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AC Agriculture Cooperative

AFA Asian Farmer Association for Sustainable Rural Development

AFDI Agriculteurs français etdéveloppement international
AIMS Accelerating Inclusive Markets for Smallholders

Amru Amreth Rung Roeung

ARDB Agricultural and Rural Development Bank

AsiaDHRRA The Asian Partnership for the Development of Human Resources in Rural Asia

BoD Board of Directors

CamboDHRRA The Cambodia Partnership for the Development of Human Resources in Rural Areas

CB Capacity Building

CCC Cooperation Committee for Cambodia

CFAP Cambodian Farmers Association Federation of Agricultural Producers

CPSA Cambodia Partnership for Sustainable for Agriculutre

CRF Cambodia Rice Federation

DCA Dan Church Aid

DPA Development and Partnership in Action
EU / EC European Union / European Commission

FAEC Facilitation Association of Economy for Cooperatives
FCFD Federation of Cambodian Farmers for Development

Farmer and Nature Net Association

Farmer and Water Net

GAFSP Global Agriculture and Food Security Program

HEKS Hilfswerk der Evangelischen Kirche in der Schweiz

IFAD International Fund for Agriculture Development

ILC International Land Coalition
KOC Khmer Organic Cooperative

LEAP Livelihood Enhancement and Association for Poor

LWD La Via Campesina
Life With Dignity

MRLG Mekong Region Land Governance

NES National Engagement Strategy

NGO Forum Non-Governmental Organization Forum on Cambodia

Oxfam the Oxford Committee for Famine Relief

SK Star Kampuchea
SM Social Mobilizer

SNEC Supreme National Economic Council

UNDROP United Nations Declaration on the Rights of Peasants and Other People Working in

**Rural Areas** 

### words from

### the Chairperson of the BOD and Executive Director of Farmer and Nature Net Association

On be haft of BOD of FNN and myself, I would very much appreciate that 2022 is the second year of the implementation of our Five-year Strategic Plan 2021-2025 with significant achievement. It is also the first year of my third mandate as the Chairperson of the BOD of Farmer and Nature Net Association (FNN). Although the leadership has changed, the Strategic Plan has continued to guide FNN's strategic direction and working procedures. FNN has continued working closely and constructively with all concerned stakeholders. 2022 is also the final year for the support we have received from our three biggest donors, the World Bank and IFAD. The organizational structure was modified to maintain the effectiveness and efficiency of our work. To respond to the needs of the organization for the coming years, in 2022, the Management Team submitted several project proposals to both our existing donors for continuing their support and to potential new donors. We strongly expect to secure our required funds to run the strategic plan for the next fiscal year of 2023. Sincere thanks to all stakeholders, donors, the members of Board of Directors, and FNN staff for your kind cooperation and support. We are proud of having worked with our highly committed staff. We all continue working together to promote farmers to have a prosperous life, live with dignity and have the ownership to decide on their own destiny.





**Mr. Seu Rany**Chairperson of Board of Director
Farmer and Nature Net Association



Mr. Pan Sopheap
Executive Director

Farmer and Nature Net Association

# farmer and nature net association



### our profile

#### Our philosophy

A succesful agriculture cooperative starts



Want to see Cambodian farmers have a prosperous life, live with dignity and have the ownership to decide on their own destiny.



Total staff: 58 people, 28% women / 72% men

#### About FNN

Farmers and Nature Net Association (FNN) is a local, non-profit and non-political farmer organization, which was established in 2003 and officially registered at the Ministry of Interior on March 10th, 2006 to address the problem of food insecurity in Cambodia. FNN represents a network of village-based farmer organizations that acts as an umbrella to represent and serve the interests of self-help associations, agricultural cooperatives, and provides technical assistances on capacity building. The majority members

of FNN are subsistence farmers, who are poor living in the rural communities. FNN consists of 100 ACs with 53,856 members of which 30,159 (56%) are women 16 target provinces, 58 districts, 218 communes, 816 villages. At the national level, FNN is led by Board of Directors (BoD), which composes of 18 elected farmer representatives from 15 target provinces plus 4 representatives of national expertise networks include savings and credit network, youth, women and organic rice producer network. At regional level, FNN

is a member of Asian Farmer Association for Sustainable Development (AFA) since 2008. From 2012-2014, FNN performed as a chairpersonship of AFA and sit as a non-voting steering committee of Global Agriculture and Food Security Program (GAFSP) from Asia Civil Society Representative. In 2022, One FNN-BOD's member was elected to be representative of FNN-member ACs in the Cambodia Rice Federation.

#### The way we work

Cambodian farmers still have limited awareness about agroecology. Their agricultural resources (land, biodiversity, climate, ...) continue to be threatened by commercial agriculture enterprises and unsustainable farming by local community members. With continuing population growth (food demand) and use of chemical agriculture inputs, the pressure on environment is increasing further. Smallholder farmers do not have enough investment capital for agrobusiness development, and community members do not possess appropriate knowledge and skills on farming, especially on climate resilient agricultural techniques or agroecology, or off-farming businesses for income generation. Access to markets, finance, and public agriculture policies is still limited. These problems have consolidated into a poverty cycle. Local governments have limited capacities for addressing these issues and require continued support from experienced NGOs like Farmer and Nature Net Association.

#### from the individual and can only be achieved with involvement



#### missions

- Organize / mobilize and join forces (promote a rural society with solidarity and good cooperation) to protect the rights and put common interests (farmers) as a priority.
- Enhance and promote organic agriculture and agro-ecology.
- Ensure cooperation between communities and relevant organizations both inside the country and overseas.
- Facilitate and build partnerships to access to financial and technical services, agriculture inputs and marketing, etc.
- Develop capacity of the network's members, especially agricultural cooperative leaders, production teams, processing groups, women, youth groups, etc. to become good representatives and leaders.



- Solidarity and good cooperation
- Keep the common interests of farmers as a priority
- Adhere to organic farming and safety
- Transparency, accountability and equity.

#### **Approaches**

**Justice**: FNN recognizes the inherent dignity of every person and supports vulnerable communities in their efforts to achieve justice, human rights and a sustainable future. FNN facilitates the empowerment of those with whom it works to achieve this end.

**Equity:** FNN promotes the fair, even and sustainable access to and distribution of resources and the equitable delivery of social service. FNN believes in the even and balanced treatment of all men and women.

**People's Participation**: FNN is characterized by inclusive and participatory processes regardless—of ethnicity, religion and gender. FNN facilitates participation and promotes ownership of focus—groups by applying the empowerment approach, which gives people choices or options in their—lives and the competence and confidence to seek and obtain their universal rights and achieve a—life with dignity.

