

Presentation on Agricultural Productivity and Diversification

Paper for

3rd Cambodia Development Cooperation Forum

2-3 June, 2010 at CDC, Phnom Penh, Cambodia

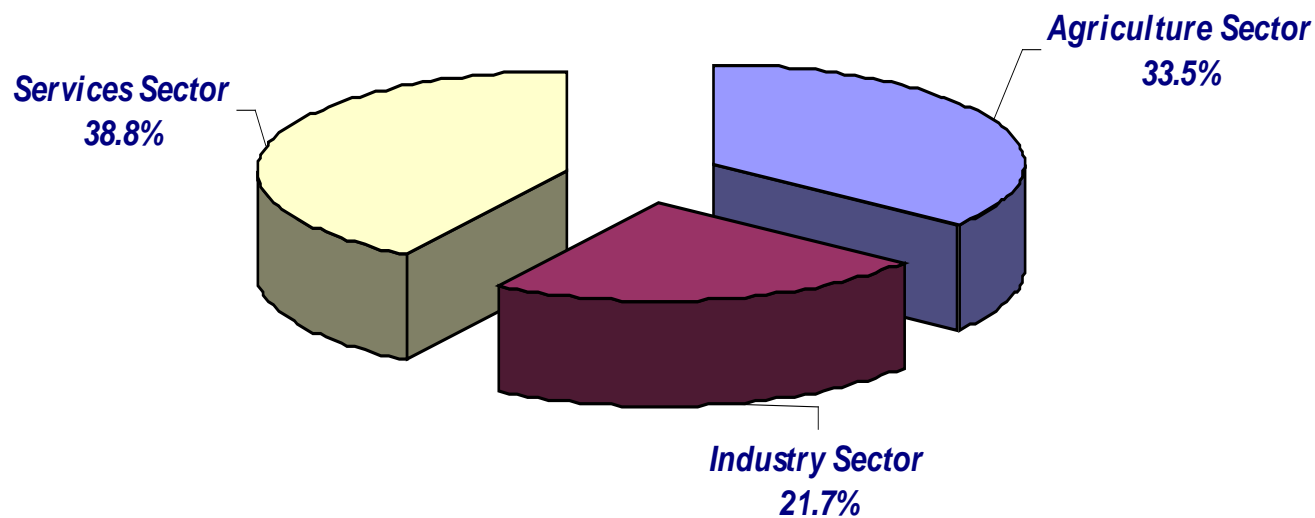
Presented by

H.E CHAN TONG YVES

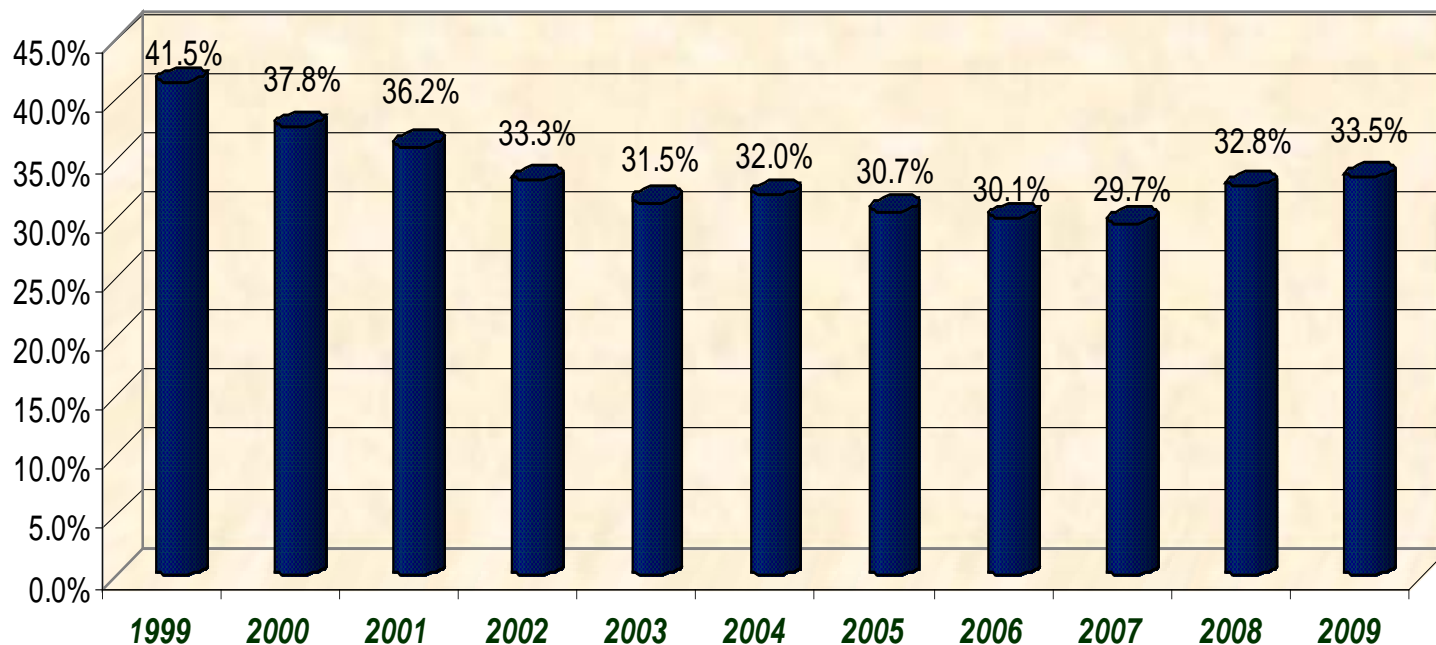
Secretary of State, MAFF and Co-Chairs of TWG-AW

GDP by Sector (2009)

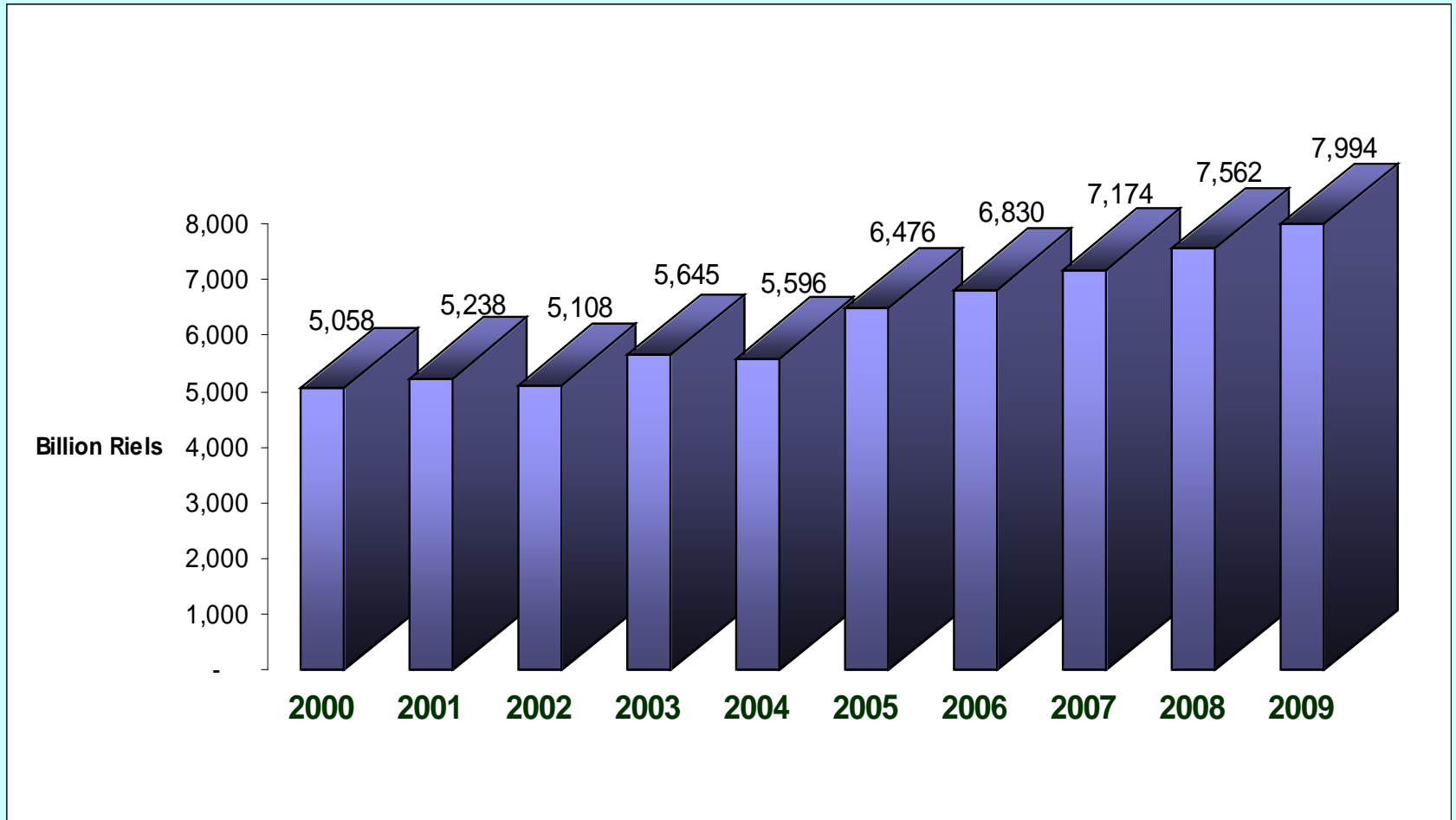
Cambodia GDP 2009 (Current Price)



