Phnom Penh City Case Study Report

(Final Draft)

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Executive Summary

Urban and peri-urban agriculture (UPA) and related activities have been receiving increased attention in recent years as a dimension of urbanization worldwide and as a means to alleviate poverty and improve diets in urban and peri-urban areas.

FAO and IDRC have launched a trust fund project, executed by FAO entitled “Urban and Peri-Urban Agriculture: Towards a Better Understanding of Low-Income Producers’ Organization.” The project aims at analyzing low-income urban and peri-urban producers’ organizations and carry out a comparative analysis and identify lessons learnt.

Phnom Penh city of the Kingdom of Cambodia was selected one amongst the ten cities to illustrate as thematic outlook based on concrete experiences and to draw recommendations for the formation and strengthening of urban and peri-urban producers’ organization and for the promotion of sustainable livelihoods of the poor, low-income small-scale producers.

Phnom Penh has seven districts (Khans) with a population of 1,063,856 people and the population annual growth rate is 3.92 percent. Among the seven districts, three districts were identified as urban Khans and rural Khans. From the perspective of Municipality of Phnom Penh, urban development has been perceived essential as the physical modernization and expansion of the city through the installation of infrastructure and construction of the housing, commercial buildings, industrial zone, school, hospitals, government offices and other facilities. The cost of land in Phnom Penh is unbelievable. The price of commercial land went from US$400 per square meter in 2000 to US$650 in 2003 and is now US$1,200.

There are approximately 4,000 ha equal to 10 percent of the total land of Phnom Penh is for development activities but almost of the seven Khans plan to make use the land for industrial zone, house construction and tourism areas.

However, there are some stakeholders are interested in Urban and Peri-Urban Agriculture such as NGOs working with the community poor to form self-help group, health care promotion, education, and provide capacity building. Moreover, there are also some community groups strengthen themselves towards sustainability and continues working on agriculture activities.

Most of the time, the producers and collectors sell to retailers of their products, final consumers, restaurants/hotel owners and wholesalers. There are some constraints affecting low-income producer groups regarding the existing laws and regulation or no legal framework to protect them for a free market. The low-income producers have some different activities from one community to another including vegetable growing, animal raising, saving/credit, dry fish processing and other food processing. There are some successful cases of having work together.

Even there are some policies and legal framework are in place concerning UPA but the issues of conflicts over land are concerned to the low-income producers.

To make low-income producer organizations produce more agriculture produces for the city the RGC needs to have plan for the vacant land not for industrial zone but keep some available land for farming activities.
Acknowledgements

Participatory learning is a continuous growth process. So we offer our sincere gratitude to those people whose lives we touched and have affected our lives during the study of Phnom Penh City case study.

Thanks to FAO Headquarter in Rome, Italy and IDRC for accepting and providing fund to Sre Khmer for this critical tasks.

This study would not have been possible without the support and assistance of number of people and organizations. Mr. Lim Phai, Chairman of USG, Ms. Em Somonea, Programme Officer of USG, Mr. Sok Visal, Manager of UPDF, Ms. Hoeung Sam Ath, Padek team Leader, Mr. Luos Seilha, Director of CAID, Ms. Keo Davy, Project Officer of UN-Habitat, Mr. Sil Sineng, Programme Manager of Habitat, Mr. Phat Leng, Director of Department of Agro-Industry, Mr. Pheng Sokham, Director of Phnom Penh Department of Agriculture, and Mr. Hin Pech, Deputy Director of Phnom Penh Department of Agriculture who provided us for the valuable contribution information on the organization and each program activity. Moreover, the study field visit was well arranged by this team, and we are grateful for everyone’s help with the logistic.

To end with, thanks the community members, local authority, and key community members whose spend their valuable time to meet our team and provide us the information we needed from the beginning till the end.
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# List of Abbreviations and Acronyms

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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>CBO</td>
<td>Community-based Organization</td>
</tr>
<tr>
<td>CDMC</td>
<td>Commune Development Management Committee</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CMDG</td>
<td>Cambodian Millennium Development Goal</td>
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<td>FAO</td>
<td>Food Agriculture Organization</td>
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<tr>
<td>FO</td>
<td>Farmer Organization</td>
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<tr>
<td>IDRC</td>
<td>International Development and Research Center</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>JFPR</td>
<td>Japan Fund for Poverty Reduction</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>MAFF</td>
<td>Ministry of Agriculture, Forestry and Fisheries</td>
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<tr>
<td>MPP</td>
<td>Municipality of Phnom Penh</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>NIS</td>
<td>National Institute of Statistic</td>
</tr>
<tr>
<td>NPRS</td>
<td>Natural Poverty Reduction Strategy</td>
</tr>
<tr>
<td>PADEK</td>
<td>Partnership for Development in Kampuchea</td>
</tr>
<tr>
<td>PPM</td>
<td>Phnom Penh Municipality</td>
</tr>
<tr>
<td>RGC</td>
<td>The Royal Government of Cambodia</td>
</tr>
<tr>
<td>Srer Khmer</td>
<td>Srer Khmer, a local NGO dedicated to agriculture and rural development</td>
</tr>
<tr>
<td>SUPF</td>
<td>Solidarity Urban Poor Federation</td>
</tr>
<tr>
<td>SUSPER</td>
<td>Sustainable Development of Peri-Urban Agriculture in South-East Asia</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
</tr>
<tr>
<td>UPA</td>
<td>Urban and Peri-urban Agriculture</td>
</tr>
<tr>
<td>UPDF</td>
<td>Urban Poor Development Fund</td>
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<tr>
<td>USG</td>
<td>Urban Sector Group</td>
</tr>
</tbody>
</table>
Map of Phnom Penh
1. Introduction

Urban and peri-urban agriculture (UPA) and related activities have been receiving increased attention in recent years as a dimension of urbanization worldwide and as a means to alleviate poverty and improve diets in urban and peri-urban areas.

Lack of organization deprives the low-income producers of the institutional and organizational means for bargaining and negotiating with the authorities and other better organised and more powerful groups in society. This reduces their access to resources, inputs, services and markets, and prevents the small and unorganised, weak and vulnerable groups in urban areas from realising the full potential of their contribution to food security, income and employment generation. Furthermore, the precarious status of most small urban and peri-urban producers often forces them to use degraded or dangerous sites, turning to practices which are risky, unsafe and damaging to their own and others’ health, as well as the environment.

Social formation and organization are critical for interest groups wishing to secure recognition, legitimacy, and representation and to influence outcomes through direct participation as actors in the formulation of public policies and strategies affecting their well-being. Organization and group formation also enhances the possibility of vulnerable and weaker members of society to overcome barriers and constraints to development and to gain access to resources (including natural resources, micro-finance, training and information).

It is increasingly believed that effective stakeholder participation would contribute to a better integration of UPA production systems into urban planning. In a growing number of cities around the world international agencies, national and local governments, and other actors of civil society are now interested in assisting peri-urban producers. But, while there is a wealth of evidence that small urban and peri-urban producers in many cities have sought to organise in various ways to satisfy one or more of the aforementioned needs, there has been no systematic review of this experience so far which could guide future supportive interventions for their strengthening in terms of effectiveness and sustainability.

FAO and IDRC have launched a trust fund project, executed by FAO and funded by IDRC, entitled “Urban and peri-urban agriculture: towards a better understanding of low-income producers’ organizations” (GCP/INT/955/CAN), in order to generate knowledge that will help to better understand the types and performance of existing formal and informal urban and peri-urban producer organizations in the selected cities of developing countries, strengthen these and promote new organizations which will be more effective and sustainable.

The Launching Workshop on Methodology was organized at FAO Headquarter in Rome, Italy for Study Coordinators from selected institutions in the cities selected for case study; Project International Advisory Group Members Project Task Force Members; Priority Areas for Interdisciplinary Action “Food for the Cities” (PAIA-FCIT) members and the Project Focal Point; and resource persons.

The Project aims at analysing low-income urban and peri-urban producers’ organizations and carry out a comparative analysis and identify lessons learned, in terms of the conditions and strategies for their creation and composition, effective functioning and sustenance, and benefits to their membership.

The main objectives of the UPA City Case-Study are i) to illustrate a thematic outlook - based on concrete experiences - on UPA potentials and constraints (including food production, food processing and distribution), highlighting its contribution to urban food...
security, producers’ sustainable livelihoods and urban consumers’ accessibility to safe and nutrient-rich foods ii) to draw recommendations for the formation and strengthening of urban and peri-urban producers’ organizations and for the promotion of sustainable livelihoods of poor, low-income small-scale producers.

The City Case Study report was structured on a triple profile (Refer to Annex A: Terms of Reference) as follows:

- **UPA Profile**, presenting the situation of UPA related-activities in the city, highlighting their institutional, legal, economic and financial constraints, and focusing specifically on the analysis of UPA supply chain organisation and management, its relations with the food chain, the characteristics and expectations of actors involved. Stakeholders’ analysis and rapid diagnostic techniques will be required.

- **Organizational Profile** of selected, representative organisations in the city, analysing producers involved, incentives and guarantees provided, organisational models, internal relations, processes enacted for achieving consensus among common goals; and documenting promising practices.

- **Institutional Profile**, focusing on national/local institutional and political actors relevant for UPA activities and their relations with UPA producers’ organisation and other organizations of the supply chain; and analysing planning procedures and decision making processes affecting UPA activities. Specifically, the Institutional Profile should highlight key institutional, political and legal elements influencing the activities of the organizations involved in UPA.

Methods used to do this study were designed based upon the framework developed in the terms of reference. The study was designed to obtain data and information from two different sources; primary data and secondary data sources. The primary data was collected from different key informants who are familiar or relevant to the topic of study. The key informants were included such as NGO staff members and government officials, officials in Phnom Penh municipality, Khans, Sangkats, market chief and community groups in different locations of the 7 districts (Khan) in Phnom Penh. They were selected and contacted directly for interview and discussion during the field study.

The focus group discussion was conducted with the community to discuss the promising practices.

Secondary data was collected from different sources in previous NGOs studies, market, Sangkats, Khans, and Phnom Penh Municipality. The sources included UMP Asia Occasional Papers, USG, Phnom Penh Municipality Department of Planning, Economics and Finance Department of Phnom Penh Municipality, Ministry of Planning, DANIDA, Department of Agro-Industry/SUSPER project. The types of secondary data collected included both published and unpublished report (the report on Socio Capital of Micro-Vendors in Phnom Penh Markets: A Study of Vendors’ Association under WELT Project) and market reports.

PRA tools were applied such as semi-structured interview guides with open-ended discussion questions for both individual and small group as well as probing questions for obtaining clarity. A problem tree and SWOT analysis were used to identify problems and issues related to UPA, to understand the causes and effect relationships and a flow diagram was used to understand the flow of food commodity, supply and distribution from the farm to
the market or consumer. The use of these tools was considered appropriate and flexible according to the duration, location, situation and culture prevailing in the study areas.

