



FLD in Action 2012

Annual Report



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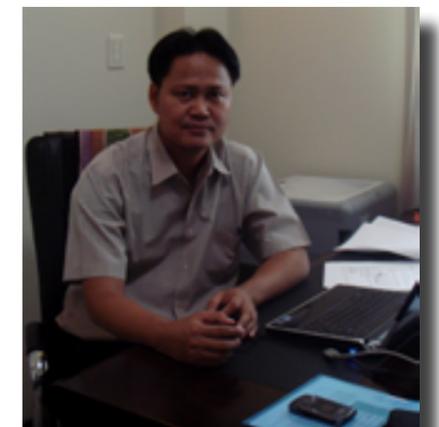
Highlights from the Executive Director

Specific interventions are necessary to alleviate poverty of the rural ultra-poor. FLD's approaches are holistic, technically and financially supported by its partners and donors to effectively respond to expressed needs and concerns of target beneficiaries. As a result, over 65% of beneficiaries have been able to apply the trained livelihood skills, although the income of some of them remains meager to adequately suffice to daily household's needs. It is a worthwhile notice that the trained skills require some more time to be fine-tuned and it is only possible when trainees have persistently applied them. FLD has adopted an integrated support to keep the beneficiaries on track beyond the project life.

In parallel with significant improvements on livelihood of the target beneficiaries, individual programs of FLD have faced some challenges which somehow diluted effectiveness of the programs. These include an increase in tendency of rural turnover, impacts of climate change in some areas, a disproportion between agricultural supplies and market demands, and a remarkable increase in production costs and prices of agricultural inputs. Thus, FLD has developed clear-cut long term vision and strategies for coping with such factors through a participatory approach, partnerships building and market orientation.

Successes of FLD outlined in this review would not be possible without our Board of Directors, partners and donors. Their support, understanding and advice contribute to give Cambodia's disadvantaged farmers and their family a real support. On their behalf, FLD is honored to present its deep gratitude to all partners and donors whose names are listed in this review and whose missions are being realized for the sake of a better world.

Sok Somith



FLD Board of Directors:
Dr. Yang Saing Koma (Chairman), Mr. Chhum Sovanny
and Mrs. Bunchhit Veasna

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Cover photos: SAFPHAM project - Demonstration on Integrated Pest Management in rice field

Livelihood Development Program (LDP)

LDP aims to support poor rural households to consistently secure their income and food supply. The program is composed of donor funded projects.

LDP Success Story

Name	Age	Family Situation	Home land	Activity
SAM Swinh	36	Married, 3 children	Char village, Ampil commune, Bantey Ampil district, Oddar Meanchey province.	Mushroom growing

Mr. Swinh started mushroom growing early 2012, after being trained by SAFPHAM. He first received a 3-day training to learn how to grow mushrooms. As he had a strong interest in it, he was sent to Battambang for 15 days to learn how to produce packages of mycelium and substrate for mushroom growing. After the training, SAFPHAM bought a Portable Steam Sterilizer (autoclave) to support him in order to start his production. Currently, he sells about 5 kg of mushrooms per day, at the price of USD 1.75/kg, so he earns about USD 8-9 per day. Her wife sells the mushrooms in the village, and some people come to buy them at his house. He also sells the packages that he produces, at the price of USD 0.37/package. He has already sold 400 packages. Mr. Swinh is very satisfied of his activity. Mushrooms are easy to produce and to sell, and they provide his household with a good income. He wishes to increase his activity because he does not meet market demand yet, but he needs to solve the problem of water supply.



Mr. Swinh sells about 5 kg of mushrooms per day

LDP in 2012

In the end of December 2012, LDP was receiving funds from 7 different donors. Total funds managed by the program were reaching **USD 1,133,635** for a total of **9 projects in 9 provinces**.

1. Sustainable Action to Fight Poverty, Hunger and Malnutrition (SAFPHAM)

Donor	Duration	Target provinces
European Union through World Vision Cambodia	Mar 2010 – Feb 2014	Oddar Meanchey (OMC) and Preah Vihear (PVH)

SAFPHAM provides vocational skills trainings on agriculture as well as on forming farmer associations and on building community networks for primary health care with local public service providers.

