ROUNDTABLE

On

“AGRICULTURE AND RURAL DEVELOPMENT”

For Distinguished Members of the National Assembly and Senate

February 01, 2005 from 07h30 to 12h00

CAMBODIANA Hotel
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* AGENDA *

07:30 – 08:00 Registration

08:00 – 08:05 Opening remarks
   by Ms. Mom Sokhayouk, Deputy Manager of CCLSP

08:05 – 08:15 Opening speech
   by HE. Ly Thuch, Chairman of the National Assembly’s 3rd Commission

   by Mr. Chea Samnang, EIC’s Researcher

08:30 – 08:45 “Rice Situation in Cambodia: Problems and Prospects”
   by Mr. Sam Bona, Specialist on Rice Sector and Agriculture of the National Cambodian Rice Millers Association

08:45 – 09:00 “Fishery Assessment for 2004-2005 and its impact on the Cambodian Economy”
   by Mr. Touk Khy, EIC’s Researcher

09:00 – 09:15 “Fishery in Cambodia: Problems and Prospects”
   by Mrs. Keov Ratha, Vice Director of Annlong Raing Fishery Community

09:15 – 09:35 “Agricultural Policies for Poverty Reduction”
   by Mr. San Vanty, Deputy Director General of the Ministry of Agriculture Forestry and Fishery

09:35 – 10:05 Coffee Break

10:05 – 11:50 Discussion facilitated by Mr. Sok Hach, Director of EIC

11:50 – 12:00 Closing Remarks by Mr. Sok Hach, Director of EIC
Minutes of the Roundtable
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First of all, Mrs Mom Sokhayok, Deputy Manager of the Cambodia-Canada Legislative Support Project, made remarks on the importance of the roundtable.

HE Ly Thuch, Chairman of the 3rd Commission of the National Assembly, was invited to make the official opening speech. He expressed his sincerity to the EIC and CCLSP for the initiation of the roundtable on agriculture, as it is an important source of revenue for Cambodians who live in rural areas.

Our first presenter, Mr Chea Samnang, started his presentation on the impact of the draught on the rice crop of Cambodian farmers. He gave examples of two real case studies in two villages (Pomereal in Kapong Speu province and Soeung in Takeo province) which were severely affected severely by the draught in 2004. There is a rice shortage of more than 50 per cent in the two villages. Then, he pointed out the rice crop situation in Cambodia, concluding that the drought affected about 16 per cent of the total growing area in 2004. It is now time for the government of Cambodia to take preventive measures for its farmers, he said. However, with a realistic and proper agricultural reform, Cambodia could increase its rice production to about 10 million tons per year (compared to the actual figure of about 4 million tons per year), making Cambodia a significant trader position in the international market place.

Mr Sam Bona, specialist in rice and the agricultural sector for the Rice Miller Association, raised some of the main problems faced by Cambodian farmers and rice millers. From the farmers’ side, inadequate irrigation systems, low technical skill and a lack of capital are obstacles for them to increase the productivity per hectare, he said. From the rice millers’ point of view, poor infrastructure, low technical capability, and illegal rice exports to neighboring countries are the major three challenges. Finally, he had some suggestions for improving the situation. First, imports of agricultural equipment, and rural credit accessibility, should be facilitated by the government. Then, public investment in the country’s irrigation system and rural infrastructure should be better promoted to increase productivity and lower production costs. Also, the government should eliminate illegal rice exports to stabilise the price of rice in Cambodia, thus creating more jobs for Cambodians.

Next Mr. Touk Khy, EIC researcher, presented the outcomes of the fishery assessment in two villages - Kampong Tralach in Kampong Chhnang province and Anlong Raing in Pursat province. He said that in 2004 the stock of small fish increased remarkably compared to the previous year, due to fewer illegal fishing activities. This helps increase profit per household of rural Cambodians who earn their living by fishing, by up to 100,000 riel a month. Illegal fishing activities have decreased by about 70 per cent compared to last year. However, there are still some illegal fishing activities, especially those on a large scale in the Tonle Sap, which make many people worry about the fish stock in the Tonle Sap. He concluded his presentation by
suggesting that sustainable fishing activities should be strengthened by the ministerial authority, or more power should be given to the local community to prevent illegal activities.