2. Context analysis

2.1. Background information for the city and country

Cambodia has a land area of 181,035 square kilometres in the south-western part of the Indochina peninsula and lies completely within the tropics with its southernmost points slightly more than 100 above the Equator. International borders are shared with Thailand and the Lao People’s Democratic Republic in the west and on the north, and the socialist Republic of Vietnam on the east and southeast. The country is bounded on the southwest by the Gulf of Thailand. The country has a coastline of 440 km and extensive mangrove forests, some of which are relatively undisturbed (NIS, 2005). The country’s capital city is Phnom Penh (Refer to Annex B: Map of Cambodia).

According to the population projections based on the General Population Census of Cambodia 1998 and the Inter-censal Population Survey 2004, the population of Cambodia in 2005 is 13.661 million, of which 51.4 percent are females, and growing at estimated rate of 1.65 percent per annum (NIS, 2005). It is expected to pass 15 million by 2010 according to a revised population projection (NIS, 2005). The national average population density is 75 persons per kilometre. Around 84 percent of population live in rural areas. Cambodia’s urban population (16 percent of the total) is principally located in Phnom Penh, Battambang, Kampong Cham, Kampong Chhnang, Siem Reap and Sihanoukville. Specifically, Phnom Penh has an estimated population of 1.165 million and an annual rate of growth of around 1.7 percent (NIS, 2005).

Cambodia’s climate, like that of the rest of Southeast Asia, is dominated by the monsoon, which are known as tropical wet and dry because of the distinctly marked seasonal differences. The monsoon brings the rainy season from mid-May to mid-September or to early October, and the northeast monsoon flow of drier and cooler air lasts from early November to March and then hotter air prevail in April and early May. Temperatures are fairly uniform through out the Tonle Sap Basin area, with only small variations from the average annual mean of round 25°C Centigrade. January is a coldest month, and April is the warmest. Total annual rainfall average is between 100 and 150 centimetres, with the heaviest fall in the southeast (NIS, 2005).

Peace has considerably contributed to social and economic development in Cambodia. During the last decade, Cambodia has made serious strides in promoting economic growth. Cambodia is proud to be able to work together for the national interests. With prudent macro-economic management over the last 12 years, GDP growth has average almost 7 percent per annum. During 1999-2005, overall growth averaged 7.3% annually. Cambodia has achieved an encouraging result in macro-economic and fiscal management (Samdech Hun Sen, 2006). Economic growth accelerated in 2004 and reached 7.7% and based on the early estimates indicates that Cambodia’s GDP grew at a strong 13 percent in 2005. The apparent growth was driven by surprising strength in the garment industry, a boom in agriculture production – a 43 percent increase in rice production over 2004 to 5.9 million tons, the biggest harvest in 27 years, continued expansion of exports, tourist, construction activities, and part of this improvement has to be associated with improved policy performance in Cambodia (IMF, 2006).

Based on the last survey, over the last decade, the level of poverty has been rapidly reduced by 10-15 percentage points from 47% in 1994 to 35% in 2004. This means that poverty rate
dropped by more than 1% per year as the RGC intended to achieve (Samdech Hun Sen, 2006).

The RGC considers poverty reduction of the people as core objectives of all policies and development strategies for our government, especially the “Rectangular Strategy” which clearly states the goal of economic growth, employment creation for the people, promotion of equity and social justice, and enhancement of the efficiency in the public sector. The RGC has prepared a planning document called “The National Strategic Development Plan” for 2006-2010, which synthesizes the Cambodian Millennium Development Goals (CMDGs), the National Poverty Reduction Strategy (NPRS) 2003-2005 and the Governance Action Plan including civil administrative reform at the national level (Samdech Hun Sen, 2006).

Before 1970 Phnom Penh was considered as the precious stone in South-East Asia. In 1970-1975 civil war began and people flowed into Phnom Penh with over 2 millions people. In 1975-1979 was Pol Pot regime, they fled people from Phnom Penh to countryside and all infrastructures were destroyed. After 1979 the survivors returned to their home- land, those who arrived first occupied the empty houses and land; those arrived late occupied in the remaining spaces. Especially after Paris Agreement in 1991, a lot of people came from border sites and other provinces to live in Phnom Penh. Total surface of Phnom Penh city is 375 Km² Equal to 0,20 % of the whole country (PPM, 2005).

Phnom Penh Municipality there are 4,320 Groups, 637 Villages, 76 Communes and 7 Districts, 80% of lake and rice field, 5% river, 25% flooded land and 50% agriculture land, 20% of construction land (16.5% in city area, 3.5% urban). There are 6200 hectares in city area, 1/3 is unused land (no building), surface of water and air port, 2/3 construction land (included road), the average population density of 130 people/ha (800p/ h in the city centre and 50p/ha urban) (Refer to Annex C: Geographical and administration structure of Phnom Penh Municipality 2005).

The citizens of Phnom Penh are 1,063,856 people, the population growth rate increased 3.92%/year or 50,000 people a year, Poor 25% are motor-taxi drivers, vendors and workers which are equal to 68,299 families and 374,826 people (Planning Development of Phnom Penh, 2005). Most of them lived on manifold lands, dikes, sidewalks, riverbanks, rooftops and railways etc (Refer to Annex D: Population Statistics 2005).

2.2. Urbanisation processes

Most often the urbanization process has talked as an important process for economic development and at the same time for deterioration of the quality of life, one which is inadequate housing. Urbanization brings entrepreneurs to urban areas that are full of dreams and ambition. Migration is often a result of calculated assessment by the rural people of the current state measured against the potential opportunities in the urban areas. It has resulted in the origin and fast expansion of settlements or establishments that have a house but no titles, crops but not deeds, business but not statutes of incorporations.

From the perspective of the Municipality of Phnom Penh, urban development has been perceived essentially as the physical modernisation and expansion of the city through the installation of infrastructure and the construction of housing, commercial buildings, industrial zones, schools, hospitals, government offices and other facilities. The resulting buildings, infrastructure, facilities and services are mainly intended to serve the better off sections of the city's population, particularly the business sector.
According to the local Cambodia Daily issued on January 21, 2005 described that Phnom Penh Governor Kep Chuktema presented a draft of a 15-year development plan for the city to Vietnamese investors on January 14, 2005, as mentioned by his advisor, Eric Huybrechts, a French government urban management and development specialist who works with the Municipality. The plan, which is not yet approved by the government, includes a new railway station for freight trains, a rail track across the Tonle Sap and expanded Phnom Penh International Airport, all to be completed by 2020.

To make way for new planned roads and canals in the capital, the Municipality is planning to demolish some slums, giving slum residents apartment or land nearby instead. The planned slum demolition would follow negotiations between inhabitants, the Municipality and district officials. It could be quick if people accept. If people say they do not want to move it will take a long time.

The proposed upgrades will be paid for by loans and grants from donors, by the government and by the private sector. The government and donors generally invest US$50 million in Phnom Penh’s infrastructure each year.

In less than 10 years, Phnom Penh’s population is expected to double size, reaching 2.5 million by 2015, and though uncontrolled development around the core of the city has created problems, it is not too late for authorities to properly manage urban growth.

Failure to do so, however, will lead to situations that Cambodia cannot afford to remedy, says Cambodia’s most renowned architect.

The expert on urban planning said that Phnom Penh now is the object of an intense real-estate promotion operation that runs the risk of either causing its harmonious development in the future or completely marring that future. This real estate boom has led to whole neighbourhoods being moved from the city center to the outskirts of town.

Investors buy land belonging to the well-off, squatters are displaced and lots they were occupied fetch as much as 800USD per square meters. The real estate boom has also led to people filling in lakes and ponds to create more lots to sell. As a result, rainwater that would have flowed into those ponds now ends up in the streets.

Garment factories and other developments along the National Route 4 have nearly linked Phnom Penh to Kampong Speu provincial town.

If development continues west of the city, Phnom Penh International Airport will eventually find itself in the middle of Phnom Penh, presenting dangers for airport operations such as heavy city electronic transmission clogging the airwaves.

Due to this and other factors, the most economical solution for the next 10 years would be to develop Phnom Penh along a north-south axis towards Takhmao town in Kandal province, along the banks of the Mekong and Bassac rivers. By coupling this with measures to strengthen the river banks, this solution would not only manage development, but also control water flow and minimize flood risks.

North-south development would make use of existing bridges, rather than introducing exorbitantly priced new ones.

Phnom Penh Governor Kep Chuktema said that we need to expand the city where there are industrial areas the railway station and electricity.
Figure 2.1: Draft Master plan of Expanded Phnom Penh for 2020

Source: Planning Department of Phnom Penh Municipality, 2005

Following the signing of the Paris Peace Agreement in 1991, Cambodia has made steady progress towards development. It has re-integrated its efforts into the international economy and international labour markets. In 1994, Cambodia’s investment law came into force, offering incentives to attract investors to the region, mainly Phnom Penh. Besides being the center for the country’s major economic growth and development, Phnom Penh is the center for politics and education. These factors attracted cheap labourers, and migrants from rural areas for economic and educational reasons.

In addition, low agriculture production in rural areas also plays a part in urban growth and urbanization in city like Phnom Penh. Three successive years of severe flood in 1992, 1993, and 1994 as well as drought in 1996 adversely affected many rural people’s livelihoods. As well, a combination of floods and drought during 2000-2001 and 2002 affected large parts of the country. These natural disasters inflicted considerably damage to agriculture. All of these factors encourage many rural people to migrate to the city to survive their economic situations. All these factors contributed to rapid urbanization. Consequently, housing, urban facilities and services for the urban poor and new migrants became an urgent need.

According to the Deputy Director of Planning Department of Phnom Penh Municipality; and Urban Development Specialist for the National Capacity Development Project of DANIDA, the city was expanded by using the central point of Wat Phnom with the distance of 30 Kilometres surrounding.
Most officials still consider the city’s poor as being responsible of their own situations. Having “decided” to live in slums, they “created” their own living conditions, and “should go back to their provinces”.

According to the local newspaper, The Cambodia Daily, issued on Friday, June 2, 2006 mentioned that the cost of a square meter of land in Phnom Penh is unbelievable. The price of commercial land went from US$400 per square meter in 2000 to US$650 in 2003, and is now US$1,200. A square meter of residential land in the city rose from US$250 in 2000 to US$400 in 2003, and is now US$700.

Based on the business men and experts said that the land price boomed may be fuelled by an array of factors included road improvement, political stability that the country has since 1999 and some believes that it comes with serious drawbacks (when wealthy people from Phnom Penh bid against each other over land purchases, prices escalate, which prevents foreign investors from setting up factories, hotel or agri-businesses on affordable land.

