

**POLICY DIALOGUE**  
14 March 2022  
Hotel Cambodiana, Phnom Penh

**Toward more inclusive agricultural investments:  
Making contract farming more inclusive for smallholder farmers**

Contract farming has been promoted by the Royal Government of Cambodia (RGC), the private sector, and civil society actors as an inclusive agri-business model. It has gained popularity and is seen as a potential model for cooperation between investors and farmers. Under contract farming arrangements, farmers are expected to get better access to higher technologies, quality inputs, technical advice, financial support, and secure markets. In 2011, the government issued a Sub-decree on Contract Farming. Currently, MAFF is drafting a new law on contract farming.

Contract farming has also been adopted by companies managing Economic Land Concession (ELC) to engage smallholder farmers from the local communities. Such cooperation has the potential to increase farmers' benefits from existing ELC projects as well as to contribute to agro-industrial development. As of 2018, there were 229 ELC projects, covering around 1.2 million hectares, about 35% of which were developed into plantations (MAFF, 2018).

In order to contribute to the development of the draft law on contract farming, the Cambodian Alliance for Responsible Agricultural Investment initiated a research to generate evidence and draw lessons from the implementation of contract farming on the ground. The study was conducted by the Centre for Policy Studies (CPS) in cooperation with the Ministry of Agriculture, Forestry, and Fisheries (MAFF) during 2020-2021. It comprised a household survey of 270 farmers who have engaged in contract farming with five different companies under two business models: outgrower and nucleus-estate.

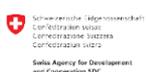
In this regard, CPS and MRLG would like to convene a dialogue between key relevant stakeholders on **14 March 2022** on the following questions:

- 1) How to design contracts that are fair and understood by farmers? What mechanisms can protect them effectively and ensure the contracts are enforced?
- 2) How to ensure that contract negotiations are balanced between farmers and companies? How to strengthen the role of intermediaries such as agriculture cooperatives?

**Objectives:**

- 1) To present key findings from the research and some potential solutions to make agricultural investment and contract farming more inclusive and beneficial to smallholder farmers.
- 2) To facilitate a dialogue among concerned stakeholders on key features and processes necessary to ensure more inclusive and effective contract farming in Cambodia.

Funded by:



Implemented by:



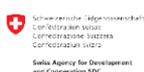
Supported by:



## Tentative Programme

Time	Agenda Items	Responsibility
9:15-9:45	Registration and refreshment	All participants
9:45-9:55	Introduction	Mr. Ngo Sothath (MRLG)
9:55-10:00	Welcome remarks	Mr. Chan Sophal, Executive Director (CPS)
10:00-10:30	<b><u>Presentation:</u></b> Towards a more inclusive agricultural investment: key issues and proposed solutions	<b><u>Presenter:</u></b> Dr. Ngin Chanrith, Research Director (CPS)
10:30-10:45	Comments and questions for clarification	
10:45-12:00	<b><u>Dialogue Session 1:</u></b> How to design contracts that are fair and understood by farmers: What are the key features of minimum requirements? What mechanisms can protect them effectively and ensure contract are enforced?  <b>Panelists:</b> 1) Mr. Kong Pheach, Director, Department of Ago-Industry (DAI) 2) Mr. Mak Mony, Director, Department of Planning and Statistics (DPS) 3) Mr. Kann Kunthy, Managing Director, Cambodian Agriculture Cooperative Corporation (CACC) 4) Mr. Chan Sophal, Director, Centre for Policy Studies (CSP)	<b><u>Moderator:</u></b> Ms. Man Asisah (Oxfam)
12:00-13:30	Lunch (served)	All participants
13:30-14:45	<b><u>Dialogue Session 2:</u></b> How to ensure that contract negotiations are balanced between farmers and companies: What are key steps/ mechanisms for inclusive process? How to strengthen the role of intermediaries such as agriculture cooperatives?  <b>Panelists:</b> 1) Mr. Kong Pheach, Director, Department of Ago-Industry (DAI) 2) Dr. Ngin Chanrith, Research Director, Centre for Policy Studies (CPS) 3) Ms. Man Asisah, Responsible Investment and Land Governance Coordinator, Oxfam in Cambodia 4) Mr. Pan Sopheap, Executive Director, Farmer and Nature Net (FNN)	<b><u>Moderator:</u></b> Mr. Ngo Sothath (MRLG)
15:45-15:00	Wrap-up and way forward	Dr. Antoine Deligne, Deputy Team Leader (MRLG)
15:00-15:30	Refreshment and networking	All participants

Funded by:



Implemented by:



Supported by:

