



## Feed the Future Country Fact Sheet

Online Version: <https://www.feedthefuture.gov/article/public-private-alliance-investments-strengthen-rice-value-chain>

# Public-Private Alliance Investments Strengthen Rice Value Chain



Cambodia HARVEST

Rice mill owner Rin Sokun and the new rice dryer he purchased with assistance from public-private alliance investments. By drying rice in just 24 hours, the machines save farmers from the minimum three days it takes to dry in the sun.

Rin Sokun owns the Chhang Lay rice mill in Battambang Province, Cambodia. By processing harvested paddy into consumable rice, Rin provides a vital service to hundreds of local farmers. Yet securing funding to upgrade and grow his business has been difficult.

To help address such challenges, Feed the Future's Cambodia HARVEST program established public-private alliances with 11 small-scale agribusinesses to jointly design, fund and implement activities to improve competitiveness and to expand the market for more smallholder farmers in Cambodia.

This approach capitalizes on the ideas, momentum and reach of the private sector to achieve development goals such as improved livelihoods, economic growth, and increased access to technology. The \$2.4 million in co-investments under the alliances has helped private sector partners to install equipment and deliver training to increase productivity, improve overall product quality, lower operating and farming costs, and strengthen technical knowledge. These improvements benefit thousands of farmers and small businesses throughout the rice, aquaculture and horticulture value chains.

The partnerships have created valuable opportunities for entrepreneurs like Rin. With a \$35,000 co-investment from Cambodia HARVEST, Rin purchased a second mechanical rice dryer and built a warehouse for better storage of paddy. "With the dryer, the quality of my rice is also higher, and there's less breakage—20 percent versus 40 percent, using traditional methods—so my cash flow is higher," he says. "This allows me to buy more rice from farmers." Rin has doubled his supplier base using the new dryer to nearly 1,000 farmers and traders, purchasing 4,660 metric tons of paddy in 2015, an increase of 79 percent over 2014.

Although rice mills account for 7 of the 11 enterprises supported by the public-private alliance (PPA), the program has also

co-invested with three input distributors and one fish hatchery to improve irrigation practices, increase access to improved seed and fertilizer, and increase fingerling (juvenile fish) production capacity. United Cambodia Agri, a fertilizer supplier, has used PPA co-invested funds to introduce minimum-tillage planting of rice and staple rotation crops by tractor-pulled seeders to client rice farmers. After testing the technology on a limited basis in Battambang Province, client rice farmers' yields increased by 27 percent over baseline, from 3.3 metric tons per hectare to 4.2 metric tons per hectare. Gross margins grew by 45 percent from \$520 to \$755 per hectare.

At Rathada Hatchery in Siem Reap, the co-investments allowed the business to purchase \$50,140 worth of new equipment and construct 16 new ponds. Now, the hatchery is producing 600,000 male red tilapia fingerlings annually for sale to local small-scale fish farmers. Using all-male tilapia, farmers will be able to produce 500-gram fish within six months, compared to 250-gram fish using mixed-sex fingerlings. This new selection technique manages uncontrolled reproduction and takes advantage of the fact that the male Tilapia grows faster and larger than the female, allowing the hatchery to double their sales capacity.