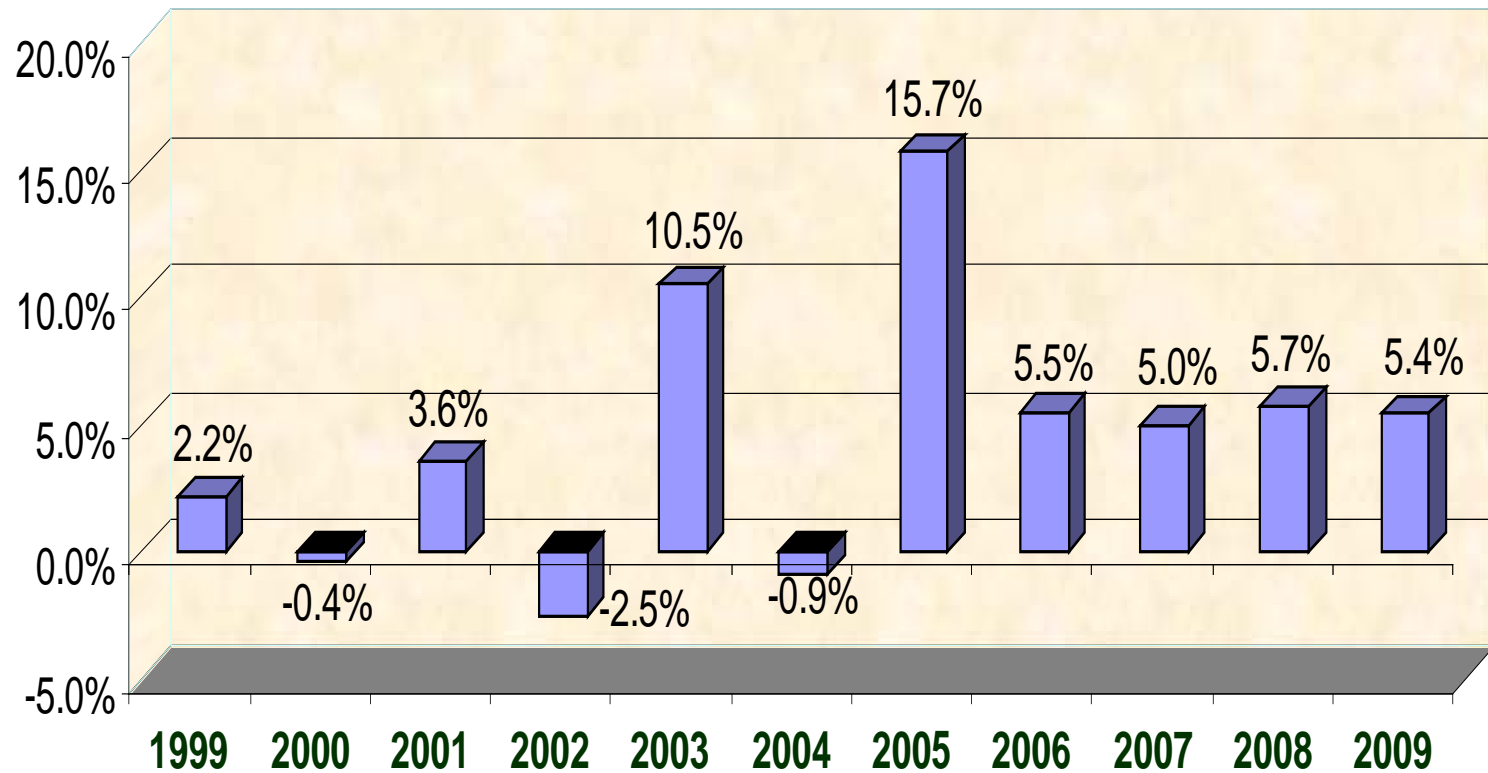
Evolving Agricultural Share in GDP (1999-2009)



