



CPSA

Annual Progress Report

JANUARY -
DECEMBER 2020

Prepared by:

CPSA Team

Submitted to:

Grow Asia, CPSA Core Committee



Messages from Co-Chairs



Mr. Kong Pheach

Director of the Department of Agro-Industry,
Ministry of Agriculture, Forestry and Fisheries
(MAFF) and Co-Chair of CPSA



"Our partnership with CPSA has contributed to the Department of Agro-Industry's (DAI)'s efforts in improving the agriculture sector and thereby supporting the livelihood of Cambodia's smallholder farmers. We highly appreciate CPSA's roles in facilitation and coordination with different agriculture's stakeholders especially with private sector in Cambodia, leading to development of agriculture, and we are thrilled to be Co-chair of the dynamic organization."

"We at Amru Rice value our partnership and work with CPSA, and fully support CPSA's approach and activities in connecting different actors along the agriculture value chain in Cambodia, ASEAN and beyond. Despite COVID-19, this year, we have been very active working together with CPSA, which helps expand our networks, businesses and other agricultural information and opportunities. Agriculture has always been crucial to Cambodia, and it has become even more so during the pandemic; we see this as an opportunity and wish to extend our fruitful collaboration with CPSA towards agricultural development and sustainability."



Mr. Saran Song

Chief Executive Officer of Amru Rice
and Co-Chair of CPSA



Mr. Sopheap Pan

Executive Director of Farmer Nature
Net (FNN)
and Co-Chair of CPSA

"I highly appreciate the cooperation and support between CPSA and FNN. As institutions working to promote the capacity and livelihood of farmers, partnership and network building is crucial, and I see that as where we can work hand-in-hand effectively. I look forward to working more closely with CPSA team at the operational and strategic level."

Executive Summary

In 2020, the CPSA team achieved great results in its core activities and new projects, despite considerable challenges brought on by the pandemic. CPSA completed all major activities as planned, exceeding expectations in fundraising and partnership building to reach more smallholder farmers.

Over the year, CPSA took critical steps toward stronger governance, internal controls and transparency, including the signing of a new charter by the co-chairs, setting up financial policies and local tax compliance, and preparing for financial audit for the 2020 fiscal year.

In terms of fundraising, CPSA reached the final stages of negotiation with two projects: the Agri-preneurship Incubation Program, and Mekong Region Land Governance's Responsible Agriculture Investment project in Cambodia. We also continue to implement the World Economic Forum's "Sustainable Investment Measures" in partnership with the Council Development of Cambodia.

The four Working Groups – Cashew, Pepper, Fruit & Vegetables (F&V), and Agri-Food SMEs – are actively pursuing their mandates; all of them have a formal structure and official leads and co-leads. Key achievements in the past year include:

- Conducted "Cashew Value Chain Assessment" and participated in "Cashew Policy Task Force" led by the Ministry of Commerce (MOC).
- Developed "Vegetable Group's Strategic Plan- 2021 | 2023" and conducted Rapid Assessment on Fruit Value Chain and Fruit Value Chain Roundtable Discussion.
- Finalized Agri-Food SMEs Strategic Plan 2021 | 2023.
- Supported Cambodia Pepper and Spices Federation (CPSF) General Assembly and Board meetings.

The entire CPSA network now reaches nearly 140,000 farmers through our 112 active partners. New partners for 2020 include SNV (CHAIN II), USAID (Harvest 2), GIZ (ASEAN REI), Smart Agro and Top Planning (Cambodia), to name a few.

We look forward to implementing more activities and forming new partnerships, and will work hard to achieve them in the coming year. Please stay in touch with us through our refreshed website, bi-weekly news roundup, and Telegram channel.

Ratha Chan

Country Director
CPSA



112

CPSA active members

887

Aggregated # participants to CPSA meetings

2

publications



Target Indicators

In January 2020, our team set up an internal monitoring framework to help CPSA track and monitor activities throughout the year. Our M&E Framework includes 18 targets, which are checked and discussed each month during our M&E Monthly Meeting; this process helps the team understand the progress of our activities, what is on track and where our efforts should be focused on next. Of all targets set out for this year.