**Transparency and Accountability**: FNN maximizes its capabilities through responsible stewardship of all entrusted resources. This is complemented by the highest standards, flexibility and pragmatism in program implementation — balancing accountability towards the affected population and the expectations of partners and back donors. FNN is committed to transparency of its motives and aims, as well as its financial transactions.

#### **Decision making**

Regular staff meetings, management team meetings, executive committee meetings and Board meetings ensure that all of FNN's work are managed in a highly participatory way. We conduct annual staff reflection meetings, weekly management team meetings, and quarterly board meetings. All staff-related issues such as policy changes are proposed by staff or management team members and decided upon by the Board of Directors. FNN regularly reports project and organizational development progress to the members of the Board.

#### Target groups and stakeholders

A major part of FNN's work is aimed at poor farmers in rural communities, particularly women and youth. Our staff always work in close cooperation with local authorities, national and sub-national as well as relevant technical institutions such as Department of Agriculture Cooperative Development, Department of Agro-Industry, Department of Agriculture Expansion. FNN has facilitated key actors like CBOs and farmers in getting actively involved in the implementation of projects.

### our program

#### thematic areas

- capacity building
- family economic development
- networking/agriculture policy advocacy
- 🔆 women and youth
- publications

#### strategic goals

- 1. The capacity of farmers and leaders related to production has increased with quality and safety
- 2. Self-help associations and ACs have sufficient capacity to effectively provide services to members
- 3. Market access for family farmers
- 4. Access to investment capital/financial resources
- 5. Access to supportive enabling environment policies
- 6. FNN is highly capable and professional institution to pro vide services to members effectively

#### projects 2022

- 1. Asia-Pacific Farmer Program (APFP)
- Livelihood Enhancement and Association of the Poor (LEAP) Development of Community Institutions of the Poor (DCIP)
- Accelerating Inclusive Markets for Smallholders (AIMS)
   Project: Social Mobilizer (SM) and Value Chain and
   Investment Specialist (VCIS)
- 4. Accelerating Value Chains for Agricultural Cooperatives in Cambodia (AVACOOP)
- 5. Responsible Agricultural Investment (RAI): Improving the Participation of the Youth in Agriculture

- 6. Farmer Organization for Asia (FO4A)
- 7. FAIR4ALL Inclusive Agriculture Value Chains
- 8. ILC-NES
- 9. Rural Employment for COVID-19 Economic Recovery (RECOVER)
- 10. Social Protection Awareness Raising
- 11. Short Projects: MRLG, LVC, CPS

#### target provinces

FNN's Program covers 20 provinces and Phnom Penh municipality in 2022 with the following projects:

SM

APFP-F04A

**LEAP** 

AIMS/SM/VCIS

**AVACOOP** 

**RAI** 

FO4A

**RECOVER** 

SP



# institutional achievements

In strengthening the has focused on five main and evaluation, financial development, and sustainability strategy, relevance of projects, livelihood improvement,



2022 was the second year of FNN's Five-Year Strategic Plan 2021-2025. Many projects have been implemented a long with the strategic golas and vision. For administrative procedures, mechanisms to monitor the use of all supplies and vehicles were in place and used; the equipment inventory was regularly updated; policies regarding procurement, leave/holiday, travel expenses, disciplinary actions and complaints were regularly reviewed, strengthened and strictly applied.

Monitoring and internal evaluation for each project have been conducted frequently through field visits, management team meetings and staff reflection meetings. The results of the final project evaluation of the projects were used to guide the management and improvement of the organization, and to design future projects. Progress reports were prepared and submitted to donors regularly.

For financial management, records of expenditure were kept for all projects and the expenses of all individual line items were regularly reviewed with the aim of remaining within 15% of the agreed budget. Financial reports and statements were completed and delivered on time to relevant staff, the management team, the BoD, and donors accordingly. project financial audits for 2022 were conducted in early 2023. Most recommendations were implemented.



### strategic planning

FNN is governed by a Board of Directors which is composed of elected AC leaders. In 2021, they appreciated in developing and reviewing the five-year strategic plan 2021-2025. They also provided strategic directives and supervised the organization towards achieving its mission according to the organizational bylaw, policy, five-year Strategic Plan 2021-2025 and annual Operational Program Plan 2022. The Board met three times in 2022.

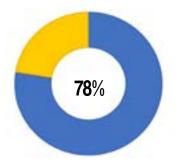
All FNN projects were designed to respond to the strategic goals which are clearly identified in the Strategic Plan and Annual Program Plan. Funding opportunities systematically are screened against the organization's mission and strategic plan, and only pursued if they were in line. Stakeholders are systematically consulted during the design and implementation of the projects. In 2022, FNN also conducted annual review of project implementation in conformance with the strategic plan 2021-2025. Several meetings were conducted with the management team, field staff members and technical advisor to review the strategies and indicators/ targets in order to respond to the progress of FNN and socio-economic contexts in Cambodia as well as in the world.

organization to improve the effectiveness, efficiency, relevance, impact and sustainability of the program, FNN aspects: **1) Management systems**, which refer to organizational structure, administration procedures, monitoring management and reporting, **2) Human resources**, referring to staff numbers, experience, skills, human resources volunteers, **3) Financial resources**, i.e. total financial resources, diversity of funding sources, fundraising capacity, and organizational profile, **4) Strategic planning**, which refers to governance, mission statement, strategic plan, and accountability to stakeholders, and **5) Delivery**, including scale of on-going projects, relevance of projects to delivery of project outputs, geographical reach and collaboration.



In 2022, FNN employed 58 fulltime skilled staff with a combined working experience, who contributed to meeting our organization's mission. Eight new staff were selected to fulfill FNN's needs or to replace leaving colleagues. Staff capacity building was conducted throughout the year, especially through in-house training. Staff performance appraisals were also conducted in late December 2022 by their direct and indirect supervisors.

#### project staff 2022



45 project staff | 13 other staff

### **a** delivery

The scale of on-going projects in terms of budgets delivered was ranging from **USD 10,000** to **USD 267,000** with a total organizational expenditure of USD 1,069,747 (90%) against the total budget of **USD 1,195,226.** Objectives, outcomes, outputs, and activities for each project were clearly defined and progress regularly monitored. The delivery of project activities and outputs was mostly successful, although the delivery of activities had to be rescheduled sometimes compared to the initial work-plans.

