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Cambodia Export Diversification and Expansion Programme II Cassava Component

**CEDEP II Launch Workshop
February 20, 2014**

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Situation analysis



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- **Cassava is the **second largest agricultural crop** in Cambodia and growing rapidly**
 - The sector might have been generating anywhere between **\$200 to \$300 million** worth of “**informal**” export revenues in 2010
 - MAFF sources estimate that 2012 production may have reached as much **as 8 million MT**.
- **Even though Cassava has become the second largest agricultural crop :**
 - There is **very little technical assistance** support provided to the sector
 - This lack of technical support is potentially serious considering cassava cultivation could **have ecological consequences**



Project background



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1- The government has identified **agriculture as the top priority** for Cambodia's socio-economic development, focusing **on increasing productivity** and **diversifying** within this sector

2- Cambodia Trade Integration Strategy 2014-2018 recommends emulating the rice policy strategy for other commodities as as to increase expansion and diversification of the country's export base

3- Cambodia Trade Policy Review by the WTO in 2011 recommends further diversification of Cambodia's export base

4- With the success of **CEDEP I** model for export enhancement, Cambodia can promote the export of the potential crop



Project background (cont'd)



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Reference to UNDAF and CPAP for Cambodia:

- UNDAF outcome on “promotion of equitable, green, diversified economic growth”
- CPAP Outcome #1: strengthening national and sub-national capacities to develop a more diversified, sustainable and equitable economy.
- CPAP Output # 1: Evidence-based policy option provided; institutional capacities of selected sectors strengthened and local income generation schemes scaled-up in support of inclusive and equitable growth.



Project Impacts and Outcomes



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Impacts:

- ❑ Cassava is Cambodia's second largest crop employing several hundred thousand farmers. Positive development of the sector supports Cambodia's efforts to meet its MDGs through improved income of farmers
- ❑ The competitiveness of Cambodian cassava increases resulting in opening of new markets (geographical and products) and improved pricing of its exports

Outcomes:

- ❑ The needs of the cassava export sector are better understood and the sector is structured to better focus the policy dialogue with the Government and improve the enabling environment
- ❑ A group of cassava processors has been identified and made export-ready and has succeeded in developing competitive exports to new markets



Project objective and scope



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The project is looking at three dimensions:

- 1. Improved quality standard** of Cambodia cassava to comply to importing market requirement
- 2. Diversify** products and markets, adding value to products in Cambodia
- 3. Make a group of processors export-ready**



Project partners



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The project will count on inputs from various partners in Cambodia :

- MoC : Export Promotion departments, DICO
- MAFF: GDA, D. International Cooperation
- MOH: SPS requirements
- CIAT: International Center for Tropical Agriculture
- Associations of Cambodian producers, processors and exporters (at provincial level, to be confirmed)

And the potential partner such as SNV (Cassava project)



Cassava Outputs



Outcome #1: The needs of the cassava export sector are better understood and the sector is structured to enable a focus policy dialogue with the Government in order to improve the enabling environment

Output 1: A working group of cassava processors and collectors is organized and an agenda of key issues is identified (including, but not limited to, updated study of value chain and export opportunities; availability of standards; SPS needs; environmental issues; others)

Output 2: An up-to-date Cassava Value Chain study is prepared. The study focuses on the two main components of the export value chain: export of cassava chips; and, export of processed cassava (starch, flour, ethanol, other). SPS requirements for key export markets are identified.

Output 3: The current standards (currently 2 standards) for cassava set out by ISC (Institute Standard of Cambodia) are reviewed and updated if/as needed. Additional standards are developed if needed.

Output 4: A manual on export procedures/trade facilitation issues for cassava-based products has been prepared and is disseminated

Output 5: Association(s) is (are) created and engaged in G-PSF discussions if working group created under Output 1 and work carried out under Outcome 2 indicates that the sector is ready for such.

Output 6: Formal dialogue mechanism(s) between cassava private sector and Government is (are) identified and implemented

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Cassava Outputs



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Outcome# 2: A group of cassava processors has been identified and made export-ready and has succeeded in developing competitive exports to new markets

Output 1: One (several) groups of processors and collectors (and exporters) is/are identified for in-depth support to strengthen their export readiness. The targets under this outcome are processors and collectors of dried chips.

Output 2: A survey of SPS needs is carried out for each pilot group of processors identified under output 1. A plan to assist processors and collectors in meeting SPS requirements for key target export markets is developed.

Output 3: SPS plan is implemented successfully during the project

Output 4: A survey of environmental risk and mitigation needs is developed for the pilot groups of processors. A plan to support implementation of environmental remediation strategies by the target group is developed and disseminated.

Output 5: The project helps implement a number of low-cost, economically sustainable remedial solutions to address some of the negative environmental impacts of cassava cultivation among a pilot group of processors (including expansion of crop rotation, proper use of fertilizers, other methods)

Output 6: Three new potential markets have been identified by groups of export-ready processors (through direct visits or participation to international buyer-seller markets/trade fairs)



Sustainability Strategy



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Creation of one (or several) Association(s) of Cambodian Cassava Processors and Exporters is intended to provide structures through which further support can be provided by the Association(s) to existing and new exporters

- Major effort to ensure that the Cassava export association becomes a key dialogue partner in the G-PSF and the relevant Government-DP Technical Working Group
- Push for a more explicit sector policy with a strong focus on export to be done in close coordination with the DTIS Update 2013

Project Organization Structure

Project Board		
<p>Senior Beneficiary MOC (TPD), MAFF (GDA) Representative from beneficiaries (producers, processors, exporters)</p>	<p>Co-Executive Deputy Country Director, UNDP Cambodia EIF Focal Point for Cambodia (MoC)</p>	<p>Senior Supplier MoC DICO Director MAFF DIC Director UNOPS focal point</p>

Project Assurance
UNDP Programme Analyst

MoC M&E Unit (CEDEP MIE)

National Project Manager
CEDEP II Cassava Component

Project Support team
Project Assistant
Field coordinator





Project Monitoring



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- M&E Framework of the project:
 - Logical framework of the project which is in line with the recent trade SWAp roadmap with the relevant KPIs

- Reporting:
 - Six-month narrative and financial report to EIF-TFM (UNOPS) .
To be shared with EIF-ES
 - Quarterly financial report to EIF-TFM
 - Regular progress meetings with NIU and contribution to the overall CEDEP II progress report



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THANK YOU