Main achievements 2012:

- A total of **2,193 farmers** (including 1,552 women, but also disabled people and people from ethnic minorities) in 39 villages in OMC and 30 villages in PVH were **trained on**:
 - » Chicken raising
 - » Pig rearing
 - » Fish culture
 - » Mushroom growing

- » Rice Post-Harvest Management
- » System of Rice Intensification (SRI)
- » Integrated Pest Management (IPM)
- » Sustainable Integrated Farming System (SIFS)

Methods used are:

- ◇ Group discussions
- ◇ Field practice
- ◇ Exposure visits
- ◇ Etc.

Trainees also received **financial support** from SAFPHAM to buy material, seeds, etc.

- SAFPHAM has cooperated with **12 private enterprises and 3 Vocational Training Centers** to provide **training to youth on off-farm skills** (sewing, make-up, hair-dressing, beautician, hand-tractor and motor repairing and mechanic maintenance) in order to increase off-farm employment opportunities and gradually reduce illegal immigration of youths to the nearby countries.
- 5 Youth Selection Committees** were formed in 5 villages for selecting eligible youths to be supported in vocational skills development, especially youths who had dropped-out of formal education.
- 10 Agriculture Cooperatives** have been established and registered.
- 4 Participatory Appraisal of Competitive Advantage (PACA)** were conducted at district level. In response to the result of PACAs, **19 Pig Youth Groups** with 168 members (including 132 females) were formed and trained.
- 15 reflection meetings** were held with **70 Village Health Animal Workers (VHAW)** on a regular basis with positive impact of building relationship between VHAWs and Provincial Department of Agriculture.
- 71 Village Health Support Groups (VHSG)** were trained on how to convey information and counsel on maternal and child health, nutrition, hygiene, sanitation, disease prevention and primary health care practices.
- 16,695 packages of Sprinkle Powder** to enhance the nutrition of children were bought for Ampil and Kok Morn Health Centers.
- The project supported an **awareness campaign on Village Sanitation** in OMC province to promote the use of insecticide treated bed nets as well as house cleaning and sanitation to reduce propagation of dengue disease.
- 4 ponds and 1 canal** were created in OMC province to support the Small Scale Irrigation schemes, **22 new wells** were constructed and 6 renovated in PVH province.



Schoolchildren have an easy access to water at school

2. Young Women in Business (YWiB)

Donor	Duration	Target provinces
European Union through CARE	Feb 2011 – Jan 2014	Koh Kong

YWiB benefits 1,700 young rural women in 70 villages by providing vocational skills trainings and market linkage, and by creating an enabling environment for young people to participate in the Commune Council Development Plan.

Main achievements 2012:

- **208 farmers** received **training on pig rearing**, and **189 on chicken raising**.
- **Community sensitization meetings** gathering **598 people** were conducted by the project team in 31 villages to inform community members and potential beneficiaries about the project activities and clarify expectations.
- **20 Community Monitoring and Support (CMS) volunteers** were selected in 11 target villages to assist project staff by convening villagers to attend meetings, disseminating project information, and providing information and feedback to staff.
- **34 Self Help Groups (SHG)** were formed during the second year of the project and made a total of 70 SHG formed in 54 villages by the end of 2012. SHG members are beneficiaries who received training.
- **209 SHG committee members** attended a 2-day **training course to learn how to manage their group**, start up business, identify ways to expand a business effectively, practice on saving plan making, etc.
- Project team facilitated **105 monthly meetings for 38 SHG**.
- Project team facilitated linkages between SHG, suppliers and markets by elaborating a **telephone directory** of regional middlemen, animal feed and health suppliers, and retailers.
- **7 farms** were identified to be **models for SHG members** to improve their technical livestock raising. These farms may be used for demonstration next year.



CARE staff visit a livestock training

3. Rural Employability Creation (REC) - phase 2

Donor	Duration	Target provinces
Asian Community Trust (ACT)	Apr 2010 – Mar 2013	Kampong Speu (KPS), Siem Reap (SR), Oddar Meanchey and Preah Vihear

REC project-phase 2 aims to mobilize community saving through an elected Village Savings and Loan Group (VSLG) in order to enable community members to have a better access to microfinance services and to expand their employment opportunities. REC project also works on strengthening institutional capacity of VSLG to sustain service provision to their members.