To ensure effective and efficient project activity delivery in the target provinces, FNN set up field offices directed by a Project Officer who coordinates several CBOs such as ACs, SHGs, and PGs, and actively participates in AC networks/Forums. In addition, FNN has collaborated with several local and international NGOs/Private Sectors including DCA, AFA, AsiaDHRRA, OXFAM, GIZ, KOC, AMRU, CamboDHRRA and with line-Ministries (i.e. MAFF, Mol, MoC, MoRD) in order to energize our efforts for the successful implementation of our projects. Donors included the EU, AFA, IFAD, LVC and others. Government included Ministry of Agriculture, Forestry, and Fisheries, Ministry of Interier, and Ministry of Commer.

#### budget 2022

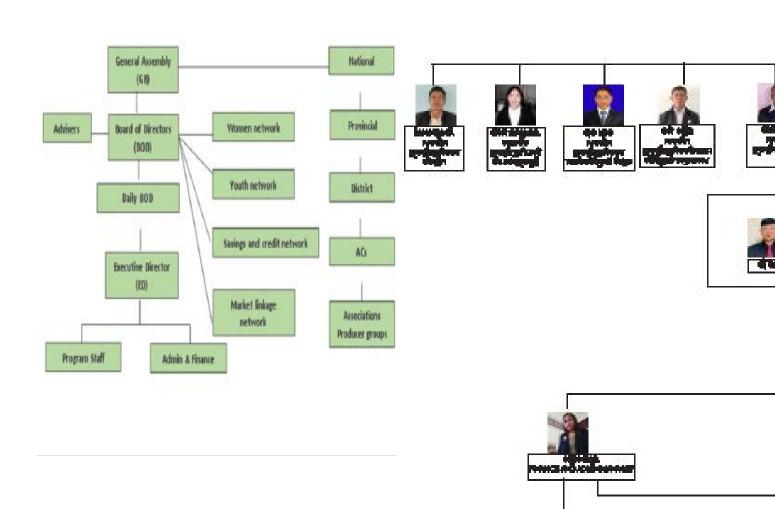


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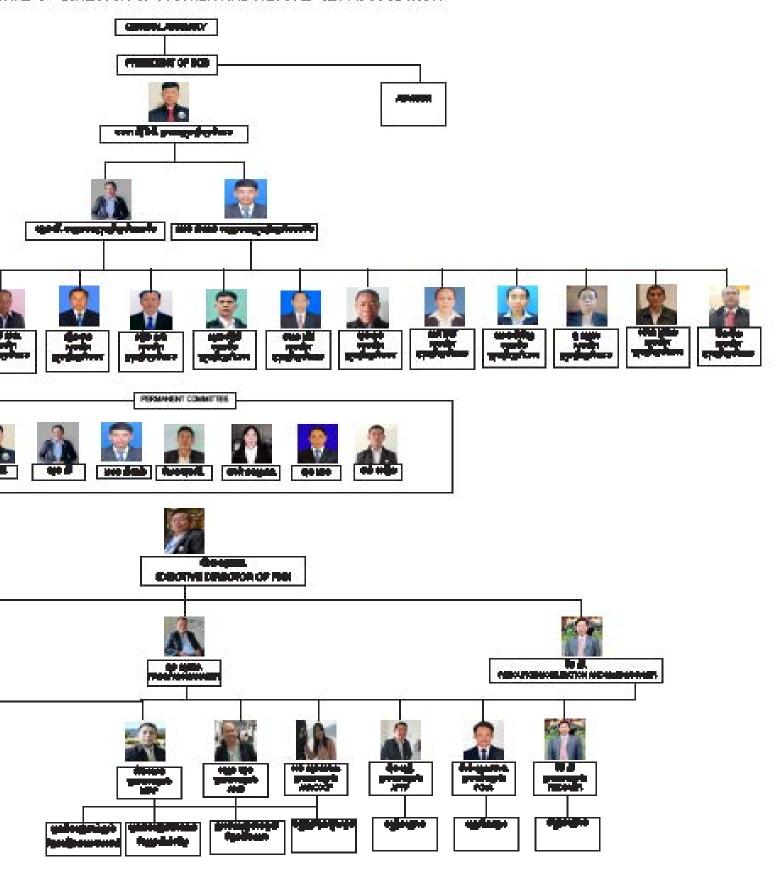
### organizational Structure



Farmer and Nature Net Association Structural Organization



#### MARD OF DIRECTOR OF FARMER AND NETURE NET ASSOCIATION



### program achievement

### capacity building

In 2022, FNN implemented its capacity building program for enhancing the performance of the project staff members, management team, BOD's

members, and AC/PG executives and members to ensure sustainable FNN and FO development. The program provided different type of capacity development such as training courses, coaching, counselling, exposer visit, case studies, and so on. They are:

FNN in partnership with DCA sent ten FNN staff and two AC executives to participate in three-day business planning training cource which organized by the DCA in Battambang province. Meanwhile, FNN organized internal training on Planning, Monitoring, and Evaluation for the project staff at FNN Head Office, Phnom Penh. On the orther hand, FNN in association with APFP-FO4A organized five day training course on AC buisiness development planning at FNN Head Office, Phnom Penh for five National Farmer Organizations (including FAEC, FWN, FCFD, CFAP, FAEC Cambodia) and four staff of NIA.



Business planning training cource in Battambang province.



Training on Planning, Monitoring, and Evaluation (PME)



Training on AC business developemnt planning

FNN also sent 8 staff to participate in the trainings on photography and KOBO Toolbox which organized by DCA at Himavary hotel, Phnom Penh.



Training on photography and KOBO Toolbox



TOT Training on BLT for BLF at PDOC, Kampot province.

#### **Organize TOT for Business Literacy Facilitators**

FNN, in association with Ministry of Commerce (MoC), has implemented Accelerating Inclusive Markets for Smallholders (AIMS) project and organized one three-days training on five topics of such as Group Management, Business and Production Planning, Marketing Strategy, Financial Management and Climate Change in Takeo province for six Business Literacy Facilitators (BLF) of which two are women. They will support vegetable production technique to vegetable producer organizations.

#### Training BLT to producer group members:

After TOT training, the Social Mobilizers (SMs) facilitated the trained BLF to deliver a series business financial literacy class for 37 producer organization members, that they are also agriculture cooperative members, in their own village. They came from different groups of vegetable production, chicken production, and paddy rice production. They learned group management, business and production planning, marketing strategy, financial management, climate change, and use of recording book.



Training on BLT for PO members at Banteay Meas district, Kampot province.

Training on BLT for PO members at Phnom Srouch district, Kampong Spue province.



FNN, in cooperation with KOC under RECOVER project, organized coaching sessons on how to record organic vegetable farming data, compost making, and other organic farming related technique skills for PG members who apply organic vegetable production in Kampong Chhnang province. Finally, 46 were certified as organic vegetable producers and sold their orgnic product to KOC, FNN, schools, and other companies.





