

# Rice Commercialization with ADB: Promise for Farmers and Cooperatives



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**Approval date:**  
June 27th, 2013

**Grant amount:**  
USD 18.4 million

**Co-financing:**  
USD 72.83 million

## Food and Nutrition Security Context

Even with surpluses of paddy production averaging 2 million tons per year, nearly one-half of the provinces in Cambodia are still food insecure. Access to rice has been compromised by low income, poor infrastructure, underdeveloped value chains, and paddy production that is weather-dependent for the rural poor who are dependent on rice and agriculture.

The COVID-19 pandemic touched every dimension of lives in Cambodia from 2020 to 2022, particularly for vulnerable populations. Severe interruptions in logistics and supply chains reduced farm productivity and increased production costs, resulting in the worsening of farmers' financial situation, and weakening resilience to respond to climate shocks.

## The Solution

Climate Resilience Rice Commercialization Sector Development Program supported national and regional food security by addressing productivity and quality constraints, facilitating market access, and enhancing resilience of natural resources to climate change. Rice-SDP supported women farmers' access to resources and essential extension services.

Rice-SDP increased resilience by promoting agricultural land use zoning, soil productivity potential mapping, commune land use plans, water use/irrigation efficiency management, and environmental and climate change risk/vulnerability mapping.



**Paddy production in Cambodia has increased from 8 million tons in 2012 to 10.9 million tons in 2020.**



Rice-SDP has addressed food security and rice commercialization by: (i) strengthening the rice value chain; (ii) improving the legal and regulatory framework in agricultural land management; (iii) improving access to credit by paddy producers and rice millers/exporters; and (iv) enhancing paddy production and productivity through improved availability of and access to quality seeds, improved production technology and irrigation water use efficiency, promotion of organized production, establishment of paddy post-harvesting facilities, and paddy crop insurance pilots. These interventions sustainably improve incomes of rural households in the target areas and supports in ensuring food security and poverty reduction.

## Key Achievements

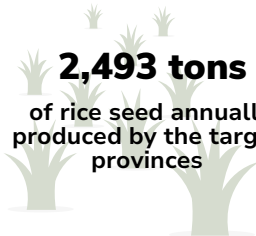
**18,586 hectares**

are now served by climate-resilient rehabilitated irrigation schemes.



**2,493 tons**

of rice seed annually produced by the target provinces



**\$13.37 million**

of additional investments from rice millers after the initial \$9.3 million project investment



- Nine irrigation schemes have been rehabilitated, benefitting **82 villages** for a combined potential irrigated area of **18,586 hectares** by September 2021.
- Nine farmers water user communities (FWUCs) have been established with over **80,000 beneficiaries** (52% female) – who have registered themselves as FWUC members.
- More than **230 tons** of registered rice seed and **2,402 tons** of certified rice seed of local climate adapted varieties have been produced through Agricultural Cooperatives (ACs) and Agricultural Stations, and sold to farmers, traders and ACs. ACs produced around **9,139.21 tons** of certified seed using **231 tons** of registered seeds for onward sale to farmers, traders, etc.
- Paddy drying and storage (PDS) facilities have been constructed at **5 rice mills**. The facilities can dry up to **3,380 tons** per day and extend storage capacity by **62,850 tons** per season.
- The Weather-Indexed Crop Insurance (WICI) Pilot scheme has been rolled out from 2021 onwards, with a total of **61,725 farmers** (58% of whom are women) participating in the awareness generation trainings. **57,095** farmer households bought the WICI policy for **84,273 hectares** of rice producing areas – while **10,803** farmer households covering **16,806 hectares** of rice producing areas have received payouts due to dry spell and/or excess rainfall.



## Next Steps & Outlook

- Storage and drying floors have been constructed for ACs, which will increase drying and storage capacity.
- Market linkages and business matching activities to link ACs, millers, exporters and bankers will be expanded.
- Follow up support will be provided for farmers water user communities (FWUCs) which have been established, trained on irrigation schemes, and handed over the management of the irrigation canal.