CAMBODIA SUSTAINABLE BUSINESS DEVELOPMENT (CSBD)
GRANT PROJECT STORY

PROJECT BRIEF

• $4,684,663 AUD
• 1 October 2014 until 30 June 2019
• Donor: Australian Government, Department of Foreign Affairs and Trade (DFAT), with co-funding from World Vision Australia and Thank You Group.

DID YOU KNOW?

• 79% of Cambodian population are living in the rural areas. Most support themselves through smallholder farming*
• Agriculture represents 2/3rds of the country’s total employment**
• Many poor farmers who practice subsistence farming, only produce just enough for themselves and their families with limited profits
• Many farmers are constrained by: - limited capacity to operate in agricultural markets - inadequate technical skills and knowledge to improve productivity - lack of access to capital to expand their production

PROJECT LOCATION

45 communes, 14 districts in Kandal, Preah Vihear and Kampong Thom province

PROJECT GOAL

3,690 active Agriculture Cooperative (AC) members from 38 ACs have improved livelihood for well-being of their children in three target provinces by 2019.

Project Outcomes:

• ACs have strong governance and leadership with transparency
• ACs develop and run profitable agricultural businesses that support AC members
• AC members increase farming profits and productivity

Note: the scope of the projects location, goal and outcomes were revised after the re-evaluation in 2017. The re-evaluation identified the need to invest more resources into fewer ACs, but extend to more AC active members in order to motivate, mobilise and support each AC, to achieve the programs goals.

* According to World Food Program, 2017
** According to Cambodia’s National Employment Agency, in 2015
Samakki Phnom Pich Borei Agricultural Cooperative (AC), established in 2014 in Srabal village, Phnom Penh commune, Kulen district, Preah Vihear province. The AC started with 197 members and 1993 shares. Cost per share is 20,000KHR, making the whole capital is equal to 39,860,000KHR ($9,965 USD).

During the first two years of formation, Phnom Pich Borei limited its role to offering a credit scheme to its members. Excitedly, its turning point hit in 2016, where businesses were formed and gradually expanded. Those included selling rice seed and organic fertilizer to its members, producing and selling organic rice to companies, supplying pure drinking water, and providing services on rice harvesting.

Seeing increased opportunity and profitability the AC membership increased by almost 50%, making 10,880 shares. This pushed the existing capital to grow up to 217,600,000KHR ($54,400.00 USD).

As a result, the total capital from business and shares, increased to 283,000,000KHR ($70,750.00 USD) enabling loans from 100,000KHR to 1,000,000,000KHR per loan for each member.

Currently Phnom Pich Borei owns many assets – AC Headquarter, Drinking Water Station, Harvesting Machine, Rice Dryer Measurer, Rice Transplanting Machine, and Computer sets of which around 60% of assets were donated to the project by World Vision in Cambodia.

To be part of the One Village One Product movement of the Cambodia government, which aims to increase family income and develop their economies, this year the AC has developed its Business Plan. Their plan seeks to produce their own product by seeking support from the Cambodia Sustainable Business Development project to install a local Rice Miller to produce and sell their milled rice product, rather than simply selling organic paddy rice to companies alone.