

Business and CSR: Road to Sustainable Food Systems in Cambodia

Private sector consultation: 11 steps to leverage business for sustainable growth and healthy food systems in Cambodia

3rd - 4th December 2015
Cambodiana Hotel, Phnom Penh

Background and concept:

Agriculture is a driving economic force in Cambodia, ensuring the livelihood to more than 80% of the population and representing currently 33% of its GDP. Moreover, Cambodia relies disproportionately on a limited number of commodities (ex.: rice crops represent 75% of the arable land¹), in addition to being one of the countries in the world most vulnerable to climate change². In a world that will have to feed over 9 billion people by 2050, ensuring food security and sustainable agriculture are therefore core national socio-economic concerns. Cambodian agriculture in transition offers opportunities to work closely with the private sector especially those in the production, processing, transport, branding, trading sectors as well as the consumers.

The interest on Corporate Social Responsibility (CSR) in the agri-business is growing in Cambodia as demonstrated by a range of new initiatives on the matter, including OXFAM's CSR Asia launched in 2015. Leading multinationals, civil society groups, governmental and intergovernmental organizations are shaping the future of CSR in Cambodia and defining their vision 2025 for sustainable growth and healthy food systems in Cambodia.

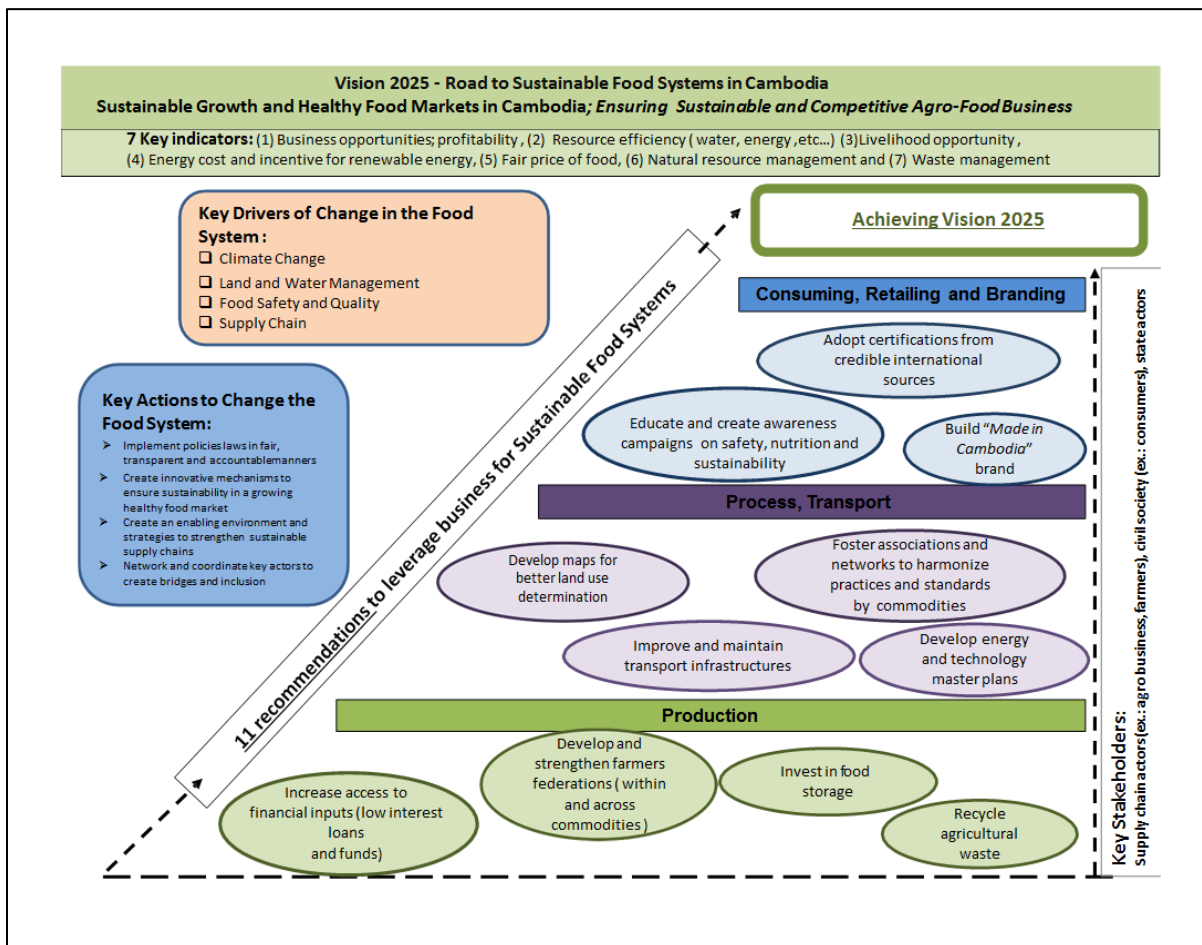
With the support of the ASEAN CSR, the Cambodian Institute for Cooperation and Peace (CICP), Oxford University and the Climate Change, Agriculture and Food Security (CCAFS) organized on the 3-4th of December 2015 a two days' workshop that gathered around 26 participants, including half from the private sectors, to look at the key drivers of change of the food system in Cambodia in the next 10 years. The workshop was highly interactive; through scenarios methods the participants developed not only a comprehensive framework on sustainable food system in Cambodia, but as well recommended 11 steps to leverage businesses towards sustainable food systems. Each of the recommendations were built around identified drivers and actions of changes.