Coaching on how to produce compost at Kampong Chhnang province.

Coaching on how to use organic vegetable production recording books at Kampong Chhnang province.

FNN, in cooperation with Ministry of Interior, implemented the Livelihood Enhancement and Association of the Poor (LEAP) project in Siem Reap province. FNN empowered the target groups through capacity building program on the following skills:

To ensure efective SHG management, FNN provided trainings on SHG bookkeeping to 176 SHGs with 419 SHG executives of which 373 are women. FNN also conducted refreshing trainings on famly investment and small enterprise planning to 288 SHGs which consosted of 652 SHG executives (601 women) in districts of Pouk, Srey Snorm, Kralanh, Ankor Thom, Siem Reap province.





FNN provided two-day trainings on problem solving and utilization and management of credit service to 51 communeal facilitators and veterinary extension workers of which 30 are women. They came from 23 communes of Pouk, Srey Snorm, Kralanh, Ankor Thom districts, Siem Reap province.

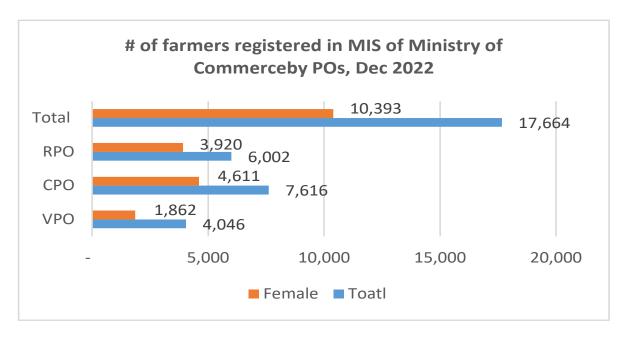
FNN also provided trainings on how to conduct effective meeting and team management to 209 Producer Group Executives of which 189 are women. They came fro 14 Producer Groups (PGs) in Siem Reap province.

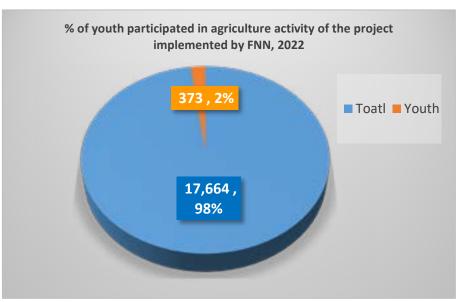


## family economic development

In 2022, FNN facilitated the establishment and support of 96 FNN member-Farmer Organizations (FOs)/Agriculture Cooperatives (ACs) consisting of 18,710 farmers of which 12,018 are women and 3,742 are youth. FOs/ACs had their own saving and business capital. To improve AC members's livelihood, FNN supported ACs to develop main commodities such as organic paddy and milled rice, horticulture farming, poultry production, and food processing.

FNN, in cooperation with Ministry of Commerce, established 435 Producer Organizations (POs)including 108 Vegetable POs (VPOs), 191 Chicken POs (CPOs), and 136 Rice POs (RPOs) with total numbers of 17,664 farmers of which 59% (10,393/17,664) are women. Of the total, 2% (373) are youth. Most of the youth involved in chicken production.





#### SHG - Financial Resources:

Self Help Groups (SHGs) is still a key financial resource for lending farmers money to develop their business. In 2022, FNN continue to facilitate the establishment and support of 525 SHGs consisting of 9,552 members of which 7,826 are women in 227 villages. The SHGs created total capital of USD 2,969,900 for operating credit services for business development (including horticulture and poultry production, food processing, rice production, milled rice production).



SHGs loaned theer members money for business development



FNN project officers assisted SHG execetives to close SHG bookkeeping



ACs and Producer Groups access to bank loan scheme

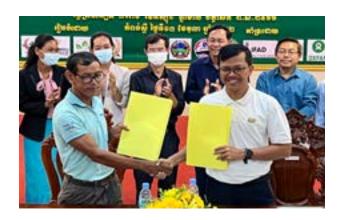
#### Access to finance:

In 2022, the project staff facilitated ACs to develop business plans and financial reports and other documents after which we conducted meetings to discuss loan scheme with the ACs and prepared documents in according to bank requirement and submitted them to the finance institutions (e.g. Cham Roeun Bank, Japan Bank, ARISE project, Agriculture Rural Development Bank). As a result, nine ACs obtained loans with the amount of USD 255,250.00 in total for operating rice, agricultural input and chicken trading business/enterprise.

#### **Organic Rice Production:**

FNN facilitated 12 Agriculture Cooperatives with 1,291 AC-members families in Takeo, Kampong Speu, and Kampong Chhnang provinces. They cultivated organic paddy rice over 2,491 hectares. They were controlled by the internal control system which consisted of 64 trained key farmers to ensure organic standards. Of them 10 ACs signed contract farming with Amru Rice Company to supply 2,958 matrix tons of organic rice.









#### **Organic Vegetable Production**

FNN faciliated 140 vgatable producer groups with 4,071 PG members. They produced and sold 32,275 matrix of safe and organic vegetable and to Phnom Penh, Preah Sihanouk province, district, and local markets, and got income of US\$ 1,200,900. This contributed to the rural poverty repduction program of the government.



#### **Chicken Production**

FNN implemented Rural Employment and COVID-19 Economic Recovery (RECOVER), Accelerating Inclusive Market for Smallholder (AIMS), and Livelihood Enhancement and Association of the Poor (LEAP) in Kandal, Kampong Spue, Kampot, Takeo, Kep, Kampong Chhnang, Pursat, Battambang, Siem Reap, and Kampong Thom provinces. For these projects, FNN facilitated 241 chicken producer groups with 8,107 members of which 4,885 are women to manage chicken farming, chick hatching, and chicken feed production. The chicken producer groups produced 767,486 Kgs per year and get US\$ 3,065,724 of income.



Mr. Soy Channat, chicken egg production at Chiep Santepheap Satrey Khlahan AC, Kampong Chhnang province.

Ms. Pol sary, chicken farming at Kraing Leav Samaki AC, Kampong Chhnang province.





Chicken feed production group at Rachna Satrey Roung Roeurng AC, Siem Reap province.

#### **Cashew Nut Production**

Cashew farm is a second rural income generation activity, besides the paddy rice production. FNN facilitated five cashew producer groups of five AC in Kampong Thom province. The groups compose of 169 families of which 59 are women. They have farmed 827 hectares of cashew crop. They yield 728 Matrix ton of cashew nuts. The producer groups sold fresh cashew nuts to the middleman and processed two matrix ton of fresh cashew nuts, getting 400 Kgs of processed cashew nuts.