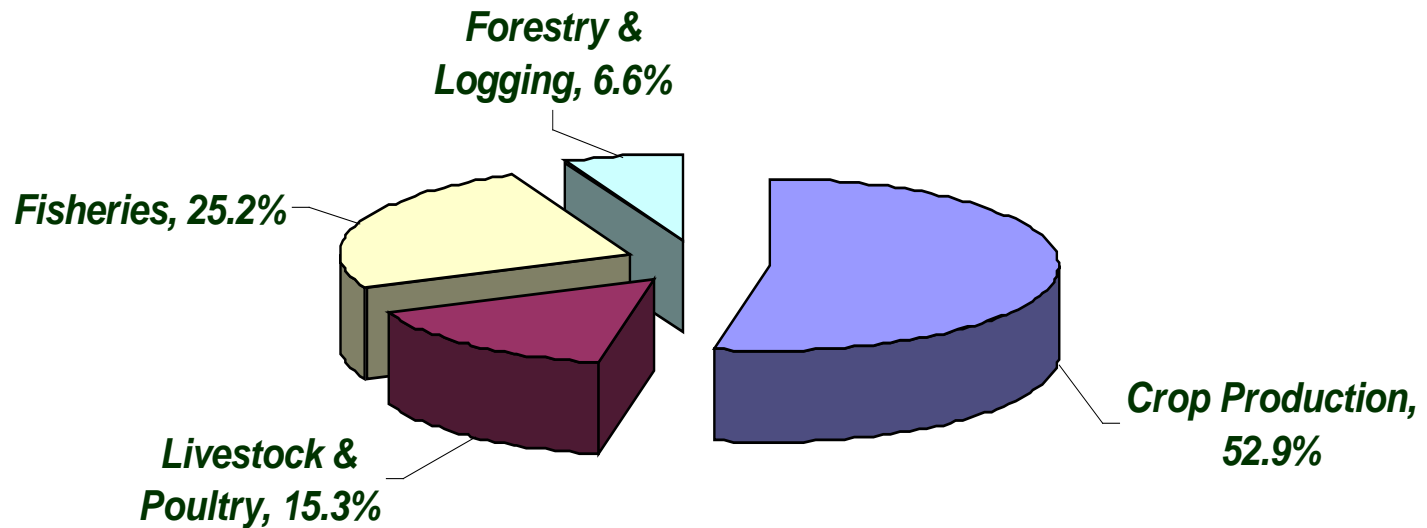
Gross Value Added of Agriculture (2000-2009) Year 2000 Constant Price



Agriculture Growth 1999-2009



Composition of Sub Sector in Agriculture 2009



A More Intensified Rice Production

Description	2005	2006	2007	2008	2009	Change 09/08 (%)
Cultivated Areas (ha)	2,443,530	2,541,433	2,585,905	2,615,741	2,719,080	3.95
Harvested Areas (ha)	2,414,455	2,516,415	2,566,952	2,613,363	2,674,603	2.34
Rice Yield (t/ha)	2.479	2.489	2.621	2.746	2.836	3.2
Production (mt)	5,986,179	6,264,123	6,727,127	7,175,473	7,585,870	5.72
Rice Surplus (mt)	1,319,571	1,433,880	1,649,640	2,025,033	2,244,598	10.84
Paddy Surplus (mt)	2,061,830	2,240,438	2,577,562	3,164,114	3,507,185	

A More Intensified Rice Production (Cont.)

- From 2005 to 2009, rice production has increased significantly in the following:
 - Harvested area from 2.41 million ha to 2.67 million ha an increase of 10.77%
 - Production from 5.98 million tons to 7.58 millions tons an increase of 26.72%.
 - Yield also increased from 2.47t/ha to 2.83 t/ha an increase of 14.40%.
 - Surplus milled rice increased from 1,319,571 t to 2,244,598 t an increase of 70%.

A More Intensified Rice Production (Cont.)

In 2009, rice surplus is calculated 2.24 million tons equivalent to 3.59 million tons of paddy.

➤ Although rice continues to be cultivated predominantly, Cambodia is no longer rice monoculture country. Its agriculture, now, has diversified into a wide range of crops such as seasonal cash crops, perennials crops, livestock production, fish production etc...

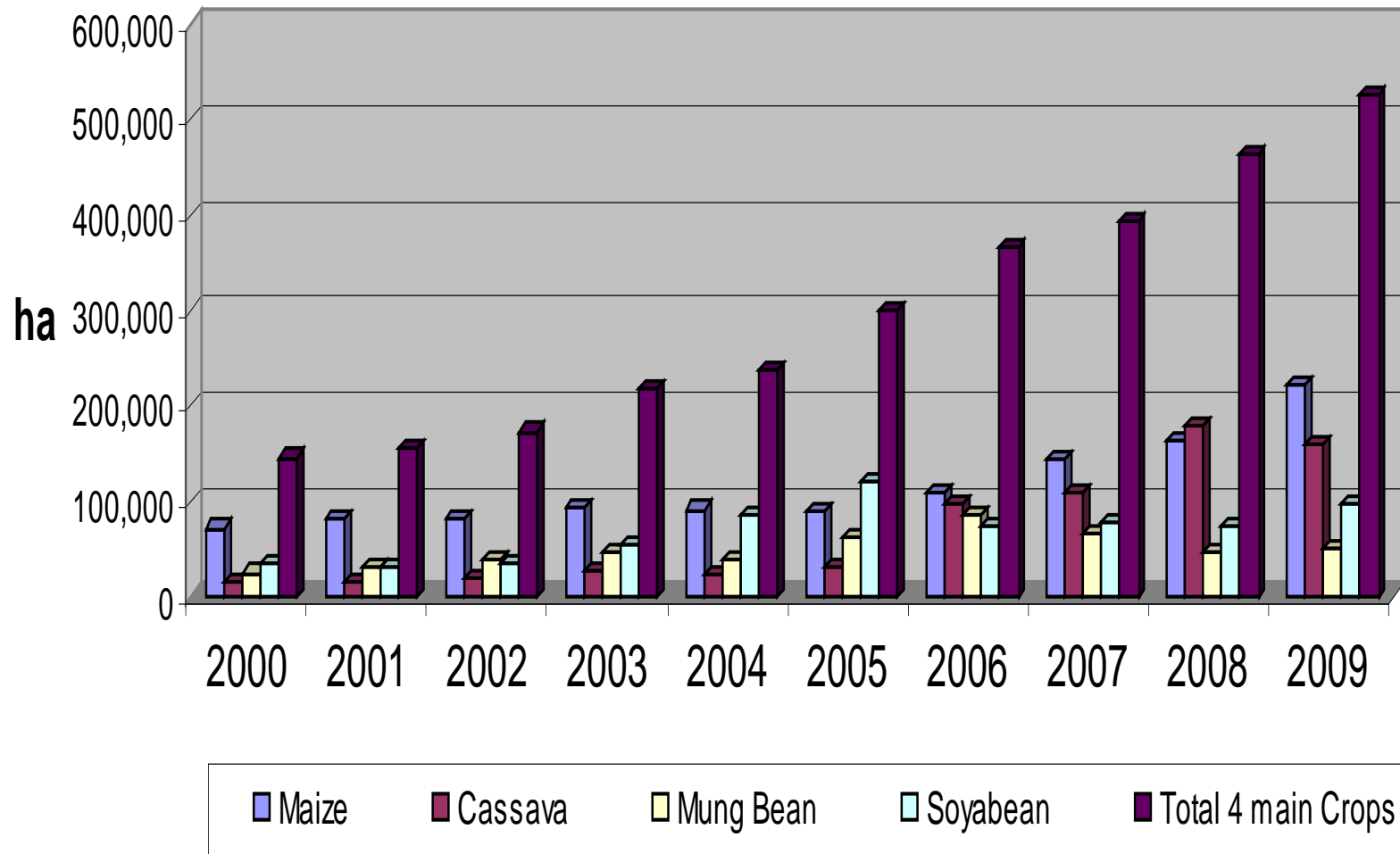
Seasonal Cash Crops

- Maize, Cassava, Sweet potato, Vegetable, Mungbean, cultivated areas 679,201 ha and production of 5,648,322 tons;
- Peanut, Soy Bean, Sesame, Sugar cane, Jute, Tobacco, cultivated areas 179,217 ha and 557,742 tons

Fruit trees and perennials

- Cultivated areas: 167,047 ha, including Banana 25,664 ha; Mango 23,734 ha; Cashew 66,513 ha; Pineapple 1,056 ha; coffee 231; peper 861 ha; orange 3,553 ha; durian 2,200 ha; longan 2,376 ha; Other fruit trees 13,571 ha