● 18 indicators were fully achieved ● 01 indicator was partially achieved and ○ 01 indicator was not achieved.

1.1.1 Official signing of CPSA's Charter by Co-chairs	●
1.1.2 General Assembly & Core Committee Meet. organized	●
1.1.3 Reviewing current capacity of existing website	●
1.1.4 Upgrading website and content (outsourcing)	●
1.2.1 Reviewing the existing pipeline and classification	●
1.2.2 Developing business development tracking sheet	●
1.2.3 Sourcing new projects through GA/WEF/ in-country opportunity	●
1.2.4 Generating other sources of income	●
2.1.1 Participate to 24 national/sub-national events	●
2.1.2 Be invited and join as a moderator or speaker to 6 events	●
2.2.1 Participate to 2 events/workshops/training organized by other CPs	●
2.2.2 Participate to 2 regional/ international events	●
2.2.3 Participate as speaker in 1 regional event	○
3.1.1 Organize/co-organize 12 core group meeting of the WGs	●
3.1.2 Organize/co-organize 4 public events of the WGs	●
4.1.1 One Agri-digital solutions assessment (AgTech Solution)	●
4.1.2 Co-sponsor 1 value chain project under the WGs	●
5.1.1 Increase # signed partners of CPSA by +24	●

GOVERNANCE

In 2020, CPSA officially formalized its governance structure by appointing its three Co-Chairs, from public sector, private sector and one producers organization respectively, and held its first Core Committee Meeting on 29 July 2020.

The Core Committee Meeting (attended by the Co-Chairs, together with the Lead and Co-Lead of each Working Group) was an opportunity to share achievements, future plans and receive feedback from relevant stakeholders of CPSA. The Meeting was also an occasion for the Co-Chairs to officially sign CPSA Charter.

The photo below shows the Charter signing ceremony by CPSA Co-Chairs (from left to right): Mr. Pan Sopheap, Director of Farmer Nature Net (FNN), Mr. Kong Pheach Director of the Department of Agro-Industry (MAFF), Song Saran, CEO of Amru Rice, and Ratha Chan, Director of CPSA.



Working Groups Update

CASHEW

WORKING GROUP (CWG)

Lead: HEKS/EPER

Core Members: 10

After the completion of the cashew nut value chain assessment conducted in 2019, since January 2020 the WG has been involved with the draft of the Cashew Policy.

First, recommendations from an external consultant were developed; afterwards MOC set up a Technical Working Group for the policy draft, of which some members of the Cashew WG (including CPSA) are part of. After the Technical Working Group led by MOC met, the CWG had a core group meeting in March.

MOC led two meetings with the Technical Working Group for the development of the Cashew Policy, as follows:

- The first meeting (May 26) targeted development organizations (CPSA included)
- a second meeting (June 8) also included farmers and processing companies from the private sector.

Following these meetings, the final draft policy from the Technical WG was produced. In July, the draft was discussed by the Technical Working Group during a virtual meeting led by MOC.

The Draft Cashew Policy was later translated into Khmer with support from Harvest II (USAID) and submitted to the Department of Trade Policy under MOC, as the policy needs to comply with processes of the Council of Minister.

It is estimated that Cashew Policy will be finalized in the first semester of 2021.

In parallel with works at the policy level, the initiative to establish a Cashew Federation started among the members of Cashew WG and beyond.

The lead of the Cashew WG, HEKS, together with Santana Co. organized one meeting on 11 September to collect feedback and interest of different actors in setting up the Cambodia Cashew Federation.

Lastly, CPSA Team throughout the year continued its engagement with private companies, by discussing opportunities, providing investment matching support, and discussing the organization of a Cashew Forum in 2021.