Unproductive land slows economic development, said Sung Bonna, CEO of the Bonna Realty Group estate, who would like to see the government to impose a tax on land left underdeveloped for 10 years.

In a growing economy such as Cambodia’s, one would expect the value of land to rise because demand increase faster than supply, said John Nelmes, Resident Representative of the IMF. Demand comes from various factors including population growth, business expansion and people moving to live on the outskirts of cities.

3. UPA Profile

3.1. Historical development and status of UPA and Producers’ Organization in the City

There is clear now for encouraging people to invest in housing and industry for the green zone and basin to protect flooded to Phnom Penh city. Among the urban Khans, road construction and industrial zones, house resettlements, airport, and railway station will be moved to Dangkor district. This is to show the opportunities for businesses and housing for the poor in the future (Refer to Annex E: Map of development projects in Urban Khans and Annex F: Map of development projects in Rural Khans).

According to the survey done by SUPF 2003 showed that there were approximately 4,000 ha equal to 10 percent of the total land of Phnom Penh is for development activities. However, almost of the seven Khans plan to make use the land for industrial zone, house construction, and tourism areas (Refer to Annex G: Map of poor communities and vacant land in Phnom Penh).

Almost of the land owned privately and only 13 percent (510 ha) owned by the government ministries. There is less amount of land at the urban Khans but there are more close to the rural Khans. One fourth of the land for development was upland and 29 percent is water logged.

The occupation of people in Phnom Penh city were divided into four types, the labour force is 67 percent highest than the other. The type of commerce, industrial job, agriculture is respectively 84 percent, 14 percent and 5 percent. Due to this figure, most of people in Phnom Penh city did not do agriculture even the sub-urban Khan (district) is potential of agriculture land (PDPPM, 2004).
The three most important districts generated income through agriculture activities in all season are by order of importance: Dangkor (South), Reusseykeo (North), Meanchey (South of Phnom Penh). Kandal province is the most important area in terms of the vegetable market supply. The largest district in terms of vegetable production is Saang district (2500 hectares), located around 40 Kilometers from Phnom Penh. The second one is Kien Svay district (1000 hectares of vegetables), located 25 kilometers from the city. Table 3.1 showed the land areas for agriculture activities and numbers of animal raising:

Table 3.1: The land areas and numbers of animals raised in each district

<table>
<thead>
<tr>
<th>N</th>
<th>Economic activities</th>
<th>Meanchey district</th>
<th>Dangkor district</th>
<th>Reusseykeo district</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rice</td>
<td>11 ha</td>
<td>5,420 ha</td>
<td>620.5 ha</td>
</tr>
<tr>
<td>2</td>
<td>Crops</td>
<td>210 ha</td>
<td>200 ha</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Maize</td>
<td>15 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Animal raising</td>
<td></td>
<td></td>
<td>40,652 heads</td>
</tr>
<tr>
<td></td>
<td>• Cow</td>
<td>319 heads</td>
<td>10,567 heads</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Buffalo</td>
<td>19 heads</td>
<td>17 heads</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Pig</td>
<td>4,852 heads</td>
<td>14,581 heads</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Chicken</td>
<td>13,100 heads</td>
<td>36,158 heads</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Raising fish</td>
<td>78 tons</td>
<td></td>
<td>3,200 tons</td>
</tr>
<tr>
<td>9</td>
<td>Natural fish</td>
<td>105 tons</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Annual Reports 2005 from Meanchey, Dangkor, and Reusseykeo districts

Most often the urbanization process has been talked of as an important process for economic development and at the same time for deterioration of the quality of life, one of which is inadequate housing. Urbanization brings entrepreneurs to urban areas that are full of dreams and ambition.

3.2. Stakeholder analysis

There are some NGOs interested in UPA related activities such as helping the community to form a Self-Help Group, Credit Group, Health education, capacity building, etc.

The NGOs are the one who is registered with the Ministry of Interior of the Royal Government of Cambodia and therefore, it is recognized by all local authorities. The roles and responsibilities of the NGO and association are not clear because Cambodia did not have any laws for this group yet.

Mostly, the NGOs help the community groups to plan, implement, monitoring and evaluation the project. The NGOs also help

The community groups mostly are informal and they formed because they want to serve the common issues regarding to their business. However, some groups were registered with Sangkat (Commune) while the by-laws of the group were developed and the management structure of these groups was put in place.

The main objective of community group is to empower members to lead and manage the activities and involve in problem solving by themselves. Community group allows members the opportunities to meet and share experiences and then learn from each other.

The following are some steps to involve members to form group:
Another organization involved in UPA is the Municipality Phnom Penh (MPP). MPP prepared urban poverty reduction strategies, which was supported by the UNDP/DFID under collaboration with UN-Habitat and cooperation with NGOs, Private Sectors and poor communities.

3.3. The organization of the food chain

The followings are the definitions of different types of retailers and wholesalers: (i). Permanent retailers and wholesalers have a stall in the market and sell from morning to late afternoon (between 6 a.m and 17:00). Retailers sell directly to consumers, while wholesalers sell to retailers. Wholesalers buy from collectors and/or producers, (ii). Semi-permanent retailers and wholesalers have a stall in the market and sell only half-day (6 am to 13:00), in the afternoon they go to buy agriculture produces from wholesale markets to sell the day after. Semi-permanent retailers buy produces from wholesalers, while semi-permanent wholesalers buy from collectors and/or producers, and (iii). Temporary retailers have no stall in the market, they sell on the ground. They sell only during few hours in the morning. They buy their products from wholesalers, retailers or producers. Some are at the same time producers and retailers and retailers and sell their own products.

The majority of trader (84% in May-June, 90% in September) sells all year-round. The traders that stop temporary their business are temporary retailers or producers because of agriculture produces shortage (i.e., vegetable) in the rainy season and they are busy in farming.
There are a number of means of transport for transporting produces in all conditions and
distances. Motorbike is by far the most popular means. It is used for transporting from farm
to markets. Truck is used for transporting large quantities from Vietnam or sometimes from a
district (in Kandal province) or around Phnom Penh. Handcart is used inside a market
location. Most of the sellers (nearly 78%) hire a means of transport for transportation of their
goods.

The biggest suppliers food (vegetable) flows are from Kandal province and from Vietnam.
Most of agricultural produces flows may change according to the season and the size of the
vegetable harvest in Cambodia. Collectors mostly buy on-farm or in Deumkor market while
wholesalers buy from Chbar Ampov and Deumkor market. Retailers mostly buy from Deumkor market, Chbar Ampov or on farm. Chbar Ampov and Deumkor are the only two
wholesaler markets in Phnom Penh. In Psar Kandal, there is some wholesale trade also, but
it is in small quantities and not diversified. However, Oreussey is the biggest retail market in
Phnom Penh and Central market (Psar Thmei) is the second largest retail market (statistics
from trade department).

Producers and collectors sell to retailers, final consumers, restaurant/hotel and wholesalers.
Wholesalers sell to retails, restaurant or hotel owners. Producers, collectors and wholesalers
usually sell wholesale but they also sell some retail (to final consumers) when they have little
produces left, or, in the case of producers, when they produce and sell small quantity.

Figure 3.1: Marketing Chain for Vegetables and other agriculture produces

Collectors are supplied by producers mostly and by other collectors; wholesalers are
supplied by mobile collectors mostly and by producers; retailers are supplied by wholesalers
mostly, and also by fixed collectors and producers. Figure 3.6 showing the common
marketing role in determining the prices and production prospects of various commodities. It
is one of the most important elements for a business and it brings revenue to producers as
well as traders. Without marketing, there would be little to do with products and no incentives to produce. “Marketing transforms products over time, space and form through storage, transportation and processing. Through marketing, goods are exchanged and prices are set. Markets communicate signals to producers, processors, input suppliers and consumers about the costs of buying, selling, storing, processing and transporting”.

Like many other least developed countries, Cambodia has serious marketing deficiencies caused by a weak infrastructure, a lack of information among producers, and government induced market distortions. Considerable efforts have been made to develop the marketing system in Cambodia, which has resulted in the reduction of marketing deficiencies and enabled quite a competitive market structure to develop.

There are up to five levels of traders involved in marketing agriculture products in Cambodia: collectors, district wholesalers, inter-provincial wholesalers, small processors and retailers. However the producers can sell produces directly to consumers or to traders or directly to customers.

The simplest channel is the direct selling from producers to consumers in the village. This is commonly done by farmers who produce in home gardens and for whom production is not their main enterprise. Often in villages will be bartered for rice. In some instances farmers may take their produce directly to markets to sell to stall owners or consumers. However, this practice is usually restricted to producers who are close to major markets.

**Figure 3.2: Marketing system of agriculture products in Cambodia**

- **The Collectors**: The collector is the first level of trader and is based in his/her own village or commune. Most of them are commissioned by district wholesalers inside and outside the commune, but a few are independent. These independent ones are more speculative because they can store and sell crops later on for a higher price.
Generally, the collectors approach producers directly at the farm gate. A collector can work with a few district wholesalers.

- **The district wholesalers:** The district wholesaler is the second level of trader in the commune or district. They never go to buy the product at the farm. They have greater bargaining power than the collectors and can determine the price of soybeans, as the collectors and farmers don’t have the relationship with the inter-provincial wholesalers or exports. They buy from both producers and collectors. Producers, who have transportation and are close to district wholesalers, sell their crops directly to them.

- **The inter-provincial wholesalers:** The inter-provincial wholesaler is the third level of trader in the district. They buy their products mainly from the district wholesalers. They have about 5-10 district wholesalers to assist them in the purchase of soybeans. Normally the trades between the wholesalers are done by verbal contract so the trust relationship is very important for this kind of contract.

During period when prices are high, traders come to growers to buy their production in the field. They may be women from the village or wholesalers from markets. During the negotiation, prices are fixed for the crop and harvest and transport conditions are determined. Traders may harvest the crops themselves and arrange transportation or the farmer may harvest it and arrange transport to a collection point from where the trader assumes ownership. Traders usually do not own transportation means and rent it. Traders sell the products to wholesalers or to retailers. In some cases they may be villagers who are acting as agents for wholesalers with whom they have regular relationships.

During period when prices are low, traders do not come to farmers, because the margins they would get are too low. Farmers have to assume responsibility for harvesting, transporting, and selling their production themselves. At this time, risks of no-sale or sale at a loss are high.

Products are usually washed and shorted in order to present homogenous lots. This may be partly undertaken by farmers if they are involved in the sale, or is often undertaken by traders. In both cases, wholesalers sort a second time before selling to retailers and retailers sort again.

For farmers, the advantage of selling to a trader is that it saves time and labour. It also sometimes saves organizing harvesting, arranging transport, looking for buyers and the risk of sale at a loss. For wholesalers, traders save time because the wholesaler does not have to go to villages and organize transport. Traders are also regular customers for transporters.