**Ms Keov Ratha**, Vice-Director of the Anlong Raing Fishery Community, drew attention to the violence against the community caused by modern equipment used by powerful fishermen. Related to the fish situation in Tonle Sap, she said some fish appear to be extinct. She believes that if the reserved fishing lots are properly protected, Cambodia will have enough fish for its people. At the end she requested, on behalf of her community, a school for children, and called for interventions in rural credit accessibility in her fishing community.

Before the comment by the representative from the MAFF, **HE Ly Thuch**, Chairman of the 3rd commission of the National Assembly, was asked to share his experiences from his previous trip to China. He said that there are two factors boosting China. First is the events of 1978, which gave rights to land ownership and which opened China to the world. Secondly, China has had good leaders who brought the idea of capitalism and hard work. For Cambodian agriculture, we need to define the responsibilities of the government and the people, he added. For example, the government should develop irrigation systems, and draft and make laws, while people must be self-reliant.

Related to the government’s agricultural policies for poverty reduction, **Mr San Vanty**, vice-director general of the MAFF, made the comment that there are three focal points set by the MAFF. Those are: (i) food security and increased agricultural productivity for decent living standards, (ii) sustainable natural environment, and (iii) high produce quality and efficiency, and effectiveness of agro-industry. Concerning capacity-building, the ministry has provided some technical assistance and rural credit to farmers and plans for human resource development. The short-term plan of the MAFF is to increase agricultural intensity and aquaculture by examining plantation, making seed choices and genetic conservation, and managing natural resources. Regarding market accessibility, he said the MAFF is working hard to improve the product quality as well as the market information system, so that more value added would be created for agricultural products from Cambodia.

**Discussion Session**

**Question by HE Eng Chhai Eang:** What is the MAFF’s policy to allocate the fishing lots in lakes or canals, because sometime they are kept for the local community and sometimes they are distributed to private companies for research purposes?

**Question and comment by HE Sabu Bacha:** Related to agriculture and fertilizer use, does the imported fertilizer go through the legal system or not? Further, I suggest releasing fish in various waterways as Cambodia is rich in lakes, canals and rivers. There is no need to feed. As regards agro-industry and rice milling, can Cambodia absorb technology from foreign companies currently doing their business in Cambodia? Is there any plan by the government to make the majority of foreign-owned companies Cambodian-owned? In regard to rubber plantations in Ratanakiri, I fear that if the government gives concessions to private companies for large-scale investment, it might cause migration and affect tourism in the province. Instead, it would be better to well allocate those lands to local people.
Comment by HE. Khem Veasana: People in my constituency abandon their homes to find jobs in Thailand due to the lack of rice. The supporting factors, especially high fuel price, poor infrastructure, lack of financing capability and corruption, cannot make Cambodian agricultural products competitive, compared to products from Thailand and Vietnam.