Fruits and Vegetables (F&V WG)

Working Group (WG)

VEGETABLES GROUP

Lead & Co-Lead: World Vision/MASE 2 & Khmer Organic Cooperative (KOC)

Core Members: 12

The Vegetable WG brings together the government, private sector, and civil society to support the vegetable sub-sector by coordinating policy dialogues, and facilitating different key thematic discussions on access to input supply, production, quality control, processing, market linkages issues, and consumer awareness. The Vegetable Group scope of work aligns with MAFF's agricultural strategic plan 2019-2023 and shares the same goal, which is to reduce the poverty rate by increasing the incomes of smallholder farmers.

Since its formalization in late 2019, the Vegetables Group has been meeting with its lead and co-lead to refine the group's strategy development. In order to develop a clear and actionable strategy, the Group decided to hire an external consultant. After the necessary financial resources were mobilized, the Core Group held a meeting on June 12 2020 and agreed to form a selection committee (with representatives from WVi-MASE2, KOC and CPSA) and a technical committee with 7 members (includes SNV, DCA, VSO, and RUA).

In Q3 2020, the selection committee unanimously appointed Mr. Leng Chhay the leading VG Strategic Consultant. The assignment will implement in Q4 2020.

In November Mr. Chhay completed individual and technical group consultations and drafted a report with findings and recommendations, which was later finalized in December.

A consultative workshop to discuss findings will be organized by the Group in January 2021.

FRUIT GROUP

CPSA conducted a rapid assessment of selected fruit value chains (mango, banana, coconut, dragon fruit and longan). A Fruits Value Chain Roundtable Discussion on the report “Rapid Assessment on Fruit Value Chains”, was conducted. There were approximately 50 participants across several fruit value chains including private sector, civil society, ministries, IOs, INGOs, and research institutes (RUA, CIRDA). The Roundtable Discussion was conducted to:

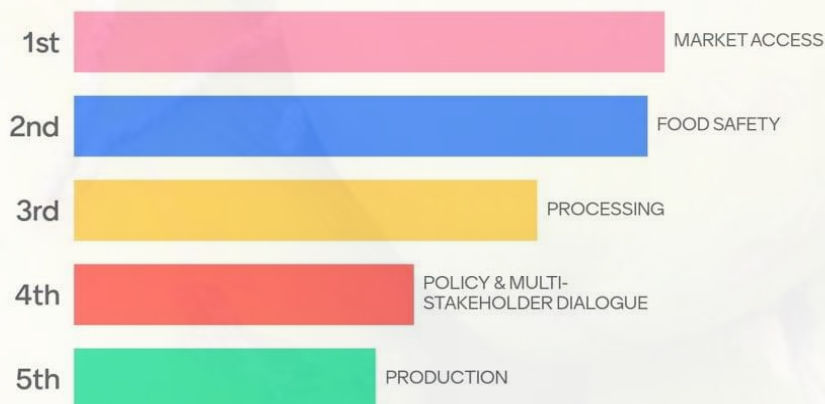
- Share the findings from the Rapid Fruit Value Chain Assessment Report and discuss recommendations
- Illustrate the benefits of forming and becoming a member of the Fruit Group
- Brainstorm the potential activities and strategic outcomes of the Fruit Group

As a result of the meeting, 97% of the participants stated that they wanted to be members of a Fruit Group.

As a first step CPSA created a “Fruit Sharing Group” on Telegram where relevant information can be freely exchanged by all actors. In late 2020, CPSA started to identify core members of the Group, and in 2021 the Team will consult with potential key stakeholders in order to officially form the Fruit Group.

What theme is most important to you?

