international private sector

## Focus 4

Supporting active public sector participation in all Working Groups

## Engage

<http://www.growasia.org/cambodia>

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