

## **ABSTRACT**

### **A STUDY OF FACTORS AFFECTING RICE SECTOR IN CAMBODIA IN 2000- 2013**

The purpose of this research is to explore the factors affecting rice sector in Cambodia towards AEC 2015. The field of Cambodia-rice is now very increasing year smoothly, and it is also a part of living of Cambodian people after Khmer Rouge regime. This field is very helpful for people who live in this country to earn their incomes for their family, and it makes national profit increasingly very fast too.

This study will also present that the factors affecting rice sector in Cambodia toward AEC 2015 to welcome the ASEAN Economic Community which is coming soon. Unexpectedly, in the last decade indicate that the number of growing of Cambodia-rice is very potential in ASEAN regions. In fact, in Cambodia has many natural endowments and resources that are major attraction for welcome ASEAN in 2015, especially it is about rice-export to the region and also Western country. Therefore, the breath of economic growth of Cambodia is rice field which makes Cambodia has face on international region up to now. Definitely, Cambodian people since the past until now they are always depended on making rice. Hence, people of Cambodia think that “Rice is their life. No rice, no life”.

Rice is the soul of ethnic Khmer that injected deeply into the mindset, and engage a very closely with the traditional, cultural, political, national, and religions since long time ago. Therefore, rice is a traditional food for Cambodian people permanently and more than half of the population in the world. It is an important source of food energy for 17 countries in Asia and the Pacific 9 countries in the Americas and 8 in Africa. Rice sectors in Cambodia- the kingdom of wonders remaining the cornerstone of Cambodian agriculture, and over the present times, Cambodia has seen a very increasing in the practice of direct seeding as replacement of traditional seedling transplanting, in the proportion of irrigated rice and in the use of motorized

machinery for land preparation. This is showing that rice production in Cambodia has ability to compete and contributing to increasing food security in the South East Asian Mekong region, especially to the Europe countries. Unexpectedly, rice production in Cambodia now is increasing very fast, and our rice is more recognized at the market. On the other hand, economists and agriculture officials say Cambodia could export 1 million tons of milled rice by 2015, but that depends on improvements in the sector, along with some global factors out of the control of the country's farmers and millers. According to Cambodia government, has set the goal for 1 million tons of exported rice by 2015, but the country is so far below the target. Therefore, Cambodia exported 200,000 tons of rice to 48 countries last year. The goal is to reach 250,000 tons this year. So far this year, it has exported around 78,000 tons of milled rice, an increase of 4,000 tons from the same time last year, said Hean Vanhan, director of the government's One-Stop Service for Rice Export. However, a governmental review on its rice policy concludes that the country won't meet its goals at the current growth rate.

Cambodia's rice production overall has continued to increase, from about 8.2 million tons in 2010 to 8.8 million in 2011, according to government figures. That's from about 3 million hectares of land, and a population that is 80 percent agricultural. But experts say the sector needs more investment in farming to improve. According to Hang Chuon Naron, secretary of state at the Ministry of Economy and Finance recently pointed out that Cambodia needs investments worth around \$350 million to achieve the target in the next three years. Lim Bunheng, president of the Cambodian Rice Exports Association, says that by calculating the surplus milled rice, about 2 million tons, Cambodia has the capacity to export 1 million tons by 2015, with the right investments. "If the government or the banks want to prioritize rice export, they need to provide enough loans for us to buy paddy from the community and local farmers so that we can have enough rice stock for export," he said. Loans for millers are the best way to increase the flow of exports to neighboring countries or other international buyers, he said. For the researcher, would

like to recommend that, it is very essentiality to have some of the solution keys to develop more on rice production sector in Cambodia that used to be expected to welcome towards AEC 2015 coming soon. Whatsoever, the recently growth in the number of rice production indicates that there is a huge potential for rice development in Cambodia. As being known that, Cambodia is the land fully of natural resources and easy to plan any crops as Cambodian wish to be.