Mentimeter



Source: Response from 50 participants of Fruit Value Chain Roundtable Discussion, 29 September 2020

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• With funds from the International Development Research Centre, Grow Asia has supported the CPSA in conducting and finalizing the Rapid Fruit Value Chain Assessment in Cambodia, with the following objectives:

- Identify relevant Cambodian stakeholders, SMEs, associations, or cooperatives involved in the production, trade and retail of selected fruits (banana, mango, longan, dragon fruit, coconut)
- Create a detailed overview of the fruit value chain from the stakeholders to identify and assess their needs, barriers, and challenges
- Develop recommendations for improvement of the sub-sector, especially with respect to the creation of the Fruit Group under CPSA's Fruits & Vegetables WG

The [assessment](#) has been published on CPSA's website and presented several times to our partners during our learning events.

AGRI-FOOD SMES WORKING GROUP

Co-Lead: Kirirom Food Production (KFP)

Core Members: 8

Over Q1 of 2020 the CPSA focused on engaging the public sector and INGOs/IOs. We held meetings with the SME Department from the Ministry of Industry, Science, Technology, and Innovation (MISTI), UNIDO and GIZ.

We then organized a Potential Core Group Meeting, with the above-mentioned stakeholders and other active private sector members, in order to initiate the discussion on the structure and mandate of the WG. Following the momentum created in Q1, the WG was able to formalize its structure in Q2. In April, one meeting was held virtually with the potential core group members to further discuss the draft TOR developed by CPSA with inputs from the group. Based on this discussion, the final draft TOR was developed in May, and in June CPSA held individual consultations with those actors who could potentially become co-lead of the WG. The WG structure was formalized in June through an in-person meeting where the core members signed the TOR and voted for the two leads of the WG (CMFA and KFP respectively).

In July the WG in cooperation with AMK Microfinance Institution held a public learning event on the topic "Value Chain Financing Package".

Between August and September, the Agri-Food SMEs worked on the development of WG Strategic Plan 2021-2023. The Plan was structured in 4 main areas:

1. Policy and lobby
2. Agri-Food SMEs Promotion
3. Agri-Food SMEs Working Group Capacity Building and Outreach
4. Agri-Food SMEs Development

In an effort to contribute the 4th area of the Plan, in Q4 CPSA organized two (online) learning events. In cooperation with Control Union (a Certification Body) we hosted an event on "Food Safety and Certifications" in November. In December, with the advisory of an external expert, we conducted a webinar on "Tax Obligations and Tax Incentives for SMEs".

In terms of governance, the original Led of the WG, the Cambodia Food Manufacturing Association (CFMA) decided to resign from its leadership role, and the Core Group majority agreed to ask the Co-Lead, KFP, to become the Lead in November (request still pending).

Lastly, the WG created a dedicated [Facebook page](#), to promote their activities and reach out to even more potential members.

PEPPER WORKING GROUP

Lead: Cambodia Institute for Research and Development (CIRD)

Core Members: 10

In Q1, the Cambodia Pepper and Spice Federation (CPSF) has hired an executive assistant to support its operational team. Moreover, one meeting was organised with participation of CPSA, CIRD and CPSF's operational team to start planning for the Board of Directors' Meeting and the General Assembly.

The Cambodia Pepper and Spice Federation (CPSF) held its Board meeting on 22 June, to discuss among the others the General Assembly, which will be organized in the end of August.

In Q2 CPSF also launched its [website](#).

Moreover, in Q2 CPSF and HEKS, together with FUCHS Company, tested pepper in 2 provinces of Cambodia to check its quality. Results show that quality has improved compared to last year, e.g. in terms of chemical usage; however, the density was lower– this is likely to be due to water shortage.

In August, after several consultations, CPSF Board made the decision to nominate two more companies from the private sector as Vice Presidents to CPSF, Sela Pepper and Signatures of Asia respectively.

With support from CPSA and CIRD/HEKS, the CPSF General Assembly was conducted in September, and President and VPs were officially elected by all CPSF members. Moreover, CPSF's 2020 workplan and achievements were presented on this occasion, and Sela Pepper presented CPSF's activities and budget planned for 2021.

In Q3, CPSF witnessed the international market demand and price for pepper drop substantially, and in the meantime Cambodian pepper farms' output still remained high. As a result, General Department of Trade Promotion (GDTP/MOC) invited CPSF management and its key partners to meet on 9 October to discuss how GDTP/MOC could support and cooperate with CPSF during the difficult time.