There are two types of the processed cashew nuts. They are whole skin and non-skin cashew nuts.





The cashew nut processing was operated by a group of women. They sold the processed cashew nuts to both retailers and wholesalers through the country, especially Siem Reap province and Phnom Penh municipality.

#### Cricket Production

FNN, in 2022, continued to facilitate two cricket producer groups with 54 members of which 17 are women in Traing and Donekeo districts, Takeo province. FNN provided frozen and dryer machines and cricket mill and training on cricket farming technique after which they operated 868 concrete/wooden aquariums of cricket. As a result, they produced 80 Matrix tons of crickets per year and sold to middlemen with the price of US\$ 2.5 per Kg in average. This business is useful for farmers, especially women who work at home with taking care of her households. Each cricket keeper generated US\$3,700 of income [er year in average. This is another source of household income besides the paddy rice production.



Mary Elizabeth Donaldson, Crown Princess of Denmark visited cricket farms in Takeo province



cooked deep fried cricket.





### networking and advocacy

FNN is a representative of Cambodia farmers working to build capacity of farmers and linking them to the world development in term of agriculture practices. In this regards, FNN is a member of national and international network mechanisms such as CCC, NGO Forum, CamboDHRRA, AFA, ILC, LVC, AisaDHRRA.

#### At national Networking

In 2022, FNN facilitated its farmers to participated in the following events:

FNN, in partnership with CamboDHRRA, facilitated Agriculture Cooperative executives to participate in Agricultural Cooperative Business Forum on Promoting Youth Participation in Leadership and Management of Agricultural Cooperative Businesses on 6th and 7th September 2022 at Cambodiana Hotel, Phnom Penh.

The forum brought together key stakeholders over 180 participants from government representatives, cooperative business leaders, youth leaders, development partners, civil society, NGOs, and the private sector. The objective of the forum was to discuss ways to promote youth participation in leadership and management positions in agricultural cooperatives. The forum highlighted the importance of young people's participation in the country's agricultural development. It also emphasized the need for policies and programs that support youth involvement in cooperatives. In addition, the forum called for greater investments in capacitybuilding and training for young cooperative leaders and managers.

Meanwhile, they learn and share best practices and challenges of youth participation in leading and managing agricultural cooperative business, strengthening short value chain and local market systems, and identify key initiatives, mechanisms and means to promote youth participation in leading and managing agricultural cooperative businesses.



Speakers who came from public and private sectors and CSOs presented their experiences, best practices, and challenges of youth participation in agriculture cooperative business development and management.

FNN facilitated 38 Agriculture Cooperative executives participate in Sustainable Agricultural Summit 2022 on Economic growth in agriculture is our common pathway towards reducing poverty and insecurity and recovery from the Covid-19 crisis on 10th, February, 2022 at TBD, Siem Reap province. The participants had opportunity to Identify challenges and seek solutions on how best to support their emerging farmers to use their

land productively, growing a shared equitable economy, creating employment and securing food for the nation, to engage on issues pertaining to the development of agriculture in Cambodia, to create deepened dialogue, shared learning, strategic partnership and economic opportunities in partnership with the private sector as the keys to strengthening agricultural communities, to facilitate the exchange of information and ideas, and create

a blue print for shared solutions to improve the agricultural sector, and to support the development of strategic and partnerships between the public and private to bolster radical improvement and transformation of the agricultural sector that will address the most pressing issues facing every facet of agriculture in the upcoming years and beyond.



Sustainable Agriculture Submit 2022 in Siem Reap Province

#### **FNN** network meetings

Farmer and Nature Net Association (FNN) has 96 FNN member ACs and is working as network. FNN formed district, provincial, and national FNN networks. Meanwhile, FNN facilitated AC network meetings at provincial and na-

tional levels. The meetings explained to ACs about FNN's vision, mission, goals, value, strategic plan 2021-2025, operational plan, and cooperation with public and private sectors. The meetings also share knowledge, experiences, market

information for linking AC products/inputs to buyers, and updating AC profile. This improved FNN's performance and management practices.



FNN facilitated provincial network meeting in Pursat province

#### At international Networking

#### **AFA Network**

As an AFA member partner, FNN is on board with Asia Farmers Association for Sustainable Development (AFA) and took part in the network meetings with International Land Coalition (ILC), and AsiaDHRRA as a representative of Cambodia farmers. We shared FNN's progress related to land and agriculture policy dialogue, knowledge/skills, experiences, and agriculture-related policy/strategies of the government with other AFA member organizations. Through

the network, FNN improved the performance of the public and private sectors and producer for being strong together.

#### **LA VIA CAMPESINA Networks**

FNN is a member of La Via Campesina (LVC). In 2022, FNN was authorized to organize 4-day La Via Campesina South East Asia and East Asia Regional Meeting. The meeting was held at Poulo Wai Hotel, Phnom Penh, Cambodia. There were CSOs from different countries such as Australia, Cambodia, Indone-

sia, Japan, Malaysia, Philippines South Korea, Thailand, and Timor-Leste. The meeting shared and discussed the effectiveness of the implementation of the government's policy related to agriculture inputs, food security, water, land rights, women's roles in agriculture, and roles of duty bearers to support smallholder farmers. The participants also visited business development of small-holder farmers and women empowerment in Kampong Chhnang province.



4-day La Via Campesina South East Asia and East Asia Regional Meeting at Poulo Wai Hotel, Phnom Penh, Cambodia



Group photo of participants joining the 4-day La Via Campesina South East Asia and East Asia Regional Meeting at Poulo Wai Hotel, Phnom Penh, Cambodia



Participants visited land use of smallholder farmers in Kampong Chhnang province.

### women and youth

Based on the population census 2019, we found that people employed for agriculture sector is 54.7% of which 56.5% are women. The employment by primary sector declines from 77.5 per cent in 1998 to 54.7 per cent in 2019. Besides, percentage of women employment in primary sector also decreases from 83.1 per cent in 1998 to 56.5 per cent in 2019 due to increasing of industry

and services sectors. However, FNN, in cooperation with PDAFFs encouraged women and youth, who are employed in the agriculture sector, to establish Agriculture Cooperatives and Producer Groups participate. As a result, 27,952 of 53,753 Agriculture Cooperatives members (52%) are women. Most of the women were formed as producer groups of vegetable, chicken, paddy

production. At least 10,393 women including 373 youths involved in agriculture activities for income generation. 45 per cent of the AC executives are women, 28 per cent of ACs leaded by women, and about 50 per cent of producer groups leaded by women. Therefore, FNN's projects significantly contributed to the gender equality and poverty reduction in Cambodia.