The disadvantage of traders for farmers is that regular relationships more often exist between traders and wholesalers than between traders and farmers. During periods when growers would need traders to find new markets (e.g., when price are low) traders are not concerned at finding higher prices in other markets.

Traders take remuneration for their service which may sometimes increase the product price to consumers, but more often decrease the sale prices for farmers. This may be especially true if several traders interfere along the marketing chain. Trader will try to maximize their profit, and may pay very low prices to farmers if the farmers are not aware of market price levels.

Supply and demand of various agriculture produces in Cambodia is highly influenced by the
seasons. In the peak harvest season (December-February), the supply is greater than the demand resulting in a low price of the produce. It is estimated that in Kandal province, the production surplus in this season is more than 9000 t, and there is a need of processing outlets to absorb the surplus. For example, there is a big gap of fresh vegetable supply between August and October and March and April.

Hotel managers and restaurant owners routinely indicate they are in principle in favour of buying from local producers. They observe, however, that local farmers are not able to provide a sufficient quantity of good quality vegetables on a consistent basis.

Variation in price among production areas is due to the high marketing risk and transportation costs. The produce is transported to trading centres surrounding Phnom Penh where other wholesale buyers compete for the produce. These wholesalers then sell the produce to either the retailers in the locality or to other markets in the capital. So the produce passes through three to four hands to reach the consumers. It is estimated that about 50% of the price paid by the consumers goes to the middlemen.

The decisions for growers to sell the produce to wholesalers or middlemen depend on experience or the farmer understands of the following:

- reasonable prices proposed by middlemen;
- saving money for transportation or saving labour of the family;
- lack or transportation facilities;
- lack of family labour to harvest

A lot of traders (68%) get price information from the radio (Table 3.2), yet even if they listen to the radio 67% of traders say it is not very useful, because they think broadcasted price is different from reality or sometimes comes too late. 27% of traders get some price information from newspapers.

The agricultural marketing office of the ministry of agriculture, forestry and fisheries is in charge of price dissemination on the radio (Cambodia National Radio and FM96 radio in Battambang province). Wholesale and retail prices are collected for more than 80 commodities, in 12 provinces (Phnom Penh, Banteay Meanchey, Battambang, Sihanouk Vill, Kampong Cham, Kampong Chhang, Prey Veng, Kandal, Siem Reap, Kampot, Takeo, and Svay Rieng provinces).

It would be good to assess the time variation of prices to see if twice a week is a sufficient frequency of collection to get reliable prices.

Table 3.2 Sources of price information

<table>
<thead>
<tr>
<th>Information</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio</td>
<td>68%</td>
</tr>
<tr>
<td>Newspapers and radio</td>
<td>21%</td>
</tr>
<tr>
<td>Newspapers</td>
<td>6%</td>
</tr>
<tr>
<td>No information</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

There standard received wisdom is that Cambodian markets are in very poor shape, farmers have limited access to markets and, sometimes, middlemen make excessive profits, while farmers are underpaid. Post harvest losses are also generally assumed to be extremely
high. However despite poor roads, and frequently crowded, unhygienic and chaotic market place conditions commodities can move surprisingly quickly and farmers are energetically engaged in the marketing and transportation of their produce. Transportation costs are coherent and well established even though unofficial tolls may add to the costs. River transport is economical and often used. While reports in the literature vary, apparently margins between farmers, collectors, wholesalers and retailers are comparatively reasonable due to competition in the market place (FAO, 1997).

Transportation cost from farm to market was reported in terms of riel/bag or basket; normally on basket weighs between 180 and 200 kg. Table 3.3 shows average transport costs from different type of traders.

Table 3.3 Average transports costs per day during May-June and September

<table>
<thead>
<tr>
<th>Nature of traders</th>
<th>Market (Riel/bag/day)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Chba Ampoa (riel)</td>
</tr>
<tr>
<td>Permanent retailer</td>
<td>584</td>
</tr>
<tr>
<td>Semi-Permanent retailers</td>
<td>500</td>
</tr>
<tr>
<td>Temporary retailers</td>
<td>500</td>
</tr>
<tr>
<td>Total retailers (except producer-retailers)</td>
<td>528</td>
</tr>
<tr>
<td>Permanent wholesalers</td>
<td>6,334</td>
</tr>
<tr>
<td>Semi-permanent wholesalers</td>
<td>650</td>
</tr>
<tr>
<td>Total wholesalers</td>
<td>3,492</td>
</tr>
<tr>
<td>Producers</td>
<td>2,250</td>
</tr>
<tr>
<td>Collectors</td>
<td>7,250</td>
</tr>
<tr>
<td>Producers &amp; Temporary retailers</td>
<td>2,000</td>
</tr>
<tr>
<td>Producers &amp; collectors</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Producers</td>
<td>2,125</td>
</tr>
<tr>
<td>Total Collectors</td>
<td>7250</td>
</tr>
</tbody>
</table>

While periodic gluts may cause some agriculture produces (i.e., vegetables) to be processed for preservation, overall the level of vegetable processing in Cambodia is still quite underdeveloped. Some quantities of Chinese radish, hot pepper, and leaf mustard are being preserved by small private shops for local demand only (Tickner, 1995).

The present technology for agriculture production is inadequate (especially vegetable). As vegetables are perishable, production quality in the peak season deteriorates rapidly. Only small amounts of Chinese radish, hot pepper, and leaf mustard are able to meet demand as raw materials for small private processing activities. In Kandal province, it is estimated that at least 17% of cool season production is lost in post harvest handling due to lack of knowledge and technical information on high-quality vegetable production, proper packing, and storage. There is no service of quality control for post harvest products. There is no Government service available to assist in promoting quality through improved post harvest handling and processing (Ungsa and Vanhan, 1994). There is little processing of vegetables in Cambodia. The main vegetable that is processed is chilli which is dried. Dried chilli is exported to Thailand.

Phnom Penh markets are managed, organized by market chief with 9 deputy-chief and almost of them are primarily responsible for keeping order, managing sanitation, ensuring security and administration. They also have mandate to supervise tax collectors in the markets to enhance that they proceed in accordance with the Economics and Finance
Department of Phnom Penh Municipality. Figure 3.3 showed the common structure of market in Phnom Penh.

Figure 3.3: Common Structure of Public Market in Phnom Penh

Source: This structure is based on information provided by market management committee in Psar Beung Keng Kang and Oreussey Market Chief

3.4. Constraints affecting low-income producer groups

There are some existing laws and/or regulations, and sub-decree made by the government regarding micro-vendors or low producer groups in Phnom Penh. The following are the reviews of some relevant documents:

- Business operation tax book.

Business operation tax book was applied for all types of businesses in the seven districts published by Economics and Finance Department of Phnom Penh Municipality issued on 27
December 2002 was signed by Senior Minister and Minister of Economics and Finance. The Operation Tax Book (pasi) aimed to collect all types of taxes from doing businesses and services in the seven districts of Phnom Penh both inside the markets and street vendors. Taxes collection is a responsibility of a Contractor who won the bid with the Ministry of Economics and Finance. This is the only legal structure of collecting all types of taxes in Phnom Penh. The contractor now is managed and run by Phan Y Mech Investment Company. The investment is valid for 5 years starting from January 01, 2003 to December 31, 2007 (Now this company was sold to Hou Sareth and Hen Thida). There are 21 articles in the Business Operation Tax Book. Article 7 stated about the responsibility of the investment company in cleaning the areas inside and surrounding markets regularly and not to make the public in-order. Article 8 and 11 stated clearly on how to collect taxes and rated inside and outside markets as follows:

Table 3.4: Taxes collection rates

<table>
<thead>
<tr>
<th>N</th>
<th>Types of Taxes</th>
<th>Rate (Riel)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Live duck and chicken (one head)</td>
<td>20</td>
<td>per one day</td>
</tr>
<tr>
<td>2</td>
<td>Rent one big umbrella</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>One piglet</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Sell one basket</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Sell cigarette per place</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Mobile baggage cart</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>One silver and gold store</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Every types of goods store</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Every bed for selling goods and food/beverage</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Selling fuel wood and charcoal</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Selling something in one bag</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>All kinds of wholesale store</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Selling fruit tree seedling and flowers</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Small restaurant</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Big restaurant</td>
<td>2500</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Bikes</td>
<td>200</td>
<td>per time</td>
</tr>
<tr>
<td>17</td>
<td>Motorbike</td>
<td>300</td>
<td>per time</td>
</tr>
<tr>
<td>18</td>
<td>Car renting</td>
<td>500</td>
<td></td>
</tr>
</tbody>
</table>


In case the collectors asked for more than this rate they will get punishment as mentioned in article 14: first time, fine 20% of the total monthly tax collection and secondly, fine 50% of the total monthly tax collection. All money getting from the punishment is handled to Phnom Penh Municipality. If they still have mistakes, they may encounter of dismissal from investment. Article 15 stated about the complaint from vendors, in case the collectors asked for higher rate they can put the complaint to Sangkat or Tax Management Committee to take action for them.

- **Sub-decree on public order**

Sub-decree on Public Order signed by the First and Second Prime Ministers since 10 August 1994. Sub-decree on Public Order has 18 articles aimed to maintain the public in good manner, good security, good sanitation, and good health in Phnom Penh as stated in article 1. The following are some reviews of relevant articles related to the street vendors:
**article 12:** Any person sell goods and make the public in-order is prohibited. In case they don't follow, they will be fined 10000 riel.

**article 13:** Any person sell goods by cart along the road is prohibited. In case they do not follow, they will be fined 2000 riel.

- **Permanent committee monthly meeting**

Phnom Penh Municipality was organized a monthly meeting with all the Permanent Committee members included all districts/Khands and Departments to discuss the achievement each month and find ways forward. This meeting was chaired by the Governor. The minutes was prepared and signed by the Cabinet Chief as the recommendations for implementation of each relevant stakeholder. The meeting was conducted on December 27, 2004 with 6 agenda and one agenda discussed the issue of using the area in front of each house along the road. Phnom Penh Municipality decided to take fee of US$5/m² of all houses located along the road in Phnom Penh and the house at the urban road will be considered in the near future. The fees from this collection will be distributed 50% to Khand for serving the public needs such as keeping the city in clean and good manner.

According to the legal status of micro-vendors, there are many unclear roles between micro-vendors, local authorities and tax collectors in the micro-vendors’ perspectives. Most of the time, micro-vendors, sell in the block, often encounter being chased-away and confiscation of materials by the local authorities that claim they need to maintain the order in the area of their responsibility. When the micro-vendors sell nearby the market which is controlled by the market, the market committee is responsible to collect fee and chasing away/confiscate their produces. Every day, they have to pay to different kind of people such as tax collectors, policemen and sanitation which sometimes they do not know what they collect money for.

