



24th SSC-TD-TRI CEDEP II- Cassava

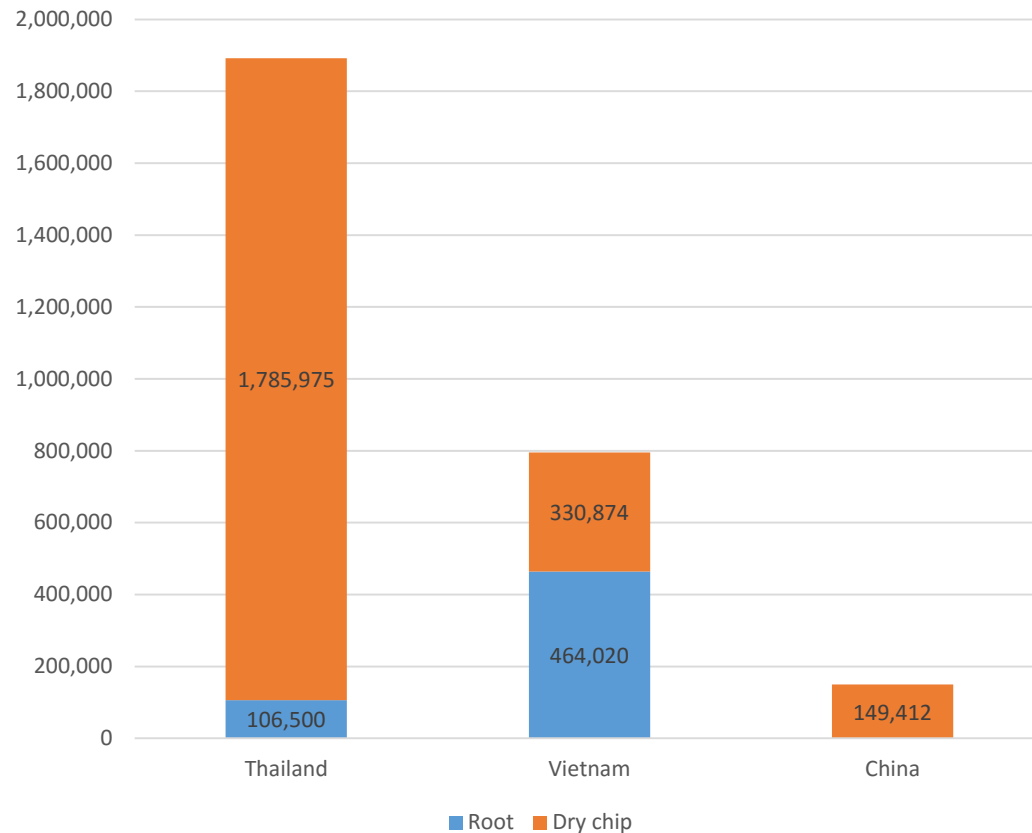


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1. Export statistics for 2015

Export of cassava from Cambodia in 2015, MAFF 2016



Countries	Root	Dry chip	Starch	Pulp
Thailand	106,500	1,785,975		
Vietnam	464,020	330,874	2,115	
China		149,412	27,034	36,166
Korea			153	
Malaysia			153	
Poland			34	
Italy			1.2	
USA			102	
<i>Total</i>	<i>570,520</i>	<i>2,266,261</i>	<i>29,592</i>	<i>36,166</i>

Source: Report on the export of agricultural commodities, MAFF, 12 February 2016

2. Project update

- Explore contract farming models which can be applied in cassava processing and export
- Recruit a consultant to formulate a strategy for cassava association and strategic plan to work with relevant stakeholders (Ministries and SNAs) to support those associations' functioning
- Worked with Department of Private Sector Development to address issues facing the export:
 - Ban of transshipment through Thailand- the case is solved.
 - High cross border cost
- Identified new companies doing direct export and work with them to increase their export volume
- As South Korea is a potential market for export of cassava dry chip and starch, the project worked with KOTRA in Phnom Penh and think of initiating business matching events between Korea and Cambodia businessmen
 - At the onset, seven companies are registered in KOTRA's trade system

3. Price is generally volatile as it is affected by various factors:

Market factors:

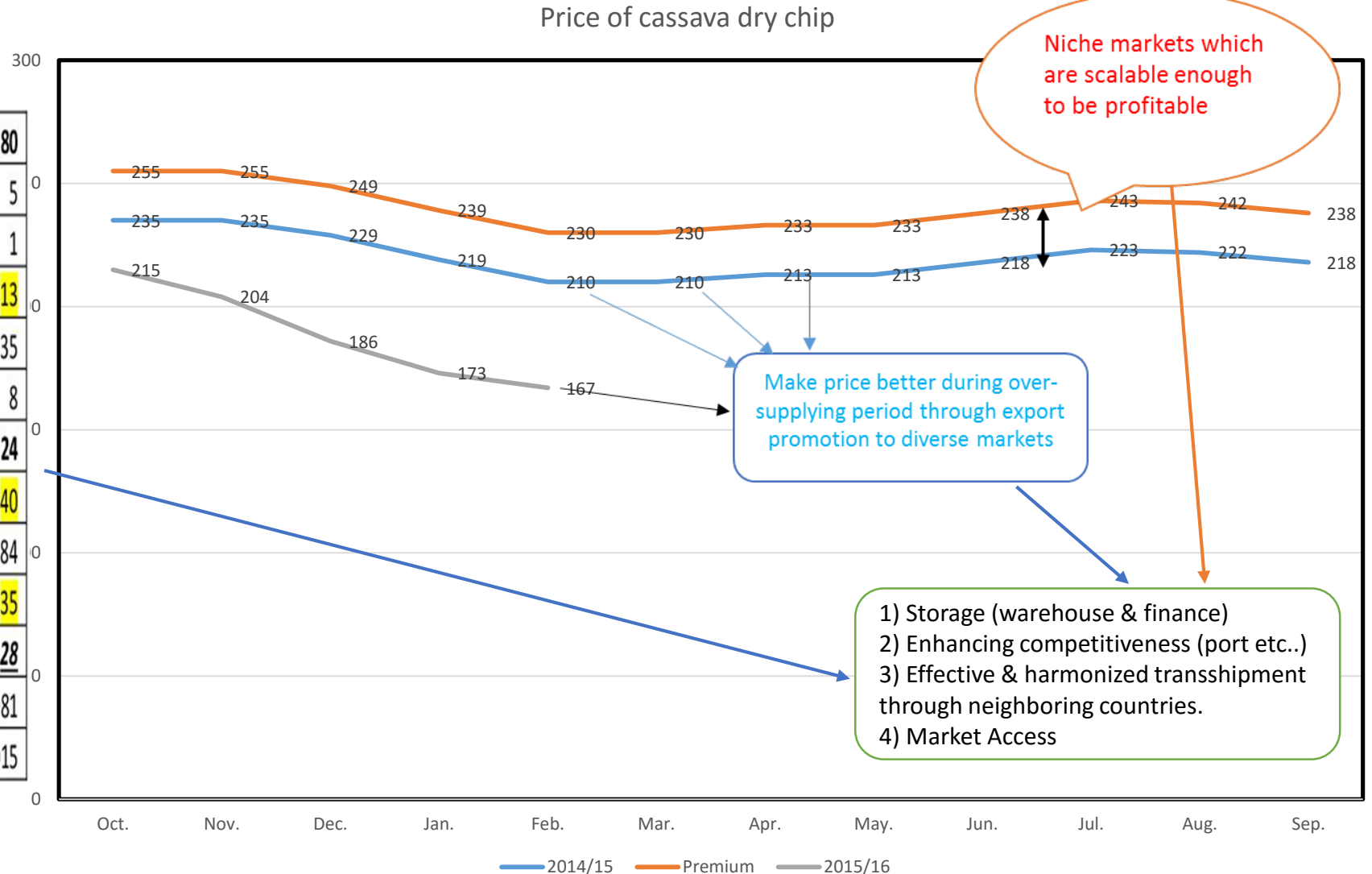
- Single market (China has absorbed nearly 80% of cassava products from the exporting region so it can influence the price directly)
- Thailand as the world biggest exporter is a price setter through its competitive advantages over Cambodia and other supplying countries
- The faster increase of supply than demand in the region for recent years contributes to decrease the price of cassava

Other factors:

- Slow global economic growth (China's economic slowdown)
- Production growth of substitute crops, mainly corn
- The plummet of oil price provides less incentive for ethanol use to replace fuel

4. Update of project strategies

Total export cost	188	206	163	180
Higher freight cost	5	5	5	5
Interest rate (15 day/ton)	1	1	1	1
Document costs/port services	13	13	13	13
Transportation cost	25	25	35	35
LOLO, transport & packing	8	8	8	8
Cost of dry chip/ton	136	160	107	124
Processing cost	40	40	40	40
Root for dry chip (ton)	96	120	67	84
Cost/ fresh root per ton	40	50	28	35
Yield/ha	21	17	35	28
Production cost	845	845	981	981
	KC 2013	KC 2015	PL 2013	PL 2015





Thank you!!!