Main achievements 2012:

- **34 new VSLG** were created in OMC and SR provinces.
- **261 new members** were added in the existing VSLG of KPS and PVH provinces.
- **Total number of VSLG is 90**, with **2,059 members**, including 1787 women.
- **Total accumulated savings** by all those groups reached the amount of **USD 133,119** for lending to their members.
- **38 newly established group representatives** received **training on small business**.
- Project team organized **exchange visits for 40 representatives** from 20 groups in order to share knowledge and experience in managing VSLG.
- **147 VSLG members** received **loan** from ACT's grant.

4. Food Security and Nutrition Initiative (FSNI)

Donor	Duration	Target provinces
USAID through Fintrac/HARVEST Program	Oct 2011 – Mar 2013	Battambang and Pursat

FSNI aims to improve physical and economic access to sufficient, safe and nutritious food throughout the year. It targets 360 food-insecure households in 12 villages to meet both their food preferences and dietary needs to create and support more active and healthy lives.

Main achievements 2012:

- **2,458 farmers** (including 1,240 females) received **training on agriculture** with on-farm practicing on technics such as land preparation, bed making, seedling production, stake making, fertilizer supply, harvesting, etc.
- **90% of beneficiaries** have **planted vegetables** and 60% have harvested them already.
- **19 field days** were organized for **1,099 participants** (including 580 females) from target villages and schools to visit projects of family nutrition, home garden and commercial horticulture.
- Field technicians provided **1,842 farm-based technical assistance** to beneficiaries on insect damage prevention, weed control, drip irrigation, etc.
- **486 beneficiaries' home garden projects** received **support from project staff** to install drip irrigation system.
- Field technicians provided support to set up **school garden in 10 primary schools and 2 lower secondary schools**. Most of the students copied and transferred technics of vegetable planting and drip irrigation system to their parents.
- 1,761 villagers (including 950 women) attended **training on family nutrition**, hygiene, essential vitamins, pregnancy and breastfeeding, as well as cooking demo.



Field practice on drip irrigation system installation

5. Young Women Entrepreneur Development (YWED)

Donor	Duration	Target provinces
Charities Aid Foundation (CAF Australia)	Mar 2010 – Feb 2013	Kampong Speu, Kandal, Battambang, Siem Reap, Oddar Meanchey and Preah Vihear

YWED is continuing and refining the previous successful three-year EEOYW project. YWED works with 1,793 young women in 127 villages by providing vocational skills trainings and granting scholarships for advanced skill training or study at a tertiary institution.

Main achievements 2012:

- **376 women** received **technical follow-up** from trainers **after pig and chicken raising training**, and 16 after fish culture training they attended in 2008 or later on.
- **528 young women** received **financial support** to improve their chicken and pig farms, and 15 received sign board for their farm created in the previous years.

- **118 women** participated in **exposure visits** to commercial farms for sharing experiences on pig and chicken raising.
- **7 women** received technical **follow-up** from trainers after training on **mushroom growing** and 2 women were supported to build new mushroom farms.
- **43 women** did an **internship** in Phnom Penh for learning to sew and 8 women received sign board for their tailor shop created in 2011.
- **9 students** received a **scholarship** for Association degree (2 years) in banking, accounting, teaching and English.
- **562 women** received **exit strategy workshop** to prepare the end of the project early 2013.



Beneficiaries of YWED project received exit strategy workshop

6. Income Generating Project (IGP) - phase 3

7. Income Generating Project (IGP) - phase 4

Donor	Duration	Target provinces
Dana Asia	IGP 3: Dec 2011 – Nov 2012 IGP 4: Apr 2012 – Mar 2013	Siem Reap (Pouk district)

IGP3 and IGP4 were designed to incorporate lessons learned from IGP1 and 2. They aim to provide poor farmers with convenient access to micro financial services which are established and managed by themselves, so called Village Savings and Loan Group (VSLG). The project also promotes income generating activities which require small investment capital to start with for creating better chances of securing their food and income.

