



Feed the Future Country Fact Sheet

Online Version: <https://www.feedthefuture.gov/article/cambodia%E2%80%99s-commercial-horticulture-farmers-join-forces>

Cambodia's Commercial Horticulture Farmers Join Forces



Cambodia HARVEST

Members of a producer group pack their eggplants for sale in Pursat. With improved postharvest practices and better market linkages, producer groups have generated 2,715 tons of new sales worth \$845,198.

In Cambodia, commercial vegetable farmers tend to operate alone. They form individual relationships with buyers, making it difficult to negotiate higher prices on the goods they're selling. In addition, most farmers aren't able to take advantage of the collective knowledge, resources, and relationships offered by the kinds of farmer associations common to other value chains, such as rice.

With assistance from Feed the Future, that's beginning to change. Commercial horticulture farmers in Cambodia are organizing themselves into producer groups of 10 to 30 members, coordinating vegetable production, building relationships with traders and buyers, and receiving bulk discounts on input purchases. In addition, members share knowledge and best practices with each other. The groups function much like civil society organizations, with elected leaders and a consensus-based decision-making process.

Feed the Future's producer groups are strengthening the horticulture value chain, resulting in increased food security in Cambodia and better incomes for both farmers and buyers. To date, farmers have formed 77 producer groups, and have sold 2,715 tons of vegetables, resulting in \$845,198 in new sales. The groups have been so successful that non-program farmers are joining.

Phet Koeun, a commercial horticulture farmer in northwestern Cambodia, joined a producer group in August 2013. "Before, I had a hard time finding buyers. But now that I'm part of a group, buyers are coming to me, and they are paying better prices," he said.

Phet's group has 18 members. They've elected a leader and a deputy, and they negotiate with buyers and input suppliers by consensus to ensure that all members play an active role in decision-making. With his increased income, Phet has been able

to expand the size of his farm by nearly 30 percent. "Joining a producer group is a smart move. It's much better than being alone," he said.

Producer groups are not just helping farmers; they're benefitting entire communities. Retail input suppliers have increased their revenues by selling to producer groups. Likewise, consumers have benefitted from the increased supply of nutrient-rich vegetables available on the domestic market, which has strengthened food security in Cambodia. In addition, buyers and distributors are gaining access to high-quality products and filling gaps in their inventories. A recent survey taken in 24 district markets found that Feed the Future commercial horticulture farmers grow 36 percent of all vegetables purchased by buyers in the initiative's four target provinces, which constitutes a sizeable market share. In addition, 11 percent of buyers said they went into business in order to form relationships with these producer groups.

Sao Phlauey, a vegetable buyer, struggled for years to meet the needs of his customers, mostly larger buyers further up the value chain. "The farmers I bought from couldn't supply enough volume, and the quality of my product was low," he said. His daily sales rarely exceeded 500 kilograms, barely enough to cover his costs.

Sao's fortunes changed in late 2014, when Feed the Future introduced him to a horticulture producer group. He negotiated an agreement with the group and has been buying from it since. As a result, Sao has increased his daily sales volume to approximately 3,000 kilograms, leading to a 100 percent increase in his profits. "It doesn't matter what the group grows. If Feed the Future farmers produce it, I buy it, because I know I can sell it," Sao said.

Although many producer groups are still in the early stages of development, they're working to strengthen their linkages to the market and better coordinate production in order to meet future domestic demand. As Cambodia's population and agriculture sector grows, these producer groups will be vital to supplying their communities and buyers with fresh, high-quality vegetables for years to come.