GDTP suggested CPSF to cooperate and jointly finalize the Pepper Policy. The Department had also well received the request of CPSF on pepper transportation and tax exemption and will bring this topic forward with MOC H.E Minister.

CPSF's request to discuss pepper farmers loan burden was accepted by the Agriculture and Rural Development Bank (ARDB). On 5 November ARDB invited CPSF to their office for a discussion and to try find a solution to this situation.

PARTNERSHIPS

Between January and December 2020, our team focused on stakeholders engagement, both with existing partners and with new ones. These partnerships cover different areas of sustainable agriculture, ranging from contract farming to gender equality, from responsible investments to agriculture technology, e-commerce and more.

First, in January and February we contributed resources (human and financial) to support the organizations and running of DAI's national event on contract farming, where 170 participants joined. Furthermore, we continued our communication with IISD (with whom we worked in 2019 during their scoping visit). IISD provided feedback to DAI on setting up the legal framework for contract farming, and CPSA has been involved by the two parties to support this initiative.

In February we also participated in the 3rd meeting of the Cambodia RAI Alliance, led by MRLG, of which we are a member (given CPSA and GA's expertise in sustainable/responsible investments in agriculture). As a result of the year long relationship, CPSA will be officially contracted by MRLG in 2021 as a partner to their project.

In the areas of AgTech, we collaborated with Cropln (India) and Cam-Agri Market (Cambodia) with whom we jointly organized a learning workshop in February, "*AgTech Solutions: Opportunities for Cambodia*". Moreover, in June CPSA's Director joined the first (national level) "*Consultative Meeting on Agri-Tech Platform*" organized by WING, the leading mobile money and e-payment service provider in Cambodia. As a result of the meeting, CPSA was designated as Secretariat for the Agri-Tech Platform initiative and began an agri-tech/digital solution assessment together with WING. This collaboration, endorsed and actively mobilized by H.E. Madam Serey Chea, Director of the National Bank of Cambodia, continued for the whole year, and will have concrete developments in terms of launching and E-commerce initiative in 2021.

Under the cross-cutting theme of Gender, we have been reached out by UNIDO and Banhji (FinTech company) for support with their projects.

In April, our team met for the first time with AMK, a Microfinance Institution focused on agriculture. Following discussions and meetings with some of our agri-food SMEs WG members, we launched together a public event on AMK's new value chain financing model in July 2020.

In August 2020, we attended the Grow Asia Forum, and on a monthly basis we have joined GA Network catch-up calls, which kept us to date on what goes on in the wider network, as well as triggered fruitful interactions with other CPs, especially in terms on exchanging best practices (e.g. with PPSA on how to run a newsletter & facilitate a virtual meeting).

PROJECTS PIPELINE



In January we signed another contract with WEF for the second phase of their project "Sustainable Investments in Cambodia". Under this project, activities have been carried out both with the Council for the Development of Cambodia (CDC) and MAFF, with the goal to implement 5 measures elaborated in the first phase of the project. Moreover, connections were made virtually between CPSA, Grow Asia, WEF (Geneva), FAO (Rome), WEF (Singapore) and IISD (Geneva) to understand each other's work and possibly synergise efforts.



In May 2020, thanks to funds from IDRC, CPSA successfully completed a [Rapid Fruit Value Chain Assessment](#) (available here) of five selected fruits. This represented the first step for the set-up of the Fruit Group under the F&V WG.



Jointly with the Grow Asia Secretariat, CPSA has also started a project funded by the Swiss Development Cooperation (SDC), on Responsible Agricultural Investments (RAI) activities funded by SDC. The regional project focuses on the promotion and implementation of ASEAN RAI Guidelines, adopted by the ASEAN Secretariat in 2018. The main activity conducted by CPSA in 2020 consists of private sector as well as CSOs engagement.