Main achievements 2012:

IGP3

- **8 VSLG** were created and received saving kits, with a total of **148 members** (including 133 women)
- **Total accumulated saving** by all VSLG is **USD 1,066**, or USD 133 by group.
- **150 VSLG members** received **training course on pig rearing and chicken raising**. After the training, 72 members applied skills gained by investing in chicken and pig raising activities.
- **24 group leaders** were **coached on simple bookkeeping** and financial management.
- **37 VSLG members** were **provided with loan** from the project fund, while 11 other members received external loan from IGP.
- **24 exchange visits** were organized for group's executive members.

IGP4

- **10 VSLG** were established and received saving kits, with a total of **153 members**, 88% of whom are women.
- **30 executive group members** (24 of whom were women) were **trained on simple bookkeeping** by professional trainers.
- **75 members** (including 70 females) received **training on pig and chicken raising** as well as technical follow-up by loan officer and trainers. After the training, they received loan from their accumulated savings and from the project.
- **8 monthly meetings** in each group were conducted at the village level, facilitated by group leaders and VSLG Agents to improve their skills on bookkeeping, savings recording and lending activities, and to share experiences on small businesses and social matters. There were **153 participants**, including 135 women.

8. Farmer Opportunity (FO)

Donor	Duration	Target provinces
World Bank through The Asia Foundation	Dec 2010 – Nov 2012	Kampong Speu, Siem Reap, Oddar Meanchey and Preah Vihear

FO is a 2-year project that has ended late 2012. It has worked to strengthen Village Market Networks (VMN) and organize Commune Forums. It also aimed to improve access to Farmer Information Service by providing immediate technical support on phone to farmers registered as Consultation Service Members and by a live radio talk-show on Voice of Democracy radio station relayed to 3 other sub-radio stations.

Main achievements 2012:

- **4 meetings** were organized with **209 VMN representatives**, village Chiefs and Commune Council (CC) (including 47 women) to select types of potentially successful agricultural products and provide technical support for production.
- **4 groups of VMN** signed **agreement** to regularly **supply products to KFP**, such as banana chips, ethnic rice and vegetables.
- **4 exposure visits** to VSLG and Micro Finance Institutions (MFI) were organized with **54 VMN representatives**.
- **26 meetings** were organized to **raise awareness on government regulation** to VMN leaders and members with **1004 participants**, 494 of whom were females.
- In the last 3 months of the project life, **83 VMN representatives from 26 communes attended CC monthly meetings**.
- During this 2-year project, **208 Commune Forums** were organized with **14,366 participants** (including 7,061 females).
- **1,817 farmers** registered to **Farmer Information Service** in 7 provinces (Kampong Speu, Preah Vihear, Battambang, Siem Reap, Oddar Meanchey, Prey Veng and Svay Rieng) and in average 5 members per day gained on-line technical assistance.
- 2 weekly series of **20 radio programs** were broadcasted, talking about 40 different topics with 94 studio guests invited.
- **86 Consultation Service Members** received **direct support from District and Provincial Office of Agriculture** to improve their production.



Public forum organized by the project at commune level

9. Commune Council Business Start-Up Fund (CCBSF)

Donor	Duration	Target provinces
CARE	Jan 2011 – Jun 2012	Rattanakiri

CCBSF project had an 18-month duration and ended mid-2012. The main objectives of the project were to form Self Help Groups and Saving Groups and to provide loan funded by CARE.

Main achievements 2012:

- The project benefited **766 people**, including 437 women.
- CARE has provided fund of **USD 16,800** to 6 communes for granting **loans** to their villagers.
- **106 families received loan** from their commune.
- **416 beneficiaries** (including 299 female) were provided with **loan** by their saving group.
- Total **loan outstanding** from savings reached the amount of **USD 22,840**.
- Total **savings** accumulated by saving groups is **USD 23,326**.

Khmer Farmer Products (KFP)

KFP is a social enterprise that trades and markets products on behalf of farm businesses, small-scale handicraft and food processor groups, all originally trained by FLD.



