Better Integration of Trade and Agriculture Programming: the case for Cambodia
Cambodia’s economy in a nutshell

• High rates of economic growth (+7%)
• Lots of foreign investment in construction
• Growth in the service sector
• Garments dominate the industrial sector
• Decreasing share of agriculture in the economy
• 80% of the population lives and works in rural areas

Photo credit: http://travelinnate.com/
Contributions to GDP Growth

![Chart showing contributions to GDP growth from different sectors: Agriculture, Industry, Services, Taxes on products less subsidies and FISIM, and Real GDP growth. The chart displays data from 2008 to 2017, with a peak in 2011 at 7.1%.]
## Detailed look at Cambodia’s Agriculture

<table>
<thead>
<tr>
<th>Agricultural production (total production, tons)</th>
<th>2014-2015</th>
<th>2015-2016</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>9,324,416</td>
<td>9,335,284</td>
<td>0.1%</td>
</tr>
<tr>
<td>Cassava</td>
<td>11,943,204</td>
<td>13,298,108</td>
<td>11.3%</td>
</tr>
<tr>
<td>Corn</td>
<td>549,607</td>
<td>399,649</td>
<td>-27.3%</td>
</tr>
<tr>
<td>Vegetable</td>
<td>405,527</td>
<td>415,239</td>
<td>2.4%</td>
</tr>
<tr>
<td>Bean</td>
<td>60,652</td>
<td>59,220</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Rubber</td>
<td>97,054</td>
<td>126,861</td>
<td>30.7%</td>
</tr>
</tbody>
</table>
Export Context

• Reliance in the EU and US markets
• Regional markets do not occupy a strategic position in the Cambodia export destination basket – ASEAN only 8%
• Lack of products to export and quality control issues

Photo credit: Angkor.co
Cambodia’s product space map

$11.2B USD
Thailand’s product space map

$235B USD
Feed the Future Cambodia

Value chain focus:
Horticulture, rice, and fish

Key objectives:
- Improve food security
- Enhance capacity to improve sustainable agricultural production
- Improve rural income generation
- Enhance capacity to meet food and other nutritional needs of targeted population
## Top line FTF Results

<table>
<thead>
<tr>
<th>Feed the Future Indicator</th>
<th>Baseline (2009/2010)</th>
<th>Interim (YEAR)</th>
<th>FY17 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
<td>95% CI*</td>
<td>Estimate</td>
</tr>
<tr>
<td><strong>GOAL LEVEL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prevalence of poverty</td>
<td>11.7%</td>
<td>N/A</td>
<td>8.68%</td>
</tr>
<tr>
<td>Prevalence of stunted children</td>
<td>43.95%</td>
<td>N/A</td>
<td>33.7%</td>
</tr>
<tr>
<td><strong>OBJECTIVE LEVEL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daily per capita expenditures</td>
<td>$1.61</td>
<td>N/A</td>
<td>$5.0</td>
</tr>
<tr>
<td>Prevalence of underweight children</td>
<td>30.30%</td>
<td>N/A</td>
<td>25.1%</td>
</tr>
</tbody>
</table>
Future of Feed the Future Cambodia

**Strengthening Market Systems -**
1. Market participation
2. Market linkages
3. Policy environment – this is where trade comes in….

**Integrated Nutrition Programming -**
1. Target the poorest of the poor
2. Integrated programming to include WASH and nutrition
3. Integrated programming to include NRM and nutrition
Slow path to economic growth activities

1. Trade Facilitation Agreement Assistance – Asia Bureau
2. Trans-pacific partnership analysis – E3
4. Sanitary and Phyto-sanitary regulation gaps analysis – USDA
5. Food Security Service Center – draft law on plant inspection - Mission
6. ACTI – National and ASEAN single window - RDMA
Lessons Learned

• Go slowly and take your time
• Build relationships
• Find your niche
• Seek help
• Buy-in or leadership from the host country government
• Explore multiple pathways to incorporating trade
• Stay flexible given uncertain budgets
Questions for the Audience

1. How does USAID’s approach to agriculture and food security align with regional integration (in the Asian context)?

2. Where are the key jumping points for USAID in agriculture and trade?

3. Other than SPS/Food Safety, are there other areas for agriculture and trade?

4. Given the rapid pace of growth and integration, how can we design our projects to build towards trade?
Sang Lee
Agriculture Officer – USAID/Cambodia
salee@usaid.gov

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FEED THE FUTURE
The U.S. Government's Global Hunger & Food Security Initiative

www.feedthefuture.gov