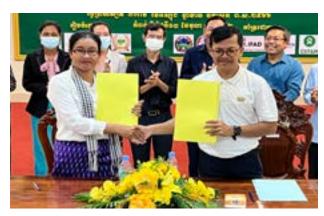
Groups of women were trained in SHG operation in Siem Reap province

Cashew nut processing operated by women in Santuk district, Kampong Thom province.





Groups of women access to micro finance institutes



Ms. Chan Sophal, a leader of Chiep Santepheap Satrey Klahan AC.

### publications

Publication is a part of the capacity building program of FNN's thematic areas. FNN paid more attention on producing both printed and electronic capacity building materials (including success stories, case study, lesion learned, good practice, and training manuals. In 2022, FNN published two training modules related to

business planning, double recording system, and financial statement for individual smallholder farmer and Agriculture Cooperative) and contract farming video film. These reading materials were distributed to the target farmers and partners for replication and increasing their productivity.



Business plan and income and expenditure recording for ACs



Business plan and income and expenditure recording for individual farmer



Video film on contract farming increases rural employment

### **FNN-shop**

FNN-shop provided core value to AC members as well as customers as followis:

- Integrity
- Healthy and friendly environment
- Competitiveness
- Transparency
- Responsibility
- Pro-poor business

FNN-shop opens 7 days per week from 07:00 am to 07:00 pm

We sell organic/safe agricultural products: vegetable, meat (including pork, beef, fish, chicken, frog...), fruit, milled rice, processed food, spices and so on.







#### **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 the may lose opportunity to generate income for ACs themselves as well as their members.

Mrs. Khoun Sey, chairpersion 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 larch 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 Vean 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.



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

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.



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

Ms. Mey Theng, the head of Vegetable Producer Group and the responsible person for facilitating linkage of AC 's products to different market channels, was happy as she got many markets channels to sell agriculture products with acceptable oprice. She was also appreciated to learn more about market production and markets.

### success story

#### Net house increases cropping of smallholder farmers

Ms. Lak Layhouy, 44 years old, with four children and husband are farmer, is living in Prek 2 village, Somrong commune, Kravanh district, Pursat province. She has no rice field, but 18,000 Square matter of Chamkar. She used apart of chamkar land for growing vegetable. She grew vegetable in both rainy and dry seasons in some part of land. Her business was affected by climate change (rainy flood and drought). This made her to irregularly supplied vegetable to markets, especially in rainy season. On the other hand, she was shortage of agricultural skills/techniques to plant vegies in rainy season. Therefore, the income from vegetable growing was not enough to support all her children education and family's needs.

In 2021, FNN, with RECOVER project funding by EU through DanChurAid (DCA), met Ms. Lak Layhouy, a member of the Samrong Senchey Agriculture Cooperative (AC) and her husband, Mr. Mart Kea, to discuss the family food production and their value chain. They were interested in the approaches raised by the project. She decided to join the project activities and improve vegetable production. With the RECOVER project support, she was trained in vegetable production techniques. She also received 250 square meters of net house with small scale irrigation system from the project. Layhouy stated growing different kinds of

vegetable (e.g. tomato, long been, cucumber, eggplant, bitter gourd, Bok Choy, Spinach) in the net-house and field. She planted Spinach and tomato in the same bed (plant Spinach for 2 weeks and tomato after). Ms. Layhouy picked up her veggie and collected veggie from Producer Group members in a volume of at least 450 Kgs to 800 Kgs of veggie per month and sold them to outlet in Phnom Kravanh district, Pursat province. Layhouy made profit of USD300 in average per month. There were 19 PG member and other village visited her net house. Layhouy were happy with the project that it gave many profits to her such as created jobs, increased cropping and sustainable income, market linkage with the best price, knowledge and experience on vegetable production in net house, and safe veggie. With this profit, Layhouy could support her children education three at public schools and one at private university.

Layhouy is also committed to increase production responding to the market demands, share knowledge and experience with PG members and other villagers, and enough them to apply net shous techniques so that we can make strong veggie supplier/wholesaler. Ms. Layhouy said that "we are improved in term of production, market, income, health and give special thanks to EU for funding and DCA for kind coordination and funding also"



#### Selling Whole Fresh Chicken Meat - a New Source for Income

Kraing Leav Agriculture Cooperatives/Farmer Organization (AC) consists of 244 members of which 143 are wom- en. The AC has a business of rice mill that it made small profit for the AC and members. The AC formed a chicken producer group (CPG) with 41 members and a vegetable producer group with 19 members. The chicken producer group members faced a problem of chicken raining technique and sold live chicken to local markets and middlemen with lower price and uncompetitive opportunity (short value chain). This made the AC and CPG members lost profit.

In 2021, FNN, with RECOVER project funding by EU through DanChurAid (DCA), met Mr. Mao Sarim, leader of the Kraining Leav AC and his colleague to discuss the AC members' agriculture production and their value chain. They were interested in the approaches raised by the project. AC decided to create new business of selling whole fresh chicken meat. The AC assigned Ms. Chim Sophy, AC executive, as a CPG leader and a farmer trainer. She received training of trainers on chicken production. All CPG members received chicken production training from the farmer trainer. After the training, they produced 542 chicken permonth in average. With facilitation of the project, Mr. Mao Sarim, signed contract farming with Snadey Me market to supply fresh chicken meat and milled rice.

With the RECOVER project support, the AC's new business of selling whole fresh chicken meat started in July 2021. The AC bought live chickens from the CPG members with the cost of 16,800 Riel (US\$4.20) per



A Chicken Producer Group memberber regularly sell chicken to AC, Kampong Chhnang province.

kilogram (a chicken weighted of 1.4 Kgs), made whole fresh chicken meat, and transported them to Snadey Me and Kravan markets and FNN shop. For the whole value chain (from the CPG to markets), the AC spent 21,700 Riel (US\$5.42) per chicken. He sold a whole fresh chicken meat to the markets with price of 30,000 Rield (US\$7.5) per chicken and profited 8,300 Riel (US\$2.07) per chicken. So, the AC sold 35 whole fresh chicken meat in average to the markets and made 290,500 Riels (US\$72.6) per day.

The AC made profit of US\$2.07 per chicken per day. However, the CPG member made US\$1.8 of profit per chicken over the period of three month (from chick to chicken). The AC charged 500 riel (US\$0.13) for administration fee and the rest for benefit to AC members.

Mr. Mao Sarim and members highly sanctified with the new business, because it provided higher income to the members than non-member farmers, created more jobs for poor farmers which also provided them with a stable income, protected member from risks, and created links to markets where they can sell products with the best price. Mao Sarim also said that "We now understand the agriculture value chain, and improving it against middlemen. We are enhancing capacity of AC to increase chicken production along with market needs and giving special thanks to EU for funding and DCA for kind coordination and funding"



An AC executive prepared/parkaged whole fresh chicken meat for sending to martkets.

#### AC products and markets

Markets is an important factor for farmers to increase agriculture production. Currently, farmers always challenge shortage of demands, they said. They sold their product relied on middlemen with lower prices and get small profit. This made farmers difficult to continue their agriculture production and they decided to migrate for jobs. However, FNN facilitated ACs/PGs to improve quality of their products including post-harvest management in the farms. This is not sure that all products are sold to the markets. FNN has, therefore, facilitated ACs/PGs to link their product to outlets as follows:

#### Local markets:

FNN facilitated ACs to establish AC-shop where they can sell their product to villagers. ACs make sure all kinds of product are safe and make villagers confident about the product quality first. This will spread to other areas of the districts.

#### Marketing Strategy:

FNN has facilitated ACs to install billboard at AC to sell product. This is a way to make people know the ACs' products when they passed the AC Centers.

#### Selection of Middleman

FNN and AC still regards middleman plays the role of an intermediary in a distribution or transaction chain who facilitates interaction between the involved parties. Middlemen specialize in performing crucial activities involved in the purchase and sale of product in their flow from producers to the ultimate buyers. In general, ACs sold the product to middleman with lower price. However, FNN still enough ACs/PGs to contact many middlemen as much as they can in order to choose the best one.

#### Agricultural Trade Fair:

Provincial Department of Agriculture, Forestry, and Fishery (PDAFF) and Provincial Department of Commerce (PDC), every year, organized agriculture product fairs. FNN also facilitated ACs to join such events. This is an opportunity for ACs to spread out their production and safe/organic product to the public and for increasing market linkage.

#### **Contract Farming**

FNN facilitated ACs to sign contract farming with private companies that sell agriculture products. This is a way to ensure the long term sale and give more profit for ACs than other outlets.

So, ACs can choose any market channel to sell their products that provide them with higher profit.



AC leader linked product to local market (Sala Lek Pram market), Kampong Tralach district, Kg. Chhnang province.



Billbord to sell AC products, Srey Snorm district, Siem Reap



AC product displayed at trade fair in Kg. Chhnang province.



ACs signed contract farming with KOC in Kg. Chhnang province.

#### Model to improve supply for contract farming

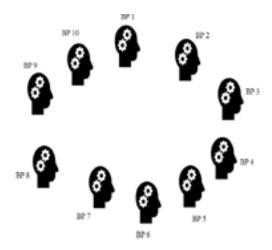
FNN facilitated 8 ACs to sign contract farming with companies and public schools. Although, the contract farming ensures long-term sale and more profit for ACs than other outlets, it still face problems of less supply. To deal with the problem, FNN encourage each PG to improve their management of PG by developing accurate business plans with their individual members.

#### Step 1: Identify market demands

FNN facilitated ACs find companies who can buy organic/safe vegetable from ACs. After that, FNN facilitated AC to discuss the potential of its PG members' production and prepared business/supply plans together.

#### Step 2: Individual PG member Business plan (BP) at PG level

Starting from the individual members, FNN and PG executives trained them on how to develop business plan and techniques, after which we facilitate each member to develop her/his business plan.



#### Step 3: AC Business plan (BP) at AC level

AC facilitated its PG members and consolidated their BPs into AC Business plan (BP1 + BP2 + BP3...... +BP10) = AC's BP. This helps AC has realistic business/supply plan before signing contract with companies. To ensure the volume of supply of and commitment of individual PG members, AC sign contract with them.

#### Step 4: AC and Company sign contract farming (CF)

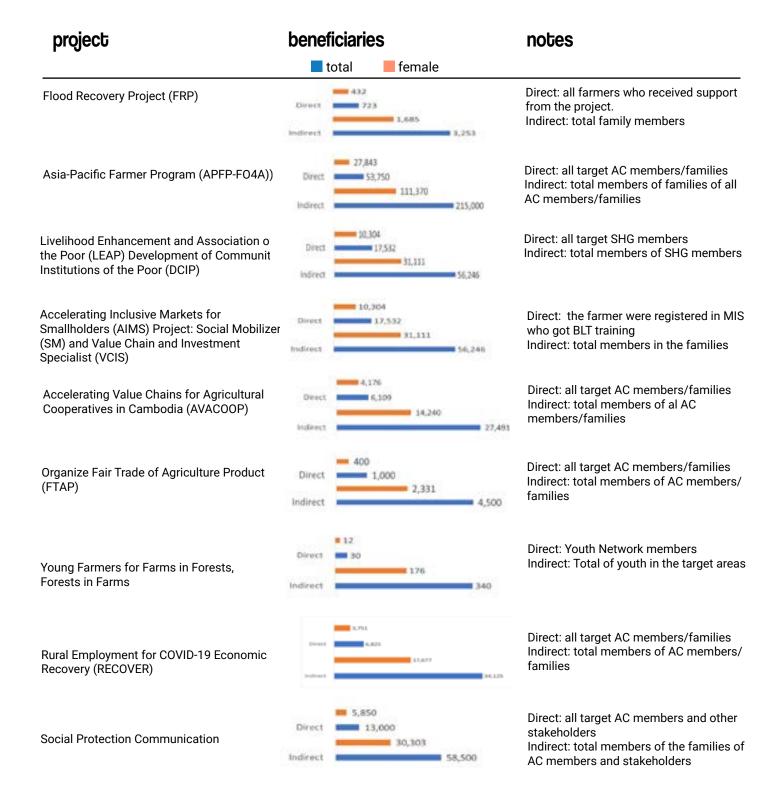
FNN also facilitated AC and company to discuss AC's supply plan and conditions of the contract so that they get mutually beneficial agreement. FNN organized signing ceremony between AC and Company.



#### Step 5: Observation of contract farming (CF) implementation

FNN as a facilitator played an important role to observe the implementation of the contract farming. FNN just informed both parties when they were not on track. FNN will also facilitate them to find solutions to the conflict if they requested us.