The business operation tax and sanitation fee conducted by the collectors and sanitation agents are more understandable about the purpose of these fees by most of the micro-vendors as they often followed by the business tax rate set by the Economics and Finance Department of Phnom Penh Municipality while the fees collected by different policemen are not indicated about the purpose. There were different policemen came to collect fees which micro-vendors did not know the purpose of this fee collection. Generally, they collected 1000 riel per micro-vendors. Moreover, the Khand and Phnom Penh Municipality Police also collected money from micro-vendors between 10000 to 30000 riel per month. However, when asking the policemen and Sangkat/Khand Chief about this fee collection, they were based on the Sub-decree of Public Order which did not allow someone to sell in the public areas as stated in articles 12 and 13. All laws and sub-decrees were disseminated by informing to public using the police patrol with micro-phone and through the media such as television and radio.
When micro-vendors were able to pay these fee collectors, they could sell at that public place with no limitation to the selling period even law was prohibited. For micro-vendors who sold goods in front of someone’s house they have to pay additional fee to the house-owner for the renting especially for the micro-vendors who sold vegetables surrounding the public markets and motorbike repairers. The renting fee was between 2000 to 4000 riels per day.

Even the fee was collected; the micro-vendors had no full rights access to the place. There was no guarantee to make sure that all micro-vendors who paid to different fee collectors could be safe in selling and have long term business. They were always at risk such as they were chased away and/or asked to stop selling at that place.

However, when there was a conflict between micro-vendors and micro-vendors, Sangkat and Police Administration played an important role to resolve the problems and the police administration and Sangkat was confiscated the materials of micro-vendors in case they did not follow the resolution or they had conflict with the local authority. If this was happened, the micro-vendors were to pay to get back the materials. Each district/Khan had own responsibility to all public orders in its boundary. Every month, each one needed to report the progress and problems encountered to the Permanent Committee Meeting chaired by Governor of Phnom Penh Municipality.

Micro-vendors viewed that even they were encountered with many problems especially with policemen on chasing, confiscating materials and sometimes overcharging fees, they still continue to do this business because they were the income earners in the family and have residents in Phnom Penh. With limited occupation alternatives, their livelihoods can be valuable to such harassment. Some of the micro-vendors expressed that they were able to have better opportunity to sell much more than inside the market. Moreover, the capital is small and not spent on the renting stall while they did in the public market. Some micro-vendors interviewed were reported that some days, they could not earn income because they paid to may different policemen.

There were not so clear and under discussion within the micro-vendors on laws supported to them, however, they wish to have appropriate laws with good governance and if the laws will be adopted with higher fee payment and they also have no capacity to pay. At present, because of the Sub-Decree on Public Order there were many different people came to
collect fees from them.

The government had yet the support plans for micro-vendors especially on childcare, sanitation, electricity and water supply, etc. When asking about the childcare, many micro-vendors have small children, since they did not have anyone at home to look after the children, they either bring the children to the market or at the areas they do business or leave the children at home. Bringing children to market places not only disturbs the mother’s business, but also can be dangerous and unhealthy as the environment surrounding was unclean with garbage and muddy market floor. Because most the vendors earned for one day what their family needs to survive for just that day, so that they did not have reserve money for their own health care while they get sick more often living and selling goods in Phnom Penh due to the bad environment. Because of no reserved money when they became older they are also concerned about their future.

The result of small group discussion with retailers and wholesalers which all of them sell vegetables outside Psar Kandal felt that they do not have much care about their health even they sell in a very dirty place because the main objective is to earn money to feed their families and children. They also have no idea on how to take care children at home they just keep them as it is and let them go to school if they are on the school age. For the young children, they keep at home and some can walk they walk around the house or go to stay with the neighbor’s house which allowed them with un-clean and risky. They just meet their children at late afternoon while they came back from selling. They are very tired from selling so that they do not have time to give advice to their children.

4. Institutional Profile

4.1. Key institutions concerning UPA related activities

There are three main actors concerning UPA related activities: Government, NGOs and Communities.

Firstly, the Municipality of Phnom Penh is the one who develop a Master Plan for urban and peri-urban development. The following are the Policies of MPP regarding the UPA towards MDGs. This is to take example of the Goal 1 which is related to UPA as follows:

**Goal 1: Eradicate Extreme Poverty and Hunger**

Since 1999, MPP has implemented before the national policies, which focused on the 3 objectives:

1. **Adequate living conditions of urban poor people**
   - Affordable land in a suitable location
     - regularization and upgrading of urban poor settlements
     - relocation of settlements that cannot be regularized
   - Physical infrastructure
     - water supply, drainage system, roads, sanitation, electricity, transport, solid waste collection, affordable housing credit.
   - Social infrastructure
     - education, health care and family planning
2. Adequate economic opportunities for urban poor people

In particular for women, education, vocational skill, business credit, saving, home economics, industrial employment, market information, market space.

3. Improve local government with partnership for urban poverty reduction

- An effectively operating MPP
- Adoption of decentralization policy, adequate financial resource for municipality of Phnom Penh, promote of UPRU, adequate human resource for district and commune level, management information service to monitor trends in urban poverty.
- Establish institution and Municipal Committee, and CDMC committee at district level.
- Establish communicational bureau at the commune level.
- UPDF has been established which was supported by CBO, ACHR, UN-Habitat, through micro-credit delivery, infrastructure upgrading and human resources management.
- Constructed health care center.
- Formed first-aid team to coordinate with Cambodian Red Cross in Phnom Penh.

Secondly, the NGOs. There are two kinds of NGO existed in Cambodia. One known as Cambodian NGO (CNGO) which is locally originated in Cambodia with its headquarter and projects in Cambodia. The policy's decisions are made by the Khmer staff members. Another one is called International NGO originated in other countries and policy's decisions are made mainly outside Cambodia but they are implementing projects in Cambodia (Khus C. Thida, 2000, Country Study: NGO in Cambodia).

The numbers of CNGOs have dramatically increased in the last decade. It is recorded that in 1992 there are only 12 CNGOs as compare to present the figure shows over 800 registered with the Ministry of Interior. However, it is suspected that the active CNGOs are less than this figure. According to NGO Forum, there are at least 180 INGOs currently working in Cambodia.

During the study the information about disbursement of INGOs was not found. However, many people agreed that Cambodia has significantly benefited from NGOs' activities; for instance, they have made noticeable impact on strengthening the voice and activities of local communities, bring people's voice to national level. NGOs' Statement for CG meeting is an example. Many grass-root organization workers have gained acceptance and trust from the local communities.

Moreover, because of many sectors within the NGOs, they have established networking and coalition for better coordination. So far, they have membership organizations (i.e. CCC, NGO Forum on Cambodia), and sectoral groups (i.e. agriculture, child rights, commune administration and decentralization, disability and rehabilitation, education, fisheries, forestry, gender, health, HIV/AIDS, human rights, land reform, micro finance, credit working group, and environment working group). Within this network, NGO community is able to exchange information through their monthly meeting and ensure no overlapped activities within an area.

However, there are only a few NGOs working on urban and peri-urban agriculture including UPDF working on saving, upgrading, income generation through agriculture activities, UN-Habitat working on community empowerment, improving settlement, enhancing access to basic services and increasing income and employment, Habitat for Humanity works on promoting transformational and sustainable community development, CAID works on
capacity building to community and market access for agriculture produces, USG works on credit and saving, health/nutrition and education/training, Padex works on credit and income generation, the provision of sustainable farming services and services in fishery.

A common feature of NGO runs saving and credit programmes in Phnom Penh is that economic activities are given higher priority than other financial needs such as housing. More programmes are designed to provide access to loans for income generation and other small scale economic activities. This is because the economic improvement through income generation is regards as the first step to social security.

Thirdly, the communities which the concepts of participatory community development is new to Cambodia. The concept was introduced through different interventions of NGOs. Some settlements have identified leaders have organized themselves as communities. The threat of evictions and absence of policies for the urban poor have put the communities in a vulnerable situation. Saving and credit schemes started as a new way to tackle this situation. These communities have gradually gained experiences in managing activities and started to develop networks amongst themselves by exchanging information and experiences. Saving and credit activities initially evolved around the issues of land and housing, livelihood and economic activities has also become another focus of the scheme.

4.2. Policies and legal aspects concerning UPA producers’ organizations

The extent of the current dynamics in the process of the appropriation of property and land by various interest groups, and through the setting down of rights of ownership or possession in towns and in rural areas can be set out using the following indicators:

In the capital, Phnom Penh, an active land market has arisen with price differentiation dependent on the position of the property, with speculative price rises because of expected profits from land to be used for development (e.g. airport extension), and a very high number of land transactions since the beginning of the UNO Mission, the number of which is not exactly known.

Powerful interest groups put strong pressure on the municipal Registry Office in order to push the registration of titles and completed land transfers quickly forward. In doing so, they take advantage of the legal uncertainties and existing inconsistencies in the current valid legislation.

Conflicts over land of varying kinds are breaking out, not only in towns, but also especially in rural areas. They are evidently based in many ways in land restitution to families in the ‘80s by Commune and District Administrations without having made any differentiation according to yield potentials, the position of the fields, or family structure. Border conflicts exist between villages or communes, and restitution demands made by people forced to relocate and who have now returned to their villages are either blocking solutions, or making them more difficult.

These conflicts either become politically instrumentalized or further inflamed by local politicians and officials close to the government as well as by Khmer Rouge groups. The latter use open land questions, problems of agricultural land distribution, and the legal insecurity of the population as a lever for creating political instability in the villages. Government officials make use of the concept of an enemy of the Khmer Rouge by re-allocating land, and suppressing those who lose claims and start to protest.
The national administration, but especially also the administration at subordinate levels (province, district, commune) are only able to react inadequately and hesitantly to the dynamics of this situation: framework legislation (such as the Code Civil or an analogous bill) which sidestep the much criticized Land Law (1992), and which protect land transfers legally, consistently regulate the line of succession or the responsibility of regional legislative bodies; the legislator remains at fault. The "wild", unplanned appropriation of land is not responsible to any legally anchored land-use, regional or urban planning. The provinces have little hold on the identification of land for settlement, business zoning or farming. They also have little hold on the supervision of the observance of the required land use pattern.

The mechanisms of coordination between ministers responsible have thus far been too weak to be able to connect land registration adequately with land use and sector planning. The communication between the various regional levels and the regional legislative bodies is inadequate.

Accordingly, accelerated land registration and the reconstruction, or rather reform, of a nationwide registry in municipal and rural areas receive highest priority in official announcements. This could be seen for example in the introductory statements made by the Minister of Justice, or by the advisory staff of the two Prime Ministers in the Council of Ministers, or as well in the weight given to the land question in the daily press.