Answer by Mr. San Vanty: In response to HE Eng Chai Eng’s letter to the MAFF, the Ministry has acknowledged the letter and the problem is under investigation because it relates to technical, legal and social aspects. Fishing lots in lakes or canals are under Decree 33. No fishing lots have been taken back from the local people and rights to family fishing is fully respected. Related to HE. Sabu Bacha’s question, the MAFF and the Ministry of Land Management, Urban Planning and Construction have drafted a decree on economic concessions. The MAFF aims to use land effectively by using it several times, so that farmers can increase their outputs. Concerning fertilizer import, we have decrees and circulation providing guidance such as registration and how to use it. Besides, the MAFF in cooperation with the Ministry of Justice has set up the “Police of Justice” whose roles are to monitor and check for fake goods and impose sanctions, such as elimination from the registration list or import bans. Related to the fish stock, the ministry has already released small fish in various waterways but some fish cannot be released due to their biological nature. Moreover, SME has also been promoted by the government. The Ministry, in cooperation with ADB, plans to provide micro-finance to SME and to educate not only public officials but also private companies about the accounting procedure to create trust. Related to large-scale investment in rubber plantations, the Ministry has been studying and evaluating the feasibility of privatisation. Concerning the point of HE Khem Veasna, I acknowledge the importance of petrol in agricultural production but petrol is not the only important input for the competitiveness of the sector. In addition, the government has called for farmers to change their habit from growing late rice to early or ordinary rice. The Ministry of Water Resources and Meteorology is studying the ability to float rice plantations. I have no idea on the amount of US$120 million, which was argued to be the imports of agricultural products from Vietnam.

Question by Mr Sok Hach to Mr Sam Bona: What do you think about the impact of the majority of foreign-owned rice millers in Cambodia?

Answer by Mr Sam Bona: It has both positive and negative effects on Cambodian farmers. On the negative side, they might kill the Cambodian rice millers, who have usually low technical capability. On the positive side, they may be able to absorb the labour force and to transfer know-how to Cambodians. They can be information messengers or brokers for Cambodian farmers when there is great demand for rice.

Question by Mr Sok Hach to Mrs Keov Ratha: What shall we do to restore the fish stock in the Tonle Sap?

Answer by Mrs. Keov Ratha: There is no need to release further fish into the lake. What we should do is protect the existing stock sincerely and to keep an eye on large-scale fishing activities, which endanger the existing fish stock.
Comment by HE Kong Korm: Land and fishing lot disputes between investors and farmers happen quite often in Cambodia. However, I suggest the MAFF considers increasing productivity in the areas which do not usually get affected by flood or drought. I agree there is no need to release more fish into the lake, but we need to protect the existing fish stock. I would suggest facilitating the flow of capital to the farmers through rural credit as well.

Comment by HE Hou Vann: I wonder if the authority dares to take action against illegal activities related to land and fishing. I would propose that the MAFF uses its existing master plan and it would be better to protect than to conduct research, due to high research costs. As regards agricultural products, I would like to draw attention to the negative effect of the over-use of chemical fertilizer for production because it might affect the consumer’s health.

Comment by HE Sok Peng: Fishing offences in the Tonle Sap River and in the sea by using modern equipment is an obstacle to fishing quality improvement. I would request the MAFF to pay more attention on the outbreak of Vietnamese thorns in Kompong Speu. Related to the government’s policy towards drought in 2004, I would say the government does not hit the main target and I really wonder why the government offered oil to farmers. They could use all this money to build the irrigating system instead.

Comment by HE Chhit Kim Yeat: Some politicians seem to be trying to benefit from land abuse. For example, they pretend to help a handful of people to get their land back, even though the land was sold to other people.

Comment by HE Men Maly: It should be time for the government to restore the existing canals and ditches so that farmers can have access to water for farming purposes.

Comment by HE Chhiv Soun: I call on the MAFF to take action against illegal fishing activities, using modern equipment, which causes disaster to marine life. Concerning forestry, I wonder why local residents are not allowed to cut some trees on their land.

Comment by HE Prak Vanny: I would like to ask the MAFF to keep an eye on the implementation of the law because some powerful investors have violated the fishing lots which were distributed to the local community. In relation to deforestation, I would like to make a remark that some local residents are still arrested if they do not pay to the police, while the loss of forest continues.

Comment by HE Kang Chan: The reason why some Cambodian farmers sell their rice to Thailand is that there are excesses of rice in some areas, which result in a drop in the domestic rice price. I would like to ask the Ministry to find ways to increase domestic rice prices, to improve the quality of rice milling machines and to take action against illegal fishing activities.

Finally, Mr Sok Hach thanked all the participants and suggested that the topic for the next discussion should be about industrial issues.