

The 16th Government-Private Sector Forum (G-PSF) kicked off this morning under the presidency of Prime Minister Samdech Akka Moha Sena Padei Techo Hun Sen to review the implementation progress of the policy on the promotion of paddy production and rice export. Speaking at the opening ceremony, Samdech Techo Hun Sen said we have determined to use 2015 as a base year in order to promote the paddy production to more than 4 million tons including export of at least 1 million ton of milled rice and make Cambodia's milled rice internationally recognized.

"We can achieve this ambition because we have right policy and collective efforts of the Royal Government, private sector and relevant development partners as well as the farmers", Samdech Techo Hun Sen said. In fact, in 2010 Cambodia has a total of 2.79 million hectares of paddy plantation, in which 2.77 million hectares have produced 8.25 million tons of paddy yield, an increase of 8.75 percent if compared with 2009, he said. This is due to the increase in plantation area, with wet season rice area increased by 56 thousands hectares and dry season rice area increased by 20 thousands hectares. The growth of this plantation area is made possible by the increase in plantation seasons with vigorous investment of the Royal Government on irrigation and the change in farmers' attitude in the use of seeds from heavy to medium and light ones, he added. In term of paddy yield, wet season paddy has increased by 5.3 percent compared with 2009, and dry season paddy has increased by 1.7 percent if compared with 2009 as well. However, recent flooding has been initially assessed and found that it is more damaging than the flooding in 2000; and it impacted paddy on area of 390,000 hectares and damaged paddy on area of 190,000 hectares, and could cause a decline in the dry season paddy production. According to the Cambodian premier, the use of agricultural vehicles and the use of inputs for agriculture have increased remarkably. The agricultural tractors have increased from 8,138 units in 2008 to 9,250 units in 2009 and to 10,135 units in 2010. Power tillers have increased from 110,000 units in 2008 to 130,000 units in 2009 and to 160,000 units in 2010. Rice threshing machines have increased to 25,243 units in 2010, from just 23,000 units in 2008. At the same time Samdech Techo Hun Sen said, the export of rice has increased vigorously since 2009 due to the increase in food prices and the open up of markets in European Union, in particular after the launch of Policy Document on the Promotion of Paddy and Rice Export of the Royal Government. In 2009, the export of milled rice increased by 236 percent if compared with 2008. In 2010, export of rice was 51 thousand tons compared to 15 thousand tons in 2009, which is 251 percent increase. As of June 2011, export of rice has increased to 85 thousand tons, which is 370 percent increase compared with the same period of 2010. In parallel, the number of milled rice exporting countries has increased from 9 in 2009 to more than 30 in 2010 and 2011, he said. The Royal Government has also invested US\$101.43 million in 2009 and US\$188.79 million in 2010 in the continued expansion of irrigation. As of June 2011, the Royal Government has made an additional investment of US\$220 million. At the same time, the Royal Government, through the Ministry of Economy and Finance, is planning to provide financing, in a form of no-interest credits, of about US\$80 million in 3 years (2011-2013) to Electricité du Cambodge for the investment in the establishment of sub-transmission lines in order to increase the scope of energy supply for more people to use and connect with paddy

production and milling machines areas. For the implementation of measures for paddy collection and processing, the Royal Government has doubled the money of Agriculture Support and Development Fund from the initial fund of US\$18 million to US\$36 million. This fund is managed by the Rural Development Bank, and the Bank has provided credits to 251 Rice Millers Associations in 10 provinces. The Royal Government through the Ministry of Economy and Finance has established Credit Guarantee Scheme with an amount of Riel 105 billion, equivalent to US\$25 million, to encourage commercial banks to provide loans for paddy collection and processing. Also, the Ministry has also signed agreements on financing cooperation and on risk sharing in agriculture and agro-industry management with the World Bank and International Financial Cooperation (IFC) with an amount of US\$25 million to promote the provision of loans to agriculture projects such as paddy-milled rice, he added.