The decision of the Council of Ministers as the central governmental set-up, to remove the "Land Titling Department" from the Ministry of Agriculture - likewise the municipal Registry Office of the City of Phnom Penh - and to assign it directly to the Council as an executive unit, indicates its desire to solve the current land tenure problems. But this step underlines conversely the extreme political explosiveness of the continuation of land registration in Cambodia, "...and the challenge for the project to make a contribution to increasing legal security about the possession of land, and to create better planning and administration for that land" (core objective of the project).

Government Priorities and Policies for the Agriculture sector: The following are some government policies to support agriculture in general:

The RGC has set the six following priorities for the agriculture sector as follows:

- Improved food security
- Added-value production of crops and livestock production
- Increased income opportunities for rural households
- Strengthened participatory processes in rural communities
- Sustainable agriculture production of diversified crops
- Increased availability of rural financial services

These priorities are intended to begin the shift away from rice-based agriculture to a more diversified rural economy producing a variety of higher-value crops.

The RGC also develop a Pro-poor Trade Strategy and Promotion of International Trade

Improved international and regional trade is a primary component of the RGC’s national development strategy. In this respect, the RGC has initiated pro-poor poverty reduction and technical assistance policies. The policies and associated initiatives are intended to further develop WTO-consistent legislation and to encourage Cambodian-owned businesses, as well as foreign-owned businesses, to invest in value-added processing and marketing of
Cambodian-produced products and services, especially in the agriculture sector (AgriSource Co, Ltd, 2002).

**National Strategic Development Plan (2006-2010)**

In the draft of NSDP mentioned about the enhancement of the agriculture sector is the key to poverty reduction and would also contribute enormously to real GDP and macro-economic growth.

**Cambodia Millennium Development Goals (2003)**

There are 9 goals for Cambodia. CMGD1 is about reducing extreme poverty and hunger. The major strategic orientations to reduce extreme poverty and hunger in CMDG1 summarized as follows:

- Promoting the adoption of modern technologies, in particular yield increasing production techniques, integrated pest management, integrated farming systems, improved seed varieties.
- Promoting the development of agro-industry and marketing channels and improve quality control of agricultural production.
- Enhancing land security and land market and at the same time preventing and solving land disputes through non-court resolution mechanism, land management and natural resource management in effective, equitable and sustainable way and equitable land distribution.
- Improving marketing channels to promote agricultural exports and facilitate economic exchange across regions and between rural and urban areas.

**The Urban Poverty Reduction Strategy**

This strategy was based on the lessons from collaborations aims to:

- Improve access to basic services for the urban poor – by securing affordable land and housing, enabling the delivery of physical infrastructure (water supply, drainage, roads, sanitation, electricity, transport, solid waste collection), social infrastructure (education, health care, family planning) and implementation of disaster management (against fire and floods).
- Enhance local economic potential (especially for women) – by providing education, vocational and business skills, credit and saving, industrial employment, marketing information, and space for small businesses and marketing.
- Strengthening participatory urban governance mechanisms – by facilitating community organization and leadership, setting community development management committees, creating land and housing policies for the urban poor, simplifying procedures for government services, eliminating corruption and secure tenure.

Although the Urban Poverty Reduction Strategy recognized the importance of better skills and better living and working environment, it felt short of being translate into concrete policies and programmes.

The Poverty Reduction Strategy Paper (PRSP) 2003-2005, issued three years after the Urban Poverty Reduction Strategy, reiterated the problems, including the lack of attention to the situation of urban poor. PRSP concludes that urban poor are given much lower priority in assistance since they are considered to be responsible for their predicament. whereas the rural poor are seen as victims of underdevelopment.
A more recent policy paper, the Cambodia rectangular strategy (2004-2008), is a guiding principle for development issued by the Prime Minister. It has four strategic rectangles: agriculture productivity, diversification, and competitiveness; private sector growth and employment; rehabilitation and construction of physical infrastructure; and capacity building and human resource development.

The policy has more emphasis on rural development as well as formal sector manufacturing sector. Hence, there is a strong rural bias in strategies for poverty alleviation and provisioning of social support in Cambodia. If any support is discussed for the urban poor or urban development, the focus is on housing. This focus on housing also leads to residential bias in terms of support to the urban population.

5. Organizational Profile

5.1. Group profile description

According to the recent research finding conducted by MAFF in 2005 mentioned that different agencies used their own vocabulary and definition related to types of farmer group. However, the study categorized the following types: farmer groups, farmer association, farmer communities, farmer cooperative, and farmer federations.

For the whole country of Cambodia, there are 13,011 farmer organizations (1,065 FOs in 1999). The farmer organizations are heterogeneous in Cambodia (Refer to Annex H: Map of Information about Farmer Organizations). The following are some differences of farmer groups:

- **Farmer groups**: small farmer organizations at the grass-root level with their objective is for the mutual assistance between members. This included rice and animal banks, farmer club, self-help groups, and women’s group. There are approximately 10,649 farmer groups in 2005.
- **Farmer associations**: bigger and more formal organizations, can gather several farmer groups with their objective for mutual assistance among members. This included community-based organization. In 2005 there were 560 farmer associations.
- **Farmer communities**: formal groups with their objectives to have management and use in the common resources. This included water user communities, fishery communities, and forestry communities. There are 1,719 farmer communities.
- **Farmer cooperatives**: formal organization aimed to have economic benefit. This included agriculture development communities following the Royal Decree, cooperative. There are 106 farmer cooperatives.
- **Farmer federations**: networks gathering several farmer organizations. This included district, provincial, national federations. There are 3 farmer federations.

Figure 5.1: Type of FOs

<table>
<thead>
<tr>
<th>Type of FOs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmer groups</td>
<td>82%</td>
</tr>
<tr>
<td>Farmer associations</td>
<td>13%</td>
</tr>
<tr>
<td>Farmer communities</td>
<td>4%</td>
</tr>
<tr>
<td>Farmer cooperatives</td>
<td>1%</td>
</tr>
<tr>
<td>Farmer federations</td>
<td>0%</td>
</tr>
</tbody>
</table>

Figure 5.2: Size of FOs

<table>
<thead>
<tr>
<th>Size of FOs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 15 members</td>
<td>33%</td>
</tr>
<tr>
<td>15 to 30 members</td>
<td>38%</td>
</tr>
<tr>
<td>30 to 100 members</td>
<td>18%</td>
</tr>
<tr>
<td>More than 100 members</td>
<td>11%</td>
</tr>
</tbody>
</table>
The activities of farmer organization are as follows:

- Farmer groups: 66 percent works on credit in cash or in kind (animal banks), 21 percent on techniques.
- Farmer associations: diverse activities (techniques, training, advocacy, etc)
- Farmer communities: 57 percent are water user communities, others are fishery and forestry.
- Farmer cooperatives: often combine several economic activities (credit, trading, input supply and capacity building)

There are different status and characteristics of producers’ organization including fish raising, pig raising, vegetable growing, goat raising, chicken raising, dry fish salt processing, and other food processing.

With the activities can help the producer’s groups with the following benefits:

- Income generation for the family so that they can support children to school
- Low cost of transportation as we bought in bulk
- Market information flow to allow all members know the price in the market
- Involved in people participation in the society
- Get support from the local authorities
- Have local products for family consumption and sell the surplus
- Encourage for the local produces

5.2. The business analysis: choice, planning and management

Forming an association improved some member’s confidence and their sense of being recognized in the society. There are significant differences in perception between association members and non-members for the following questions:

- If I do a good thing to my fellow members, they will also be nice to me.
- I think my life will be better in the future.
- I will be improve my life in the future (Kusakabe et al., 2001)

Association members displayed a higher sense of reciprocal, cooperation and mutual help and hope for the future. The same study noted that association members also showed higher trust in the possibility to make changes, look up to the state for law and order, and display a greater tendency to inform and demand from the state.

The sense of being supported by fellow members and others leads to a positive perspective on society. The association members believe that things can be made better, and trust other people in the market as well as in the neighbourhood.

The Cambodian farmer organizations are at an early stage due to the young, miscellaneous and abundant, mostly grass-root level of farmer organization, large diversity of forms, most of farmer organizations induced by support agencies (State and mainly by NGOs), farmer organizations are mainly mono functional organizations and many of farmer organizations are local development oriented.

This early stage is the result of the history that the strong ruptures of political and economic system in the recent past. Farmer organizations are facing typical problems such as:

- At the farmer organizational level: low capacity of leaders, dependency on the support agency.
• At the farmers’ level: preference for the immediate support (opportunistic behaviour) and low understanding of farmer organizations concepts and functioning.

However, there are some positive points to highlight as follows:
• An existing dynamic: new members, leaders, organization, real local initiatives, some farmer organizations are active, and some principles are already present (solidarity, internal rules, participation of members)
• A few initiatives of organization at commune or district levels
• Have a legislative framework
• Many farmer organizations are existing local references.

4.3. Promising practices regarding

The following are some cases of the community-based organization applied successful from:

*Profile 1: Prahoc and Food Security Group of UPDF*

The Urban Poor Development Fund (UPDF) was set up in March 1998 as a joint venture of the Solidarity for the Urban Poor Federation (SUPF), the Municipality of Phnom Penh and Asian Coalition for Housing Right (ACHR). The idea was to create revolving fund to provide affordable credit to poor communities for housing and income generation through saving groups and federations, and the fund was specifically set up at that time to help find an alternative solution to an eviction situation. The fund is managed by a “mixed” governing board (which includes a majority of community leaders, and representative from the Municipality, ACHR, and other local international agencies). The UPDF have been working in seven districts were Russeikeo, Khan Toukok, Khan 7 Makara, Khan Chamkarmon, Mean Chey and Dang kor.

Russeikeo district, located the north of Phnom Penh, and along Tonle Sap river, there are 24 communities have been getting Fish loan from UPDF. Ten community fishery group, the name of the community, is the active community, located Kor village, Chraing Chomresh 2 commune, Russeikeo district, and there are 100 households, total population 558 people (259 males and 299 females). Ten community fishery group formed by UPDF that lead by a fifty-year-old man who got certificate, was set up in December 31, 2000. There were 16 members and the total saving of 725,000 Cambodian Riel, and 2005-06 there are 55 members (35 females and 20 males) and total saving 9,083,200 Riel. Every year, as the waters of the Tonle Sap River and river flow back into the Mekong River they start preparing to make Prahoc. Prahoc is a fermented fish paste commonly viewed as the second most important staple food and income generation for urban and rural Cambodians. Made from small, low-value fish and eaten cooked, raw, or mixed into soups, prahoc provides a critical low-cost source of protein in the Cambodian diet. Moreover, as a fermented product, prahoc can be stored for several months without spoiling. This makes it a reliable (and ready-made) source of protein throughout the year, even when it is no longer fishing season. Despite the important role of prahoc in food security.

First income generation loans knit strong links between riverside communities; the UPDF’s loan took a detour from house-building into the pungent realm of fermented fish. Through SUPF’s active women’s group in Roessei Keo district, riverside communities took loan to purchase the silver rie/fish, earthen crocks, salt and sundry equipment necessary to make prahoc, the popular Khmer-style fermented fish. In six or eight months, the fully ripe prahoc come out of the crocks and goes to market. The loans were scheduled to match this cycle: during the fermentation, families paid only the interest, and only once the prahoc had been
sold did they repay their loans in full. The 2000-05 prahoc loan were such a success (100% repayment) that proposals for second and third rounds of prahoc-making loans were approved and disbursed in subsequent seasons.

When the idea first came to UPDF, everybody saw it an attractive loan proposition: the objective was clear, the simple procedures for making prahoc were all-know, the market was assured, the loan term was short and returns on the investment were guaranteed. But instead of simply issuing income generation loans to individual families, the UPDF proposed a district-wide process in which the women set up a special committee to survey all the families involved in the prahoc business. In this way, prahok became a tool for linking communities in the district and strengthening the communities’ process. Now every year, when the district gathers all the prahoc-making projects into a joint loan proposal, the bottom line is always very high-$50,000 or $60,000-since so many people are vying for this opportunity.

Ten community fishery groups located in the squatter area, where are UPDF and local authority try to upgrade community to be a beautiful and green community along the Tonle Sap River, it becomes the legal area. Community activities not only prahoc business, saving, and upgrading, but also empower land tenure. It does not registered with local authority, and also not presence of constitution because of all activities joined by local authority. NESAT TEN usually held monthly meeting and management structure & role there are four management committees (Community leader, financial, technical, and material committee). There is a female financial committee of the management committee, who is a active person. Origin of funds and resources of Ten community fishery group is self-financing funds that all members have saved for strengthening solidarity in community and got fish loan from UPDF and nowadays got the support from the municipality services such as inputs, water, transport, market, health service, and education. The living condition of this group is middle class because they could earn money around 7,000 Riels or 1.6 US Dollar per day. What community member activities did before being urban producers were small trader, motor bike taxi driver and sell labour, but after they work as group not only to be prahoc-trader, and small business but also land right in community along the Tunle Sap river.

Ten community fishery group requested to expand prahoc business, to learn more market management and prahoc processing skills, and how to make upgrade community to be green community and legal areas.

Profile 2: Crops, livestock and Food security Group of Padek

Padek is working in 200 villages and three urban communes, in five geographical areas of Prey Veng, Svay Rieng, Kompong Speu, Siem Reap and Phnom Penh, Padek’s vision is: “An equitable, peaceful, self-reliant society there is no poverty”. 

Sen Sok village, located Khmounh commune, Reusseikeo district, the new village where is people have been living. Padek was set up Sen Sok’s villager not only saving group but also vegetable growing, chicken raising, pig raising, fish raising, and professional group (motor and TV repairer, tailor, and hairdresser).

Mr. Thour Shot is a farmer of 50 years old have removed from one of the squatter in Phnom Penh to Sen Sok village since 2001. He has 3 children (2 sons and 1 daughter), from 2001 to 2003 he is a motor taxi driver and earned money for his families. Mr. Thour Shot participated in the Self Help Group (SHG) in 2004; he was selected as financial committee in Soun Som Khpous community that has 14 saving members (7 female and 7 male). They already agreed to save 5,000 riel per month. After participated in the SHG, he attended IFFS, Mr. Thour Shot and his families are concentrating on farm activities. However, the
small farm activities are still implemented once a while to get additional income (Total farm surface 210 m²). At the present he stopped making money from motor taxi, and his family spends an average 8,000 riel or 2 US Dollar per day to cover food and health expenses. Vegetables produced for selling 90 percent and 10 percent for home consumption. He has a small pond of about 2 x 10-m near his farm and the original purpose of digging this pond was to supply for vegetable gardening, but it could not supply for the whole year need to pump more from the canal. Mr. Thour Shot majority grow morning glory because he spent 15 days for harvesting, and could earn for his family.

Soun Som Khpous community got financial service two times from Padek: first step 2 million riel and second step 3 million riel, there are three management committee members (community leader, Accountant and secretary). Soun Som Khpous does not register with any local authority, and usually organized monthly meeting in order to discuss all activities within the group, it got municipality services such as inputs, water, transport, market, health service, and education. Their standard of living is a middle class. What community member activities did before being urban producers were small trader, motor taxi and sell labour, but after they work as group could get more benefits (technical vegetables growing, Chicken raising, pig raising, fish raising, and professional group (motor and TV repairer, tailor, wave hair).

Soun Som Khpous’s requested for safe water and infrastructure, own land for vegetables growing, techniques on vegetable growing and how to make sustainable community.

Profile 3: Goat Raising for Food Security of USG

Urban Sector Group (USG) was founded in August 1993 as an informal group of local and international NGOs working with, or interested in issues affecting the urban poor, particularly those living in squatter settlements. Although started out primarily as a forum of exchange of information and mechanism for coordinating advocacy efforts, as the group evolved its mandate was broadened to include community organizing and development activities. USG is presently working with 42 communities in 12 target zones in the greater Phnom Penh area.

Sammaky village, located Trapeang Krasaing commune, Dangkor district, the new village where is people removed from one of the squatter in Phnom Penh. USG formed saving group in Sammaky village in 2001 with 110 saving members (90 females and 20 males). There are 5 households got four goats to raise, that is very pilot project in order to improve the standard of living, to put more activities in place and to reduce poverty. Sammaky 1.2 and 3 community there are four management committee members (community leader, accountant, technical and health member) and two of them are female that usually held monthly meeting to discus all concerned problems in the community, but no one is registered with local authority because of most of them attended meeting or other development activities with the community groups.

The obligation who are goat raising must give two goats back to other saving members in group after one year or two years raising. The community strongly believes that if the person who is goat raising respect the role they will improve, but what ever community encounter problem is goat market that is low price. The community members’ house is a middle house in terms of wealth that got housing loan from UPDF, but some of them have removed from that place in order to income generation, and they could earn around 6000 riel or 1.5 US Dollar per day who are factory worker, small trader, vegetable seller, motor taxi, and sell labor. The municipality service provide to community is average service such as (education, transport, water, technical information, and health service), but what is big challenging problem is infrastructure.
The benefits after they worked as group (housing loan, safe drinking water supply, food production loans, and animals raising fund).

6. Conclusions and Recommendations

6.1. Long-term trends in UPA in the city

However, from the study findings (Sum Phalla, et al.) showed that a lot of confusion on what farmer organization is. The government policy about cooperatives is not disseminated and lack of recognition in practise of farmer organizations’ role by local authorities.

Some farmer organizations face problems of leadership. Some complain about marketing but very few developed methodology to solve this problem. Farmer organizations lack creativity and innovation capacity. Some successful farmer organizations do not focus on the poorest of the poor.

Farmer organizations have no clear plan and are still waiting support from the same agency. Farmer organizations are not ready yet to prepare themselves towards sustainability and meanwhile the support agencies have low capacity on farmer organization evaluation. Finally, they are difficult to identify clear methodology for phasing out.

There are still some challenges for farmer organizations based on the view of supporting agencies as follows:

- Weight of natural disaster on production
- Capacities of farmers still limited
- Motivation of farmers to join collective action limited
- Lack financial resources
- Lack of market for production
- Lack collaboration with local authorities
- Law is not applied (management of resources)
- Extension and credit are activities difficult to implement
- Specific issue of literacy of minorities

The policy has more emphasis on rural development as well as formal sector manufacturing sector. In 2005, Phnom Penh Municipality announced the Phnom Penh Development Master Plan. It is a grand urban infrastructure development plan with a US$59 million investment including road and canal development, and demolition, relocation, and land sharing plans for slum areas.

6.2. Conclusions and lessons learned

The low income producers in Phnom Penh are an important livelihood option for the urban poor, even when other employment options are increasing. However, the vacant land along the urban and peri-urban areas seemed to increase as industrial zone rather than improving agriculture production.

Some low-income producers did not have regulation (by-laws), decision making process and leadership are not put in place yet. There are some low-income producers lacks of recognition in practice of its role by local authority and some faced problems of marketing but very few developed methodology to solve this problem.
Some low-income producers lack creativity and innovation activity and some successful cases do not focus on the poorest of the poor. Most their organizations have no clear plan and are still waiting support from the same agencies that supported them in the beginning and some did not prepare themselves toward sustainability because they are difficult to find methodology to phasing out.

However, from the studies we came up with the lessons learnt as follows:

- Formation of farmer group is the way to mobilize the community to cooperate and help each other.
- Good facilitators make farmer participants understand well about their role in family and community development.
- Good cooperation with local authority is the way to motivate and encourage the community to participate and think what they will be improving by themselves.
- Adaptations of innovation by farmers make others have an access to experiment by themselves especially the experimentation led farmers learn something by their own.
- Let best farmers share their knowledge and experiences are the best way to upgrade their capacity.
- Developing a simple internal regulation of farmer group encourage farmer to participate in training and meeting regularly and with high commitment. It also enhances the cooperation and responsibility among the participants.
- When working in the local community, cooperation with village, commune chief and commune council made more participation of farmers.
- During group training, let all farmers share their knowledge and experiences each other especially for those who are shy and quiet, let them talk first.
- Visit and encourage to participants are the best way to stimulate them to adopt and adapt an innovations and creative thinking
- Close relationship make trust building
- Each innovation into the community, it should follow the calendar of crop and community
- Do not promise anything with the community
- Do not degrade or humiliate the community but encourage and inspire them.

6.3. Recommendations

To improve the low income producers, the following are the recommendations:

- Royal Government of Cambodia especially the MPP needs to have some vacant lands for UPA activities.
- The successful low-income producers’ organization has to have structure and regulations, respect own regulations, have good management, support from local authorities, respond to the members’ needs, motivation and participation.
- Strengthen cooperation program between urban-rural and urban-urban of countries to push implementation to reach better accomplishment.
- Use Working Together method to solve problem and can also strengthen cooperation between local authorities, department/Ministry, Civil Society, Poor community
- Increase communication with department/ ministry and donor communities to implement national poverty reduction policy- government rectangular strategy in parallel with United Nation’s MDG.
- Continue decentralization system of planning management monitoring and evaluation (PME) at local authorities and institutions regularly and efficiency.
• Implementation of Decentralization of planning and management at Commune/District level to enclose service to people.
• Capacity building on leadership and management through training, workshop, study tour to exchange experiences in local area and abroad.
• Prepare integrated community development mechanism in development plan of Commune/District and Municipality.
• Strengthen partnership between local and international organization. Particularly in cooperation to implement action plan of low-income producers.
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Annexes
Annex A1: Terms of References

ELEMENTS FOR TERMS OF REFERENCE FOR CITY CASE-STUDIES

The following points will be taken into consideration in order to finalize the terms of reference for city case-studies.