KFP Success Story

Name	Age	Family Situation	Home land	Activity
SEAK Neth	33	Married, 3 children	Tlok village, Svay Rampea commune, Borseth district, Kampong Speu province	Banana chips processing

In 2012, Mrs. Neth has been producing banana chips for 5 years. She started in 2007, after attending a training organized by YWED project in Kampong Speu town, together with 14 other women. After the training, they created a group of 6 women and YWED provided them with a small material to start processing banana chips in order to sell them to KFP. At the start, they were producing 5kg of banana per month. Wishing to increase their production, they bought more material, and since then their activity has grown. The group currently produces over 3,000 kg per month. They sell their production to KFP, about 3,000 kg per month, at the price of USD 2.75/kg. They also sell a small additional part of their production (12 to 20 kg/month) at the price of USD 3.75/kg to a middleman who sells the banana chips to the local market. In 2012, KFP sold in total 21,378 kg of banana chips, in different locations in Phnom Penh and in provinces (Battambang, Siem Reap, Sihanoukville, ...). In the group, each woman gets monthly income of USD 250 net (after deduction of production costs). In the future Mrs. Neth plans to increase her business further more.



Mrs Neth processes around 500 kg of banana chips per month

KFP in 2012

In 2012, KFP business has steadily grown: total revenue from sales has reached USD 113,409 and total gross earning was USD 20,318, which means that the program has almost multiply its earning by 3 compared to 2011, for which gross earning was USD 7,929. However currently, KFP is able to cover only 82.10% of its operational costs. This is the reason why a new strategy aiming to save costs has been developed. In December, the shop adjoining the office has been closed and KFP office has



KFP best selling products: banana chips, honey and rice

moved to a new location in the same area (Toul Kork), sharing workspace of their new office with TKK program. The team now concentrates its efforts on packaging and distributing products to whole sellers, shops and supermarkets in Phnom Penh and in provinces. Customers can now buy KFP products in shops such as Happy Farm, Natural Garden, Arona Mart, Seoul Mart and other mini-marts, but also to some market sellers. KFP has also developed door-to-door delivery service for its customers.

The products which meet the greater success are the banana chips, which generated revenue of USD 80,434. Other best-selling products are rice and honey. KFP purchases those products to farmers who are target beneficiaries of FLD projects, which represents an important and sustainable source of income for those communities.

During the late 2011-mid 2012 period, KFP's transformation into a social enterprise was considered and then accepted, to cope with the anticipated withdrawal of financial support of its partner Charities Aid Foundation (CAF) Australia in February 2013. KFP is therefore currently working on building staff capacities and creating capital.

Tunkaksekor (TKK)

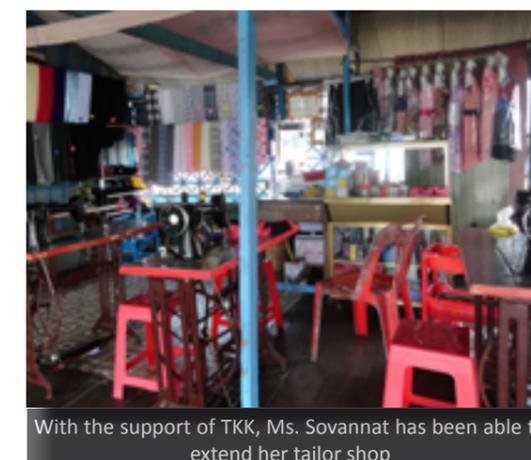
TKK has mission, on behalf of FLD and its projects, of providing micro-financial services to improve rural livelihood.



TKK Success Story

Name	Age	Family Situation	Home land	Activity
SRUN Sovannat	21	Single, living with her parents	Kbal Taul Village, Khors Chivang Commune, Ek Phnom District, Battambang province	Tailoring

Miss Sovannat has been trained on sewing by YWED project during 6 months in May 2011. In February 2012, TKK granted her a loan of USD 100 to open her tailoring business. Before receiving loan, she had only a small sewing shop inside her house, with 2 sewing machines, and 4 to 10 different fabrics. She earned USD 10 to 12.50 gross income per day. Thanks to the loan from TKK added to her savings and some support from her parents, she could increase her business by hiring 2 apprentices, buying 3 more sewing machines and offering her clients between 60 and 70 choices of fabrics. Currently, she earns USD 30 to 37 gross income per day and she has already totally repaid her loan. Thanks to FLD, the situation of Miss Sovannat has changed: she has become an independent young woman owning her business and able to support her family.



