

PROJECT INFORMATION SHEET

PIP No :

633

(To be allocated by MOP)

PART A : BASIC PROJECT INFORMATION

(Must be completed in all cases)

1. PROJECT NAME: **Improving the natural rubber price chain**
2. PROJECT DATES:
- PROJECT START: **3/4/2025**
- ESTIMATED COMPLETION: **12/31/2029**
3. TOTAL PROJECT COST: **\$13,500,000**
4. RESPONSIBLE MINISTRY: **Ministry of Agriculture, Forestry and Fisheries**
- RESPONSIBLE UNIT: **GDR**
- អង្គភាពទទួលខុសត្រូវ: **អគ្គនាយកដ្ឋានកៅស៊ូ**
5. PROJECT STATUS: **Planned**

DETAILED PROJECT INFORMATION

6. TYPE OF PROJECT: **Investment project**
7. SOURCE OF PROJECT FUNDING: **Donor Sought**
8. THE POLICY AREA OF THE PENTAGON STRATEGY PHASE I THAT THIS PROJECT FALLS UNDER:V
Side 2. Promotion of Micro, Small, and Medium Enterprises, Startups, Entrepreneurship, and Development of Informal Economy
9. THE CONTRIBUTION OF THE PROJECT TO ACHIEVE THE ABOVE POLICY:
This project is to contribute the Industrial Development Policy for Cambodia 2015-2025, Policy Nation Development of Agriculture 2022-2030 and Natural Rubber Strategic Development Plan toward 2030.
10. SUPPORT TO CAMBODIA INDUSTRIAL DEVELOPEMENT POLICY:
Does this Project support to the implementation of the Cambodia Industrial Development Policy? **Yes**
Improvement of Regulatory Environment (Trade Facilitation and Export Promotion Measures, Industrial Standards and Property Rights, Facilitation for Payment of Tax and Excise, and Labor Market Development and Industrial Relations)
11. SECTOR:
- | | |
|---|--|
| Agriculture, Fisheries & Land Management:
excluding seasonal Crop production | Research and Extension Services |
| | Livestock |
| | Land Management |
12. PROJECT LOCATION: (Describe the location of the project and its components.)
Preah Vihear, Tbong Khmum, Mondul Kiri, Battambang, Kampong Thom, Ratanak Kiri, Pailin,
13. PROJECT OBJECTIVE: (Describe the major purpose of the project.)
Increase profits of rubber operators to improve their livelihoods as well as the socio-economy.
14. PROJECT DESCRIPTION: (Provide a description of the project and all its components.)

1. Reduce costs

- Technical training on harvesting techniques and using appropriate inputs (low-intensity tapping system, stimulation, bark management) that build resilience climate change to rubber smallholders
- Establish rubber Demonstration plantations to demonstrate good agricultural practices on latex harvest.
- Organize study visit of rubber smallholders
- Establish regional meteorological substations.

2. Increase value added and create jobs

- Feasibility study of establishing processing centers
- Establish processing group of rubber smallholders
- Capacity building on rubber processing
- Technical assistance and management coordination
- Provide loan for 20 USS Rubber Processing Centers
- Provide loan for 5 rubber Ribbed Smoked Sheet processing centers (RSS)

3. Increase the economic life span of rubber trees

- Training on tapping quality control techniques
- Field visits and technical advice rubber technology to smallholders at the rubber plantations

4. Expand and strengthen the rubber marketing

- Feasibility study of establishing a rubber marketing center
- Establish Rubber Marketing Centers
- Capacity building on marketing processes
- Promote domestic rubber consumption
- Promote exports to potential markets

5. Manage and provide rubber information through electronic system well and timely

- Collection of information, management and updating of statistical systems
- Establishment of natural rubber information management and monitoring system using GIS software, ICT software, Rubber Logistic and other applications
- Capacity building of officials to collect, manage and use rubber data
- Survey natural rubber statistics
- Create a map of rubber smallholdings in the country
- Manage statistical data on land suitable for rubber cultivation and provide technical services for disease prevention and treatment

6. Strengthen management and structure

Prepare legal documents and policies for the development of the rubber economy.

15. PROJECT JUSTIFICATION: (Give reasons why this particular project is considered worthwhile.)

Natural rubber is a long-term strategic crop and has provided many economic benefits to growers, the national economy, society and the environment, especially contributing to poverty reduction through job creation and stable employment in place for the people in Rural areas, re-establishing green cover and mitigating climate change, which is a global challenge now and in the future.