1) “UPA Profile”
   a. a brief but comprehensive description of the different UPA related-activities being undertaken in the city and peri-urban areas;
   b. a stakeholder analysis in order i) to identify the various categories of stakeholders with interests in UPA related activities; ii) to identify and prepare a typology of all the organizations both formal and informal that are involved in UPA related activities and select low-income producer groups and associations; and iii) to identify key decentralized institutions such as urban municipalities and their linkages to National institutions such as Ministry of Agriculture or other institutions responsible for providing services and inputs to farmers as well as linkages to NGOs and other civil society organizations that have influence on or can provide assistance to the organizations involved in UPA related activities.
   c. using rapid diagnostic techniques, a comprehensive constraint analysis identifying the constraints (legal, institutional, economic and financial) to be overcome by low-income producer groups
   d. Links with other actors in the food chain and other institutions. The assessment will also provide basic information on relevant organizations and structures, in order to understand the relative position in the chain (eg. Relationship, synergy, competitiveness). It will also verify, characterize and assess the existence, past or present, of any partnership in collaboration which particular producers’ organizations in that city may be entertaining, or may have entertained, with other organizations, representational or not, public or private. Finally, it will look at the interaction of the organization with local authorities and the public sector.

2) “Organizational Profile”
   From the typology of Organizations, to select representative organizations in the city and undertake a detailed “Organizational Profile”.

   a. The key aspects of the group profile are: size, composition, gender ration, formal or informal, assets and record keeping, homogeneity of interest and group solidarity, socioeconomic categorization (i.e. poor, middle income, or high income), constitution if registered, links with other institutions, quality of leadership, quality and level of participation by group members indicated by participation in group meetings, organizational management (i.e. through an elected committee or appointees.), success in reaching targets, empowerment and ability to negotiate with authorities and to form strategic alliances with partners.
   b. Documenting promising practices:
      i. Origins of the organization: priority need or triggering problem or threat, personal leadership, residential proximity of members, ethnical or other commonalities of members, support from a powerful urban actor.
      ii. Structure and functioning: women and men, age groups, decision-making instance and procedures, managing units, sources of funding: public, NGOs, membership dues (in cash or kind), own fund raising; frequency of assembly, attendance and participation, involvement in other associative or public policy circles.
iii. Effectiveness (e.g: SWOT analysis): what are the strengths and the weaknesses of the organization, what are the opportunities and challenges for growth and improvement. Particular attention should be paid to partnerships which producers' organizations may have had with other urban actors (individual, institutional or corporate land owners, public utilities, social health, security and educational agencies, various municipal government departments, ministerial local agencies of national government, financial institutions, companies) for access to resources, inputs, markets. How were these partnerships established, what are mutual benefits sought, how well have these partnerships been used, what have been concrete benefits to the organization's members, collectively and individually.

iv. Outcomes on members (behavioural changes): access to more or better land or water resources, to cheaper or more efficient inputs, safer and more sustainable practices; to larger or more lucrative markets; to safer or more secure tenure conditions; to more stable or higher incomes, investment into value-adding employment and enterprises, etc.

v. Impacts on members (development changes): better nutrition and health, education, acquisition of goods, investment in other businesses; healthier living environment, greater food security, less vulnerable livelihoods.

vi. Information on the municipality: The local survey should indicate whether public UPA services exist or not at the municipal level (either in the form of programmes or offices). This is important because in cities where such services are known to exist (e.g. Nairobi, Dar Es Salaam, Accra, Havana, Cagayan de Oro, Santiago in Dominican Republic), the policy and technology arena may facilitate (or not) the promotion and effectiveness of particular producers' organizations.

vii. Information on other actors in the production-marketing chain: The survey will also provide with basic information on the panorama of other organizations and structures related to the production and marketing of the organization, in order to understand its relative position in the chain (e.g. relationship, synergy, competitiveness). It will also verify, characterize and assess the existence, past or present, of any partnership or collaboration which particular producers’ organizations in that city may be entertaining, or may have entertained, with other organizations, representational or not, public or private.

3) “Institutional Profile”
From the typology of institution, to prepare an institutional profile of the key institutions with influence on the operations of organizations involved in UPA related activities.

The most important aspects of this profile relate to the Policy and Legal framework that regulate and create the environment in which the UPA organizations operate. This Policy and Legal framework determine such crucial issues as land ownership, the legitimacy of UPA activities in a given city, presence of or absence for collateral by the organization, access to credit from financial institution, being licensed to operate as farmers and having access to creates and other incentives that rural farmers are entitled or, policies governing the operations of NGOs and other civil society organizations in the city.
Annex: A2: Outline of the City Case Study Reports

GCP/INT/955/CAN
"URBAN AND PERI-URBAN AGRICULTURE: TOWARDS A BETTER UNDERSTANDING OF LOW-INCOME PRODUCERS' ORGANIZATIONS"

City case study reports

Draft Outline

Note: This outline is to be used by the Study Coordinators when drafting the city case-study report. This outline is further detailed in Annex I of the Project Document “Elements for Terms of Reference of City Case Studies”, which provides with a detailed list of questions to be considered.

Acknowledgement
Table of contents
List of Abbreviations and Acronyms
Executive summary (500 words)
Introduction (250 words)

Context analysis (750 words)

Background information for the city and country (250 words)
- Physical and climatic characteristics
- Population and demography
- Socio-economic situation

Urbanisation processes (500 words)
- Urbanization process in the city
- Driving forces for urbanisation (e.g. conflicts, economy)
- General impact of urbanization on land surrounding cities, with specific attention to UPA and related activities

UPA Profile (2000 words)

Historical development and status of UPA and Producers’ Organizations in the city (500 words)
- UPA traditions (former development of green belts/area, etc.) and actors involved in UPA related activities (crop, livestock, fish and forestry production, small-scale processing, marketing, commercialisation and preparation - such as hawking, street food vending, community-based catering systems etc.-)
- Recent historical development, status and characteristics of the different UPA related activities being undertaken in the urban and peri-urban areas (e.g. share of total land use, average green area size, species composition)
- Recent historical development, status and characteristics of producers’ organizations involved in UPA related activities (formal/informal, household subsistence/market oriented)
- Role and benefits of UPA in the city
Stakeholder analysis (500 words)
- Categories of stakeholders with interests in UPA related activities (stakeholder map)
- Typology of the organizations (formal and informal) involved in UPA related activities
- Key decentralized institutions and their linkages to national institutions, to other institutions responsible for providing services and inputs to farmers, as well as to NGOs and to other civil society organizations that have influence on the organizations involved in UPA related activities.

The organization of the food chain (500 words)
- Relevant organizations and structures of the food chain, and their relative position (e.g., relationship, synergy, competitiveness).
- Producers organizations partnerships and/or alliances with other organizations, associations and groups, representational or not.
- Producers’ organizations links with other institutions, interaction with the local authorities and the public sector.

Constraints affecting low-income producer groups (Rapid diagnostic technique): (500 words)
- Legal constraints
- Institutional and social constraints
- Economic and financial constraints
- Environmental constraints

Institutional Profile (3000 words)

Key institutions concerning UPA related activities (1000 words)
- Decision and policy-making (planning and management): relevant institutions and their mandate on UPA related activities
- Financial mechanisms: availability and current utilization.

Policies and legal aspects concerning UPA Producers’ Organizations (1000 words)
- Land tenure aspects
- Policies and legislation directly related to UPA Producers’ Organizations
- Policies and legislation indirectly related to UPA Producers’ Organizations

Overview of UPA innovations in the city (1000 words)
- Research, knowledge and education
- Public participation
- International information exchange and partnerships

Organizational Profile (3500 words)

Group profile description (1000 words)
- Size, composition, gender ration, homogeneity of interest and group solidarity
- Status (formal or informal, constitution if registered) and eventual links with other institutions
Activities performed (crop, livestock, fish and forestry production, small-scale processing, marketing, commercialisation and preparation – such as hawking, street food vending, community-based catering systems etc.)

Socioeconomic categorization (i.e. poor, middle income, or high income),

The business analysis: choice, planning and management (1000 words)

Choice of business: advantages, disadvantages and risks of running the group, opportunities, access to inputs (natural resources, microfinance, training and information), skills available.

Leadership: quality of leadership, quality and level of participation by group members indicated by participation in group meetings,

Planning procedures: who do what, decision making on rules and business, getting start procedures.

Management: degree and modalities of organizational management (i.e. through an elected committee or appointees), assets and record keeping (balance sheet, profit and loss account, cash flow), maintenance of premises and equipment, monitoring and evaluating the business, expanding the business, success in reaching targets,

External relations: inter-group associations, empowerment and ability to negotiate with authorities and to form strategic alliances with partners.

Promising practices regarding: (1500 words)

Origins of the organization.

Structure and functioning

Outcomes on members (behavioural changes) and impacts on members (development changes).

Accessibility to public UPA services

Relations with other actors in the production-marketing chain

Growth and improvement of the access to resources, inputs, markets (SWOT analysis technique)

Conclusions and Recommendations (2000 words)

Long-term trends in UPA in the city (500 words)

Strengths, weaknesses, opportunities and threats for the strengthening of low-income small-scale producers' organizations (SWOT analysis)

Main constraints, trends and issues concerning UPA resources

Main constraints concerning planning and decision-making

Conclusions and lessons learned (750 words)

Recommendations (750 words)

References

Annexes - N.B. Inclusion, in annex, of available maps, aerial photographs, plans, statistics, legal documents, and other relevant documentation (questionnaires, interviews, participatory mapping, photographs etc., all in your national language) is highly appreciated. Specifically, it would be particularly appreciated:
• Administrative maps (Map of metropolitan region, showing its boundaries and the different municipalities and/or sub-municipalities)
• Thematic map of the urban core and the peri-urban belt/areas.
• Land use patterns (Land use map showing green areas -crop production, animal production and forestry- in the urban core and the peri-urban belt)
• Master Plan (relevant maps)
• Relevant laws and regulations affecting to UPA and Producers’ Organizations.
Annex B: Map of Cambodia
Annex C: Geographical and administration structure of Phnom Penh Municipality 2005

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<th>№</th>
<th>Districts</th>
<th>Number of Communes</th>
<th>Number of Villages</th>
<th>Number of Groups</th>
<th>Surface Area (Km²)</th>
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Source: Planning Department of Phnom Penh
## Annex D: Population Statistic 2005

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<th>№</th>
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Source: Planning Department of Phnom Penh
Annex E: Map of Development Projects in Urban Khans
Annex F: Map of Development Projects in Rural Khans
Annex G: Map of Poor Communities and Vacant Land in Phnom Penh
Annex H: Map of Information about Farmer Organization