With the support of TKK, Ms. Sovannat has been able to extend her tailor shop



A VSLG in saving process

TKK in 2012

In March 2012, TKK has been registered as a micro credit operator for 3 years. Since then, with the support of its partners, the program has been providing its members with better access to microfinance services as an effective mean of securing and sustaining their income and improving their living conditions. TKK has been working in 4 provinces: Kampong Speu, Preah Vihear, Siem Reap and Oddar Meanchey. In 2012, the program has reached breakeven point at 100% in 3 provinces, and at 90% in the last province (Oddar Meanchey). Total loans

outstanding were USD 164,812 for a total of 869 clients (832 of whom are women). Total interest income was on average USD 2,987 per month. TKK keeps working with the now well-running VSLG that it had created earlier. There are currently 111 VSLG with a total of 2,456 members (2,160 of whom are women) in 92 villages, 21 communes, and 7 districts of the above 4 provinces. For 2013, the aim is to mobilize loan capital for transforming TKK into a MFI.

Support, Knowledge and Inspiration for Life (SKIL)



SKIL aims to improve the quality of life of agricultural communities by providing poor farmers and lower income rural entrepreneurs with commercial training and consultancy services.

SKIL Success Story

Name	Age	Family Situation	Home land	Activity
SAO Mean	31	Married, 3 children	Sre Pring village, Svay Rompea commune, Borseth district, Kampong Speu province	Chicken raising

Mrs. Mean started commercial chicken raising in 2009, after attending SKIL training. In the past, she raised 3 or 4 chickens for the family consumption only. When she started commercial raising, she had 17 chickens. Last year she had about 130 chickens, and currently she has about 80. Since she attended training, her way of raising has totally changed. Before, she did not know how many chickens she had and she was raising them in free range. Now she is raising them in a house, her chickens grow faster and never get sick. Thanks to the training, she learned how to make the breed selection, to take care of the young chickens, to vaccinate, to prepare fermented feed and natural medicine and to build and clean a chicken house.



Miss Mean plans to build a bigger house for her chickens soon

Since her house is located closed to the market, Mrs. Mean can sell her chickens directly there, in average 2 times per year, with a total of 100 to 120 kg per year. She also sells a small part of her production to her neighborhood. She earns about USD 375 to 425 per year. Chicken raising is a convenient activity because she can manage it together with taking care of her children and her household. As additional activity besides raising chicken, she also has a small grocery in her house, she raises pigs, cows and ducks, and she grows rice, together with her family. She plans to build a bigger house soon to extend her chicken raising.

SKIL in 2012

In 2 years, since it was created in June 2010 evolving from FLD's Business Development Services program (BDS), SKIL number of clients has significantly grown and it has developed a wide training offer in agriculture and Small Business management.

In 2012, SKIL provided 141 classes (119 in agriculture and 22 in Small Business) to a total of 2,919 trainees, 2,012 of whom are women. Total gross income of the year was USD 115,667. Besides services provided for internal projects (within FLD), SKIL counts amongst his clients World Vision Cambodia, Plan International Cambodia, Fintrac Inc./HARVEST-USAID, and PADEK (Partnership for the Development of Kampuchea).

All year long, SKIL team has developed training curricula and training materials adapted to the needs and requirements of his clients, in topics as varied as Integrated Farming System, Rice post-harvest Management, Chicken and Pig Raising, Farm Machinery Operation and Maintenance, Basic Knowledge and Proper Use of Agrochemicals, Small Business, Operational and Financial Management or Business Group Formation.

For the second half of the year, SKIL has recruited an expatriate Communication Advisor under a one-year volunteer contract in order to reinforce its visibility and communication towards its clients. In June 2012, in order to reduce running costs, SKIL has moved his office to a new location in Phnom Penh Thmey.

According to market trends and demand, SKIL Board of Directors and FLD Executive Director have advised to set up SKIL as a private Consulting Firm in order to ensure sustainability of the structure. Late 2012, SKIL has therefore cooperated with FLD Support Unit to initiate a process of registration to the Ministry of Labor and Vocational Skills, which was completed early January 2013. In accordance with its new structure, SKIL has nominated a Governing Board of Directors, elected by FLD Management Committee, with, as Chairperson, Mr Mao Kosal and, as members, Mr Leang Sambath and Keo Kimsay.



Communication Advisor questioning a trainee of Farm Machinery Operation and Maintenance training in Siem Reap



Farmer Livelihood Development

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