Challenges and opportunities for increasing competitiveness of vegetable production in Cambodia

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Acta Horticulturae 1006: 253-260. 2013.

Abstract

With 77% of the population living in rural areas, the development of agriculture is critical in reducing poverty in Cambodia. The growing demand for better quality vegetables offers farming families good opportunities to increase incomes and reduce their dependency on rice. Despite considerable progress in recent years, business opportunities are being lost as a result of a predominantly supply-driven approach and the slow rate of technology adoption within the sector. To strengthen the competitiveness of the Cambodian vegetable industry and to deliver elements of economic and environmental sustainability, there is an urgent need for the sector to embrace a market-driven approach. Strengthening trust and the dialogue between supply chain actors facilitates the coordination needed to act upon market signals. Using examples from a cooperation project between GIZ and East West Seed, this paper discusses the need for improved access to information and appropriate technology, and the significance this has in reducing risk and improving the incomes of smallholder farmers. The provision of embedded services and the pull of market forces are recommended as practical alternatives to the subsidies and market interference which presently plagues the sector. Fostering private sector initiatives which drive productivity, improve quality and increase the incomes of rural communities are presented as a viable and sustainable way for government and development agencies to complement traditional approaches to extension.