Between October and November, our team was also contracted by the International Institute for Sustainable Development (IISD) to support a research project on Sustainability Standards in the rice sector in Cambodia.



In 2020, CPSA has been an active member of the Cambodia RAI Alliance led by MRLG and seeing the participation of FNN, CPS, Oxfam and DAI/MAFF. The RAI Alliance members jointly developed the concept note and workplan for project that will start in 2021, on RAI with a focus on the contract farming mechanism.



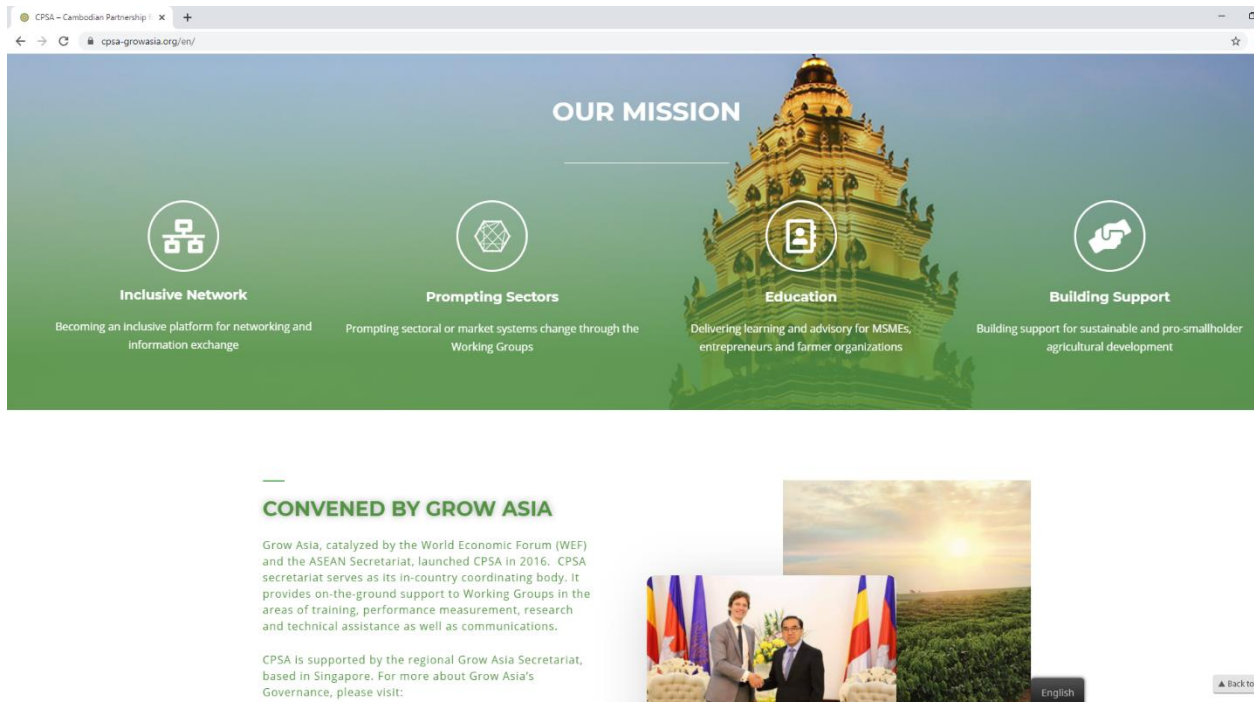
As of August, CPSA started collaborating on a concept note with Khmer Enterprise (KE), a unit under the Ministry of Economy and Finance with a vision to become the national platform for promoting entrepreneurial activities in Cambodia. KE and CPSA will officially launch a 3-year project, the *Agripreneurship Incubation Programme*, in February 2021.