Programme	Morning	Afternoon
Day 1	<ul style="list-style-type: none"> • <i>CSR and normative frameworks and approaches</i> • <i>Setting the context, drivers and actions of change</i> 	<ul style="list-style-type: none"> • <i>Food production</i>
Day 2	<ul style="list-style-type: none"> • <i>Food processing and transport</i> 	<ul style="list-style-type: none"> • <i>Consuming, branding, retailing</i> • <i>Conclusion</i>

¹ CoRAA, *Organic culture in Cambodia*, April 2011, p.9

² The most vulnerable country according to some research, such as [Standard & Poor's](https://www.globalcreditportal.com/ratingsdirect/), 2014, via <https://www.globalcreditportal.com/ratingsdirect/>, accessed on 9 October 2015

Results



Top Business and CSR Recommendations: 11 "Steps" to Sustainable Food Systems in Cambodia

Production

1. Increase access to financial inputs (low interest loans and funds)
2. Develop and strengthen farmers federations (within and across commodities)
3. Invest in food storage
4. Recycle agricultural waste

Process and Transport

5. Develop maps for better land use determination
6. Improve and maintain transport infrastructures

7. Foster associations and networks to harmonize practices and standards by commodities
8. Develop energy and technology master plans

Consuming, Retailing and Branding

9. Adopt certifications from credible international sources
10. Educate and create awareness campaigns on safety, nutrition and sustainability
11. Build a "Made in Cambodia" brand

Key Workshop Activities

Step 1. Setting the scene

HRH Prince Norodom Sirivudh (CICP Chairman and member of the Constitutional Council)

- Keynote speaker

Ms. Wan-Hea Lee (OHCHR Cambodia Country Representative)

- Keynote speaker

Jerry Bernas

- ASEAN CSR Programme Manager
- On the ASEAN as a growing socio-cultural community, developing common policy including an approach to CSR and sustainability.
- On the background of the ASEAN CSR initiative and the way forward.

Dr. Peou Rathana

- On the two-day workshop objectives and activities.

Step 2. Identifying the drivers of changes by key stakeholders

Key Drivers of Change – Results:

- Climate Change
- Land and Water Management
- Food Safety and Quality
- Supply Chain

First, participants paired up to discuss key drivers of change up to 2025, which could impact the food systems in Cambodia. Through two rounds, participants brainstormed as many drivers as possible, which were compiled on post-its displayed on white boards.

Second, participants clustered individual drivers to identify overarching categories.

Third, participants voted for the key drivers, allocating a total of 20 colored dots to selected drivers - 10 dots for “most important” and 10 dots for “most uncertain” (the ones stakeholders have the least control over).



Participants discussed key drivers of change

Detailed results

Driver Categories	Votes – “importance”	Votes – “uncertainty”
Climate change	39	62
Long term land management	36	31
Safety and quality of food system	28	4
Supply chain	23	2
Financial incentives from public and private sectors	20	8
Agro-food policy	18	16
Consumer health and food habit	16	14
Innovation for sustainable productivity	14	3
Urbanization	8	10
Epidemics	8	10
Globalization	4	16
Regional competition	3	13
Market liberalization	3	10

Step 3. Scoping actions of changes with stakeholders

Key Actions of Change – Results:

- Implement policy, laws in a fair, transparent and accountable manner (69 votes – “most important”)
- Create innovative mechanisms to ensure sustainability in growing and healthy food markets (64 votes – “most important”)
- *The following actions were selected as #3 and #4*
 - Create an enabling environment and strategies to strengthen sustainable supply chain (51 votes – “most important”)
 - Network and coordinate different actors to create bridges/inclusion (15 votes – “most important”)

First, participants paired up to discuss key actions of change up to 2025, which could impact the food systems in Cambodia. Through two rounds, participants brainstormed as many actions as possible, which were compiled on post-its displayed on white boards.