### project beneficiaries



# report 2022

Donor/Partner	unding source	Description	
Ministry of Commerce (MOC) Management Office (PMO) Accelerating Inclusive Markets for Smallholders (AIMs) IFAD Loan No. 2000001751	The International Fund for Agricultural Development (IFAD)	AIMs project, AIMs/C1/C/2018/	
Ministry of Commerce (MOC) Management Office (PMO) Accelerating Inclusive Markets for Smallholders (AIMs) IFAD Loan No. 2000001751	The International Fund for Agricultural Development (IFAD)	Market-Oriented Social Mobilize C1/C/2017	
Ministry of Interior (MOI)	International Development Association (IDA)-World bank	Livelihood Enhancement & Asso IDA Credit No. 5960-KH for Deve Institutions of the Poor (DCIP) of 82848-CS-C	
DanChurchAiD (DCA)	DANIDA and Gift Catalog	Accelerating Value Chains for Ag Cambodia (AVACOOP) Project-#	
DanChurchAiD (DCA)	EuropeAid and Danida	EU RECOVER: Rural Employmen Recovery project-#101027	
The Asian Farmer's Association for Suntainable Rural Development (AFA) on behalf of the AFA and La Via Campensina (LVC) as Regional Implementatio	The International Fund for Agricultural Development (IFAD) and the European Commission (EU)	Asia Pacific Farmers' Programme Farmer's Organization for Asia (	
The Asian Farmer's Association for Suntainable Rural Development (AFA) in behalf of the AFA and La Via Campensina (LVC)	The International Fund for Agricultural Development (IFAD) and the European Commission (EU)	Asia Pacific Farmers' Programme	
The Asian Farmer's Association for Suntainable Rural Development (AFA) on behalf of the AFA and La Via Campensina (LVC) as Regional Implementation Agency (RIA)	The International Fund for Agricultural Development (IFAD) and the European Commission (EU)	"ASSURING RESILIENCY OF FAM COVID19 PROJECT (ARISE)"	
Oxfam Cambodia	Oxfam-Novib (Ministerie van Buiten- landse Zake)	Inclusive Agriculture Value Chai 27108436-A-06604-05:KH, Grar 508293 from April 2022 to Mar	
Oxfam Cambodia	Oxfam Germany-GIZ	Social Protection Communicatio 27108436-A-06752-03:KH, Grar 508293 from July 15, 2021 to 30	
Oxfam Cambodia	Oxfam Novib	Financial Support for Conflict Pr Contract Farming Scheme	
Deutsche Ggesellschaft für Internationale Zusam- menarbeit (GIZ) GmbH-Cambodia	Deutsche Ggesellschaft für Internationale Zusammenarbeit (GIZ) GmbH-Germnay	"Improing Social Protection and 834202281-ISPH project	
ASIAN PARTNERSHIP FOR THE DEVELOPMENT OF HU- MAN RESOURCES, in Rural Areas, (AsiaDHRRA), Inc.	The International Fund for Agricultural Development (IFAD) and the European Commission (EU)	Market Consolidation for Small	
Contribution and Admin fee income		Contribution and Admin fee inco	
LA VIA CAMPESINA (LVC)	LA VIA CAMPESINA (LVC)	LVC SEEA regional meeting	

	Budget	Income	Expenses	Over/Under budget	Over/Under Fund receive	% of Budget
29	\$89,423.00	\$83,674.00	\$74,053.00	\$15,370.00	\$9,621.00	83%
er-SM Ref. AIMs/	\$196,242.92	\$216,46	\$210,657.61	\$(14,414.69)	\$5,811.10	107%
ciation of the Poor (LEAP) elopment of Community ontrat Number: KH-MOI-	\$75,975.45	\$65,897.37	\$76,011.66	\$(36.21)	\$(10,114.29)	100%
ricultural Cooperatives in 1010279-52	\$84,100.74	\$79,921.54	\$79,921.54	\$4,179.20	\$-	95%
t for COVID-19 Economic	€ 202,766.00	€ 158,054.00	€ 178,771.00	€ 23,995.00	€ (20,717.00)	88%
e (APFP) and Support to FO4A)	\$267,000.00	\$289,000.00	\$251,085.05	\$15,914.95	\$37,914.95	94%
e (APFP)	\$19,970.00	\$-	\$7,367.88	\$12,602.12	\$(7,367.88)	37%
ILY FARMERS AMIDST	\$-	\$11,034.88	\$174.53	\$(174.53)	\$10,860.35	#DIV/0!
ns, Project ID: NL-KVK- it ID: 1001871, Partner ID: ch 2023	€ 65,334.00	€ 16,212.00	€ 45,247.73	€ 20,086.27	€ (29,035.73)	69%
n, Project ID: NL-KVK- t ID: 1002374, Partner ID: ) April 2022	€ 14,075.20	-	€ 10,367.29	€ 3,707.91	€ 3,707.91	74%
evention and Mitigation in	\$20,000.00	\$20,000.00	\$17,075.00	\$2,925.00	\$2,925.00	85%
Health (ISPH) project LSA-	\$40,000.00	\$11,120.50	\$10,382.65	\$29,617.35	\$737.85	26%
Scale Farmers in Cambodia	€ 40,000.00	€ 36,000.00	€ 30,079.39	€ 9,920.61	€ 9,920.61	75%
ome	\$42,719.00	\$52,134.03	\$42,989.64	\$(270.64)	\$9,144.39	101%
	€ 10,000.00	\$4,000.00	\$11,324.83	\$(1,324.83)	\$(7,324.83)	113%
service	\$27,620.00	\$28,965.00	\$24,237.73	\$3,382.27	\$4,727.27	88%

# donors and partners

### donors

Flood Recovery Project (FRP)



Asia-Pacific Farmer Program (APFP-F04A))









Livelihood Enhancement and Association of the Poor (LEAP) Development of Community Institutions of the Poor (DCIP)





Accelerating Inclusive Markets for Smallholders (AIMS) Project: Social Mobilizer (SM) and Value Chain and Investment Specialist (VCIS)





Accelerating Value Chains for Agricultural Cooperatives in Cambodia (AVACOOP)



Responsible Agricultural Investment (RAI): Improving the Participation of the Youth in Agriculture



FAIR4ALL Inclusive Agriculture Value Chains



Rural Employment for COVID-19 Economic Recovery (RECOVER)







Social Protection Communication



Short project: MRLG, we are watching, GAFSP, UNDROP, ILC/NES (CBI7, CBI2),







Food Summit System

#### we closely cooperated with

#### **Government institutions**

National level

- · Ministry of Commerce
- Ministry of Agriculture, Forestry, and Fisheries
- Ministry of Interior
- Ministry of Rural Development
- Ministry of Economy and Finance
- Ministry of Water Resources and Meteorology



 Commune, district and provincial authorities, and relevant provincial technical departments and district technical offices in the target provinces.

#### NGOs, private sector and civil society

- National and international NGOs working in the same target areas
- National and international NGOs working in related thematic fields
- Private sector

International NGOs

All relevant Community Based Organizations in the same target

#### Private sector























#### **National NGOs**

















"We all continue working together to fight against poverty"