In recent years, the area of natural rubber in Cambodia has not changed and is in the total volume of about 404 thousand hectares, of which rubber smallholding accounts for about 40% of this total area. The rubber farm gate price of rubber smallholders is 50-60% of the international market price, which is lower than in neighboring rubber countries. At the same time, Cambodia continues to lose the opportunity to add value by processing raw rubber into primary processed rubber products (CSR, RSS, CL, Compounded Rubber, etc.) before exporting. This does not include the shortage of rubber downstream sector, which refers to the production of high value-added rubber based products.

In response to this situation, the project on improving the natural rubber price chain to set the direction to increase rubber yield, reduce production costs through training focusing on rubber technical harvesting skills, sustainable quality improvement and expansion of the rubber market, promoting local processing and consumption to increase profits are all priorities.

16. BENIFITS: (Who will benefit, directly and indirectly, from the project?)

Direct beneficiaries:

- The rubber smallholding agricultural cooperatives and rubber smallholders in 7 target provinces.

Indirect beneficiaries:

Direct beneficiaries: Cooperatives of Rubber stallholder and rubber stallholders, Rubber Estate companies Rubber Processing handicrafts and factories and government officials in the rubber sector.

17. FEASIBILITY STUDY

Is a Feasibility Study for the project required? **Yes**

If YES, has it been carried out? **Not yet**

18. SOCIAL & ENVIRONMENT IMPACT: (Briefly describe the effects of the project, if any, on the people and the surrounding enviroment. Will the project assist in alleviating poverty?)

This project assists in alleviating poverty in rural areas and increase agricultural productivity.

19. CLIMATE CHANGE

a. Is any activity or output of the project related to Climate Change? **No**

b. How is the project relevant to Climate Change?

Please select a Climate Change related sector of the project and fill up the contribution of the climate change related expenditure compared to the total project cost.

Climate Change-Related Sector	Percentage	Climate Change Relevance
18. Livelihoods (general)	100	Very Significant

20. DISASTER RISK REDUCTION

Is any activity or output of the project related to Disaster Risk Reduction? **No**

21. GENDER ANALYSIS: (How does the project affect the roles of the men and women in the project area? Will women be actively involved in the implementation of the project?)

The project will support the roles of men and women in the rubber sub-sector, especially encouraging women's participation.

22. CAPACITY TO IMPLEMENT: (Does the Ministry have the skills and experience required to implement the project?)

The General Directorate of Rubber has sufficient human resources and experience to implement this project. For the technical equipment are under the procurement and technical consultant services are externally finding.

23. STATUS OF PROJECT IMPLEMENTATION: (Provide a brief update on the progress of the project to date. Discuss any major problems causing delays in project implementation.)

This project needs the assistance.

24. PROJECT PRIORITY: (Please indicates the priority ranking of the project decided by the ministry/agency.)

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25. DONOR INVOLVEMENT: (Provide any information on current or potential donor involvement in the project.)

Finding development partner to provide budget.

PART B : PROJECT COSTS AND FUNDING SOURCES
(In US\$'000)

INVESTMENT COST	2023		2024 Budget	2025 Estimate	2026 Estimate	2027 Estimate	3yr Total 2025-2027	Recurrent Cost Est.
	Budget	Actual						
Operational Expenditure	0.0	0.0	0.0	1,435.2	384.6	276.9	2,096.7	0.0
Salaries	0.0	0.0	0.0	166.4	189.4	189.4	545.2	0.0
Materials + Admin	0.0	0.0	0.0	1,265.8	46.5	51.8	1,364.1	0.0
Other	0.0	0.0	0.0	3.0	148.7	35.7	187.4	0.0
Capital Expenditure	0.0	0.0	0.0	3,465.1	1,935.5	2,328.0	7,728.6	0.0
Construction	0.0	0.0	0.0	1,227.0	838.8	1,128.2	3,194.0	0.0
Consultancy (i.e. TA) + Admin	0.0	0.0	0.0	82.5	82.5	82.5	247.5	0.0
Equipment+ Furniture	0.0	0.0	0.0	1,725.8	445.9	523.8	2,695.5	0.0
Training	0.0	0.0	0.0	109.2	455.1	472.8	1,037.1	0.0
Other	0.0	0.0	0.0	320.6	113.2	120.7	554.5	0.0
TOTAL COST	0.0	0.0	0.0	4,900.3	2,320.1	2,604.9	9,825.3	0.0
FUNDING SOURCES	2023		2024 Budget	2025 Estimate	2026 Estimate	2027 Estimate	3yr Total 2025-2027	
	Budget	Actual						
Project Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Government Funding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Cash Input	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Donor Funding								
TOTAL COMMITTED FUNDING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FUNDING REQUIRED	0.0	0.0	0.0	4,900.3	2,320.1	2,604.9	9,825.3	
(Total Cost - Funding Available)								

**Seen and Approved by
Minister**

(Signature)

Date :