Second, participants clustered individual drivers to identify overarching categories.

Third, participants voted for the key actions, allocating a total of 20 colored dots to selected drivers - 10 dots for “most important” and 10 dots for “most uncertain” (the ones stakeholders have the least control over).



Participants discussed key actions of change

Other Notable Actions:

- Involvements of private sector
- Climate smart agriculture (C.S.A) = organic fertilizer made from animal wastes,
- Contract farming between small producers and big agri-businesses.
- Agriculture bank (Financing, green loans, capacity developments)
- Financial incentives

Step 4. Breakout group discussions - recommendations

Top Recommendations:

See final recommendations on p.2 of this document (11 “steps”)

First, breakout groups drafted recommendations based on drivers and actions for change, discussed under each of the selected key stages of food systems (Food production, food process and transport, retailing, branding and consuming).

Second, groups pitched their best recommendations to all.

Third, participants voted for the top recommendations, allocating a total of 20 colored dots to selected recommendations - 10 dots for “most important” and 10 dots for “most realistic now” (biggest impact, now).

1. Food production – top recommendations

1. Increase access to financial inputs (low interest loans and funds)
2. Develop and strengthen farmers federations (within and across commodities)
3. Invest in food storage
4. Recycle agricultural waste

1.1 Food production – other recommendations

- Recycling of agriculture waste (turning into biomass): recycle of sugar cane fiber to make packaging
- Creation of water treatment to control industrial waste before water is released outside.
- Insurance policy: financial policy or seed bank
- Tax break: try to encourage having leadership from the government to protect incentives for small business
- Land: innovative mechanisms (not costly)
- Safety and quality: standards, media enforcement (marketing campaigns), other.
- Supply chain: transport, storage and standards
- Low interest loans: funding from business, NGO and banks
- Improve irrigation systems (e.g. canals, dams)
- Improve Cambodian organic standards
- Invest in food storage capacities

2. Food processing and transport – top recommendations

1. Develop maps for better land use determination
2. Improve and maintain transport infrastructures
3. Foster associations and networks to harmonize practices and standards by commodities
4. Develop energy and technology master plans

2.1 Food processing and transport – selected recommendations

- Foster association/network of processors (commodity specific):
 - To harmonize practices and standards (build and grow capacity)
 - To facilitate access to capital and markets and raw inputs
 - To offer fair and higher quality alternative to home-based processing
- In parallel, strengthen and enforce anti-monopoly legislation.
- Improve and maintain transport infrastructure
- Promote multimodal transport: create more types of vehicle to ease the move of transportation
- Create website or app for agriculture transportation service to coordinate and facilitate & interface between producers, processors and transporters to ease the transportation of agricultural goods



Participants presented their recommendations to all

3. Food retailing, branding and consuming – top recommendations

1. Adopt certifications from credible international sources
2. Educate and create awareness campaigns on safety, nutrition and sustainability
3. Build a “Made in Cambodia” brand

3.1 Food retailing, branding and consuming – selected recommendations

- Educate & raise awareness of consumers (especially young people) about sustainability & food safety & nutrition as a way to create a new market
- Adopt certification of green local, fair trade, from abroad
- Encourage green behavior by comparing to best practices of neighboring countries
- Legislate and enforce anti-monopoly regulations at end of supply chain
- Strengthen weather forecast and agriculture advice via hotline, SMS, or an app from supplier
- Education campaign about nutrition, health, chemical and sustainability for local food system
- Cam-Control with training of civil servants, more resources, ethics
- Building "Made in Cambodia" brand (local, seasonal, origin, traceability, etc.):

Step 5. Knowledge banks and expert presentations

OHCHR Cambodia: The UN Guiding Principles on Business and Human Rights

OXFAM: Introducing CSR Asia Platform

Mango Tango: Branding in Cambodia

OXFAM: Climate smart agriculture for small-scale farmers in Cambodia

Step 6. Shape a long term vision and a set of indicators

Why was this private sector consultation relevant for Cambodia, and especially for companies?