Cultivated Areas for 4 Main Crops, 2000-2009



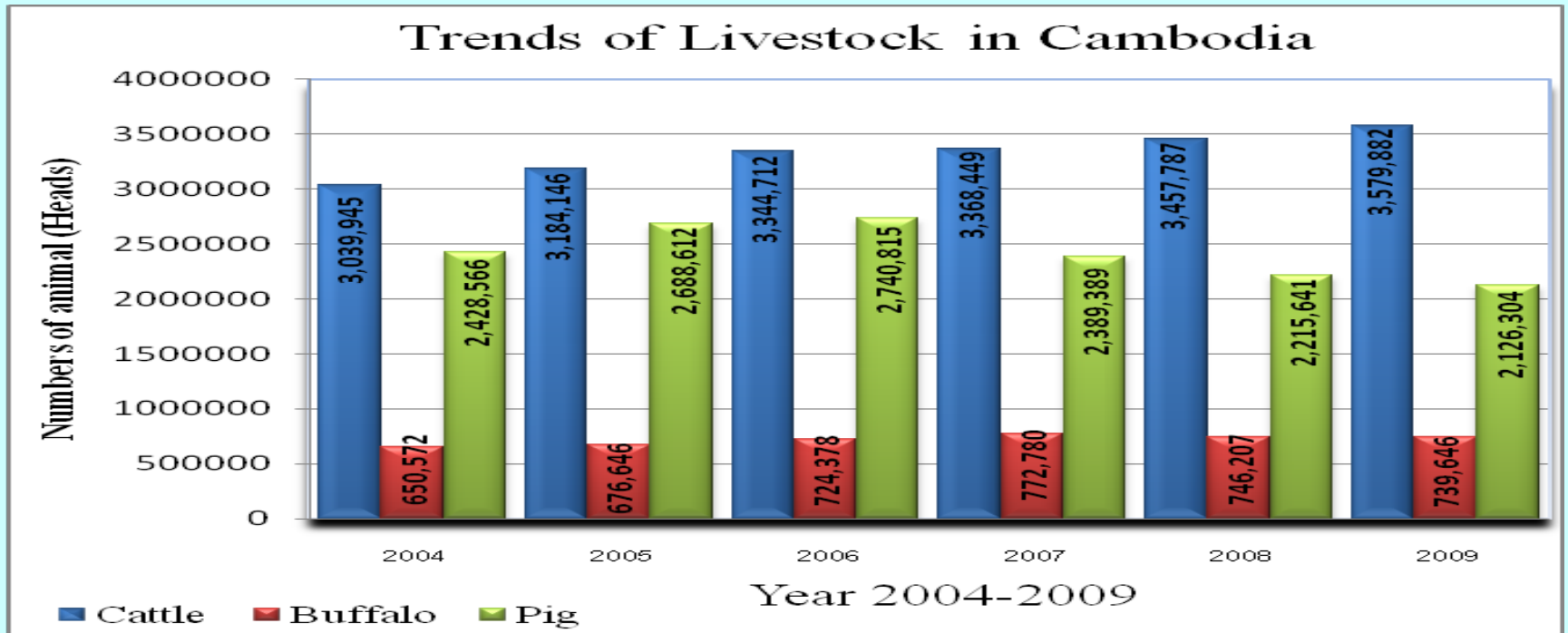
Rubber Plantation in 2009

- Total cultivated areas: 129,920 hectares including private and household plantations.

Livestock Production 2009

1- Household Animal Raising 2009

- Cattle: 3,579,882 heads
