



# Cambodia Agricultural Value Chain Program (CAVAC)

## Overview

The Cambodia Agricultural Value Chain Program (CAVAC) aims to increase farmer incomes in rice-based farming systems by accelerating growth in the value of agricultural production.

To increase their incomes, farmers need to increase the quantity or quality of the rice and vegetables that they produce. To do this they need to understand modern techniques, have more information, and reliable access to inputs such as water, seeds, fertiliser and pesticides, and have better opportunities for selling their produce.

CAVAC provides assistance in four areas:

- › Agribusiness and extension
- › research
- › irrigation and water management
- › business enabling environment

## The way CAVAC Works

One of the main ways CAVAC works is to stimulate systemic changes in farmer support markets. CAVAC starts this process by working in small teams to talk to farmers, companies and government to understand how the markets work, what constraints farmers and businesses face and what opportunities for growth exist. These might include addressing limited access to irrigation, outdated farming methods, low-quality seeds or inappropriate fertiliser.

Armed with initial market knowledge and strategies for key markets, CAVAC starts to engage with market players to look for opportunities for improvements and innovations. A distinguishing feature of this approach is that CAVAC does not usually work with farmers directly, but instead works with businesses, public sector and civil society players or 'providers' who supply key products and services to smallholder farmers. In most cases these market providers are companies, but they might be others. Over the past four years CAVAC has worked with seed producers, fertiliser and pesticide producers and retailers, rice millers, traders, exporters, media, research institutions, farmers' associations and government agencies.

CAVAC tries to devise partnerships and other activities in which all players benefit from adopting innovations that eliminate the constraints to growth. Innovations with the private sector help to improve their business and at the same time help farmers to access better solutions for farming. It may take many months or even a year to move from initial engagements between CAVAC staff and businesses, to signing an agreement.

## Examples of Private Sector Partnerships

CAVAC has demonstrated that when businesses have the right incentives to improve support to farmers and when early adopters champion the change, more productive farming practices take root and lift more and more people out of poverty. For example, CAVAC has already:

- › Partnered with a dozen fertiliser companies to help ensure retailers and agents of their products give better advice to farmers about what type of fertiliser to use and when. CAVAC helps the companies see the business case for providing better information and develops tailored strategies for each company to help improve the knowledge and skills of staff and agents.
- › Worked with two companies to conduct media market research and analyse consumption patterns, and another company to produce a television series related to agriculture. As companies see the market size of rural consumers and their tastes, research and production companies can sell their products and support dissemination of farming practice information.
- › Partnered with a range of seed companies, private producers and associations to help them innovate in seed production, demonstration and marketing practices.
- › Worked with pesticide companies to help them and their retailers boost the knowledge of farmers on the safe use of pesticides, providing benefits to health and yields, and reducing environmental degradation.

### Irrigation and Water Management

- › Aside from the above-mentioned activities on agribusiness and extension, CAVAC is also helping to improve productivity by constructing and rehabilitating irrigation infrastructure. Over the past four years CAVAC has started or completed construction on 26 irrigation schemes which will allow an additional 22,600 hectares of land to be irrigated each year, benefitting around 20,600 farming households. When completed, these schemes will enable farmers to grow up to three crops of rice in a single year, rather than relying on a single crop produced each year in the wet season. In 2013 alone, irrigation infrastructure constructed by CAVAC is estimated to have allowed an additional \$21 million of rice to be grown.
- › After completing construction or rehabilitation of each irrigation scheme CAVAC establishes Farmer Water User Communities (FWUCs) to support sustainable operation and maintenance. To date this includes 13 FWUCs. Support provided to these elected groups of farmers includes capacity building and support for the development of systems for monitoring water usage and fee collection. CAVAC does this work in conjunction with the Provincial Departments of Water Resources and Meteorology.



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