Cambodia's stakes in achieving food security and making agriculture sustainable are high. The trends at all levels – national, regional, and global – further suggest both a need for and shift toward relevant CSR business strategy. Companies have a key role to play in shaping CSR in those sectors in Cambodia. CSR can help companies in some of the ways outlined by the UNGC³:

- Long-term economic and environmental benefits
- Company reputation
- New market opportunities
- Increased productivity

Our aim was to initiate an important consultation between key stakeholders, to fill gaps in areas of normative and legislative frameworks – and contribute key recommendations on which to build a 2025 vision for sustainable growth and healthy food systems in Cambodia.

Future steps:

1. Develop sets of detailed indicators for each “recommendation”
2. Test M&E models based on the recommendations with private sector actors in Cambodia
3. Present it to relevant decision makers in Cambodia to suggest future initiatives

Thanks to this workshop the findings have been presented to the Minister of Commerce in Cambodia and an initiative called “buy Cambodian Products “ has been designed and is to start in the next weeks with a special focus on food safety and regulation which were identified as robust entry point during the workshop.

The Vision and Framework have been presented or disseminated to key stakeholders in Cambodia and its region and we hope that axes of collaboration will emerge.

³ UNGC, via <https://www.unglobalcompact.org/what-is-gc/mission/principles>, accessed on 22 September 2015

Appendix

Participants list:

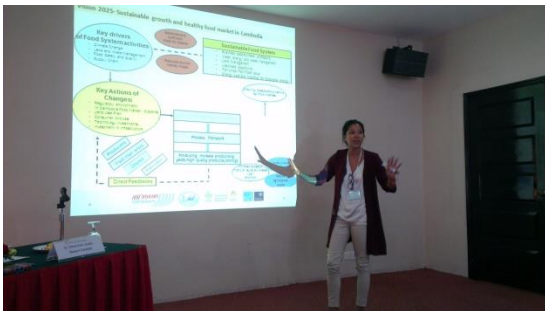
Organization/Company	Name	Title
Bellevue/Green Eagle	Chareya Long	Manager
Bellevue/Green Eagle	Ith Sotheara	Managing Director
Britcham	Olivia Widen	Director
CCC	Wang Wei	Representative of Chinese Chamber of Commerce
Mango Tango	Katie Scheduling Longhurst	Director
EuroCham		
OHCHR	Keat Bophal	Human Rights Officer
OHCHR	Ny Sorphonneary	
Oxfam	Zakia Haque	Consultant on Private Sector Engagement
Oxfam	Luy Piseth	Rural Development Program Coordinator
Point Partners	Hugo Texier	Director
Thalias	Djamel el Akra	Legal and Compliance Manager
Consultant	Raphaela Deau	Consultant
ADB/Plan	Jeanne Everett	ADB Consultant, co-MAFF, Plan International
Hagar Catering	Mrs. Rapytha Bonamy	Managing Director
Hagar Catering	Phan Pho	Senior Sales Executive
TÜV Rheinland	Erika Sok	Department Manager - Certification system & Quality Management
TÜV Rheinland	Thanaporn Grimaud	Business Stream Manager
Confirel	Chea Sokly	Sales Manager
CICP/Minute Earth	Alex Reich	Research Assistant
CICP/Pannasastra University	Chhem-Kieth Vanaka	Research Coordinator
CICP/CCAFA/Oxford University	Dr. Rathana Peou	Technical Advisor
CICP	Pok Marina	CICP Board Member



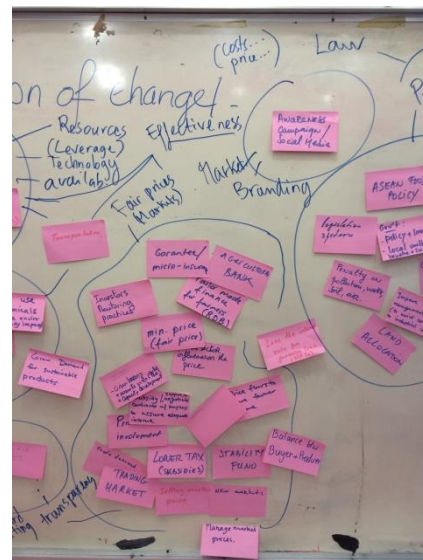
End of day 2



Actions for change



Dr. Rathana presenting the findings



Actions for change