- Buffaloes: 739,646 heads
- Pigs: 2,126,304 heads
- Poultry: 20.20 million heads

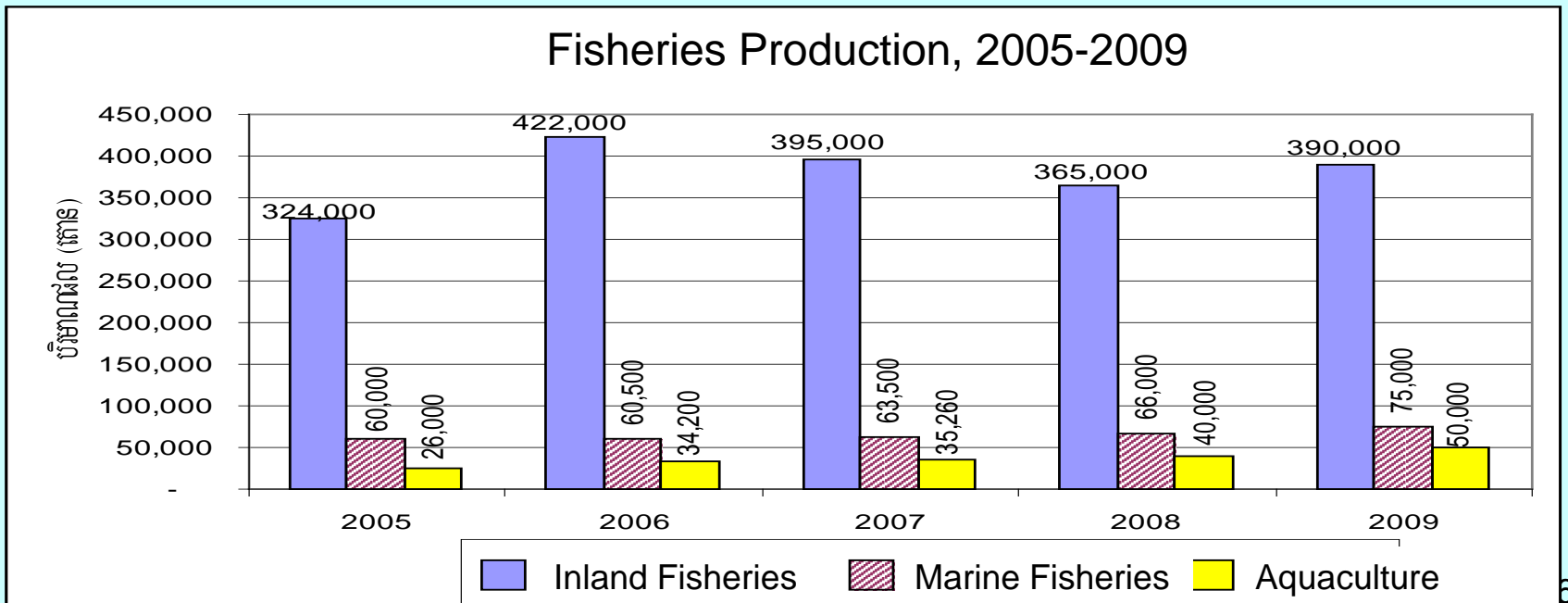


Semi- commercial animal farms

- Poultry farms: 2,302 farms and 3,139,271 heads
- Pig farm: 1,367 farms and 98,291 heads
- Cattle farms: 52 farms and 6,453 heads

Aquaculture

- Fish & shrimp production: 50,000 tons
- Fish fingerling : 69,750,000 heads.
- Crocodile farms: 185,000 heads



Exportable Agricultural products

- Paddy/Rice (Domestic demand surplus)
- Seasonal Crops: Maize, Soybean, Mung bean, Sesame, Peanuts, Cassava, Tobacco
- Perennial Crops: Cashew, Pepper, Rubber...
- Fish products
- Cattle/Bufalos.

Local use and export of some Agricultural products

Selected Commodities	Domestic Consumption (%)	Export (%)
Corn/Maize	30~40	60~70
Soybean	20~30	70~80
Cassava	20~30	70~80
Mung Bean	35~45	55~65
Ground Nut	40~50	50-60
Sesame	30~40	60-70
Cashew nut	30	70

Agri-business and Agro-industry in 2007

- Rice mills and cereal mills: 24,227 Units
- Agro-processing's plants: 142 Units
- Fishery processing plants: 377 Units
- Fish processed products: 24,000 tons
- Fish sauces: 16,500,000 liters
- Fish product exports: 3,000 tons
- Dry rubber export: 30,000 tons
- Cassava: 1,600,000 tons (export and locally processed).

Challenges and Constraints

- Rural infrastructures: Roads, irrigation systems, Marketing system etc... need to be improved
- Limited technological changes at community level as well as farmers and producers, agricultural research and extension are still inadequate.
- Access to credits and micro-finances in the rural areas is still limited.
- Limited investment capacity or interest to invest in agriculture.

Challenges and Constraints (Cont.)

- Low soil fertility is still a challenge
- Variable climatic condition and water resources under production difficult
- Access to agriculture inputs: fertilizers (chemical organic), pesticides, machineries, improved seeds... need to be improved
- Agri-business and agro-enterprises need to be developed further.
- Export constraints due to technical barriers (Quality standard, quality control, quality certifications)
- Regional disparities within the country and in the region
- Landless among poor farmers.

How and What to Do

The RGC as well as MAFF shall be able to address and overcome these challenges and constraints by the following undertakings, on the short and medium term basis by promoting:

- Investment in irrigation and water control (Public & private)
- Investment in rural markets, transportations and communication infrastructure to facilitate the integration of markets and reduction in regional disparities
- Improvement in agricultural research, education, and extension.
- Improvement of rural financial markets

How and What to Do (cont.)

- Investment in productivity and conservation- enhancing technology by improving soil fertility, using best agricultural practices, efficient and effective use of agricultural inputs including fertilizers, agro-chemicals, seeds, animal breeds as well as fish-fingerling, and water, best practices in post-harvest technology, technology on adaptation to climate change;
- Encourage private sector to invest in crop production, agricultural research and extension, irrigation, agri-business, and agro-enterprise, livestock and aquaculture development

How and What to Do (cont.)

- Improve access to world market for agricultural products including livestock (poultry if possible), fish products etc...
- Strengthening and establishment of agricultural development communities
- Securing right to land for farmers
- Undertaking agricultural zoning
- Improvement of agricultural statistics
- Performing agricultural census.

Conclusion

- Agricultural productivity and diversifications have contributed to rural development as well as economic growth and poverty reduction.
- Under the strong and clear-sighted leadership of Samdech Techo, the Prime Minister of the Kingdom of Cambodia, the RGC is fully conscious of the future direction in its endeavor to develop its agriculture on a sustainable basis.
- Support from EDPs will contribute to improving agricultural productivity and diversification.

Thank you for your kind attention