COMMUNICATIONS & VISIBILITY

In order to engage and keep up-to-date our partners with what goes on in the agriculture sector in Cambodia (and in the region), update on our activities and other relevant information, CPSA regularly:

- sends to 450+ stakeholders a bi-weekly News Roundup
- posts updates on [our Facebook page](#), and
- promotes via Telegram with our working groups' members other initiatives (such as events, awards or work opportunities)

In April, CPSA's team began the process for its website upgrade, and by Q3 of 2020 we successfully launched our upgraded website (snapshot below):

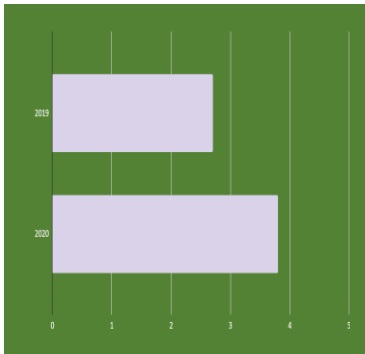


On our website, one can also read or download our [Brochure 2020](#), our [Quarterly Progress Reports](#), as well as our publications. In terms of visibility, in February we published the Post-Event Report of the Agri-Food SMEs WG [B2B Event \(Nov. 2019\)](#), and in June, CPSA featured again on [Grow Asia Exchange](#) with our Rapid Fruit Value Chain Assessment Report.

PERFORMANCE MEASUREMENT

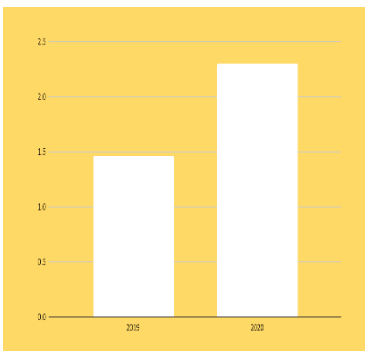
Every year CPSA measures its performance with tools common to all Grow Asia's Country Partnerships (CP) across South East Asia. These tools assess how well the CP is doing overall, how well each CP Working Group (WG) is performing, and what is the collective impact of the network at the farmer level.

Compared to 2019, CPSA in 2020 exhibited significant improvement at all levels.



First of all, we proved to have strengthened our Country Secretariat. This includes improvement on four different levels:

- Financial Independence
- Organization Capacity
- Stakeholder Engagement
- Quality of Working Groups and their impact



The four Working Groups that we work with have also shown improvement over the last year. We have measured their performance together with their Lead and Co-Lead, and we also gather feedback from general members.

The four areas on which WG are assessed are the following:

- Structure
- Strategy



Lastly, this year, thanks to the valuable work of our partners, the network has directly benefitted over 100,000 farmers in Cambodia. Of these, more than 50,000 are women farmers.

Our network has shared best practices, technology, knowledge and know-how with smallholders all over the country, contributing often times to increased profit and productivity, and alleviating the impacts of COVID19

Beyond aiming at an outstanding performance while delivering our activities, CPSA also wishes to secure financial sustainability in order to guarantee its operations for the years to come. This is the reason why in late 2020 we hired an Organizational Sustainability Plan (OSP) Consultant to help us come up with a strategic plan for the next few years. The Consultant will conclude his assignment in 2021.

FINANCE & ACCOUNTING

The year 2020 has been full of achievements for CPSA in the areas of Finance and Accounting. The following are the key successes of CPSA between January and December:

- ④ Finalized CPSA Financial Policy
- ④ Running autonomously our accounting system (Quickbook)
- ④ Completed GDT E-filing registration
- ④ Obtained tax exemption
- ④ Completed annual financial report
- ④ Formalized CPSA's bank account
- ④ Prepared for internal Audit for 2020
- ④ Prepared for annual tax declaration 2020
- ④ Develop Grow Asia Annual Budget Plan for 2021
- ④ Drafted CPSA internal Travel Policy
- ④ Registered staff with the National Social Security Fund (NSSF)



Engage

 www.cpsa-growasia.org

 [facebook.com/CPSAgrowasia](https://www.facebook.com/CPSAgrowasia)

 <https://t.me/CPSANetworks>

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