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Lesson Learned: Link AC product to markets

Kampong Chnang province is located in the West of Phnom Penh Municipality. Most of the ACs established in 2013 and each consist of 180 members in average of which 66% are women. The ACs had small amount of funds to develop its business. It started facilitating small scale production of vegetable, paddy rice, and chicken with a few members. The product, that produced by the members, were sold to local markets in small quantity with lower price. This affected the ACs' resource mobilization. Meanwhile, the AC had no mechanism to facilitate ACs to link their product to market/outlets. Unfortunately, they face problem of resources, management and agriculture technical skills, infrastructure, and facilitation/cooperation that they may lose opportunity to generate income for ACs themselves as well their members.

Mrs. Khoun Sey, chairperson of board of director of the Farmer and Nature Net Association (FNN), and leaders of the AC proposed FNN to look for partners and donors to support ACs. Fortunately, FNN received Rural Employment for COVID-19 Economic Recovery (RECOVER) project form (DCA) funded by EU for building capacity of ACs, increasing production, and linking markets/outlets. Therefore, the project put in place intervention to lighten their load or deal with market linkage problem of ACs. For example, the project provides AC with promotion of demonstration farms, technical training in poultry and horticulture, business development, and establishing and strengthening market linkages. This aims to help ACs to get sustainable income generation.

In practice, we found that the project reformed horticulture and poultry producer groups (PGs) to increase agriculture production and income. The PGs are also difficult to afford horticulture and poultry activities with small resources including techniques. Meanwhile, ACs could not sell product in large quantity or sign contract farming with private sectors. Moreover, the ACs that responsible for collect PGs' product for markets/outlets are difficult to manage their business development.

The project provided training of trainers to the PG leaders on vegetable and chicken production after which the trained AC leaders continued to train their members. The project also established vegetable and chicken demo farm for farmers to learn and conducted meeting to facilitate ACs to link their product to Markets. Besides, AC members received collection point for collective selling of ACs' product and training on contract farming related laws and legal provisions.

These interventions have had significant effect on the increase of the agriculture production of PGs and more understanding of contract farming-related laws and legal provisions so that they are confident of and committed to supplying product to private companies. As a result, five ACs namely Kraing Leav Samaki, Chiep Santepheap Satrey Khlahan, Kbal Teuk Chhean Leung, Thlork Veau Meanchey, Khom Kraing Lavea, and Prek KunLorng Meanchey ACs were facilitated to sign contract farming to supply about 200 Kgs of vegetable per AC per week to Khmer Organic Cooperative Company and Snadai Me Outlet.

However, the AC that has vegetable collection point did not facilitate other ACs to sell product at the collection point. Some ACs have not offices for administration and business development center. The market communication was facilitated by the project, and lack of communication materials. These lead to unsustainable market linkage. On the other hand, the contract farming stated that PGs have to bring their vegetable product to ACs, not collection point, and the companies collected them from each AC. This might be a barrier of using vegetable collection point and sustainable market linkage.

The project should select some strategies to keep the market linkage done well. They are 1) facilitate ACs to maintain contract farming with private companies in order to sell product with the best price; 2) continue to encourage PGs to produce GAP/organic agriculture product for market demand; 3) facilitate ACs' to link product to markets/outlets.

In the future the project should a) improve the market communication mechanism by strengthening AC executives, especially role and responsibility of committee that is in charge of marketing and sale; b) put in place the advertisement signboard at AC to promote AC product; c) conduct regular quarterly or annually meetings with private companies (including KOC, Snadai Me, Kravan, FNN-Shop, etc.) in order to solve grievance and improve performance of stakeholders; d) build ACs to think up new ways to promote GAP/organic agriculture product and green community, e) increase communication with private companies to buy organic product while ACs are increasing production of organic product. Otherwise, green community will not be met; f) improve contract farming by setting condition to contract farming for using vegetable collection point (all contracted ACs bring their vegetable to collection point); g) build capacity of ACs on contract farming related laws and legal provisions in such a way that they are confident and committed to sign and implement the contract farming successfully.



Vegetable PG members produced different kinds of vegetable in Net House in Kampong Chhnang province. Cambodia



The project RECOVER staff facilitated Vegetable PG to link their product to markets in Kampong Chhnang province.