ORGANIC FARMING OF RICE IN CAMBODIA

Cologne, 10th October 2017 @ Cologne Exhibition Center
By Mr. Song Saran, Founder & CEO of AmruRice (Cambodia) Co., Ltd
CONTENT

✓ AMRURICE’S BACKGROUND AND BUSINESS MODEL
✓ THE ORGANIC RICE FARMING MODEL
✓ CASE STUDY, CERTIFICATION, AWARD, AND RECOGNITION
✓ THE WAY FORWARD
AMRURICE’S BACKGROUND AND BUSINESS MODEL

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
ABOUT US

Amru Rice Cambodia Co Ltd was registered in Ministry of Commerce in 2011 followed by gradual vertical integration by the establishment of its own semi-processing facilities working its way upstream into contract farming with farmer cooperatives in specific provinces.

Our growing manufacturing facilities have been bestowed with industry certification such as ISO 22000, HACCP, GMP, and in the process of adding additional BRC Certification.

AmruRice’s business is also conducted with strong ethics by embracing its CSR concept and working closely with various Agriculture Cooperatives throughout the country in carefully crafted contract farming format to also improve livelihood of our farmers along the supply chain.

Job creation in community over 400 part-times as trainers and Internal control quality / system. The company has also strived tirelessly to diversify into niche market segments to capture more value add and enhance corporate margins.

Our nearly 250 employees and 6,000 smallholder farmers strong work force keeps expanding through constant on-the-job training as our activities grow throughout the provinces where we operate.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
WHERE WE WORK

Preah Vihear province border with Ubon Rathani of Thailand and Lao, the cultivation of the rice are planted in enriched natural soil. The majority of the people are minority “Koy” whom preserve the cultivation without chemical, pesticide, etc.

AmruRice started the project with GIZ in 2013 to develop the organic rice for the poor farmers in Preah Vihear. The company has partnerships with development partners both local and international.

Organic farming is currently covering over 12000 ha with 4000 smallholder farmers, which produce over 25,000 tons paddy per year (one crop per year) wide local varieties from Long Grain A, Long Grain B, fragrant rice, red rice, and black rice varieties.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
By Mr. Song Saran
CEO of Amru Rice (Cambodia) Co., Ltd

Amru Rice Noodle, Amru Rice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
THE ORGANIC RICE FARMING MODEL

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
DIALOGUE AND CONTRACT SIGNING

Map of AMRU-Organic Farm Area in Preah Vihear Province by District and Commune

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
PLANTING THE PURE SEED

Every year – Amru supports the seed to the new members. The existing members can keep the seed from the previous year or buying from the seed producing AC.

Maintain a positive and close relationship with our stakeholders in ensuring seed is well stored for next crops.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
ORGANIC TRAINING SESSION TO THE FARMERS

Training to the new farmers and certified organic farmers who continue to grow the organic rice on seed, organic cultivation, organic standard, and ICS procedure as well as internal inspectors.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
INTERNAL CONTROL SYSTEM TRAINING TO BE INTERNAL AUDITOR AND INSPECTOR

• NOP and EOS training by development partners and department of agriculture.
• ICS control managed by Amru team and PMUAC.
• We contribute to farmers’ sustainability through consistent income increments.
• We adhere to a clean and environmental friendly practice.
• In each Agriculture Cooperatives, there are 4-10 internal inspectors to audit and control the farmer’s members on ICS.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
FARMING THE ORGANIC RICE

Farmers used small tractors and manual planting in Preah Vihear under organic rice farming area. SRI will help to improve the yield, quality, and seed.
IPM Farming management – as organic standard

Pest management training and setting the internal inspector to ensure the organic rice farming can be natural and traditional treatment any pest or disease.

Department of agriculture and local non-government organizations along with Amru team provide the series of IPM training course.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
ICS MANAGEMENT FOR ORGANIC FARMING

12 ACs organic rice growers coordinated by Provincial Management of Union Agriculture Cooperatives.

6 ACs organic rice growers coordinated and managed by subsidiary Agro Angkor of Amru Rice implemented in 2015.
INTERNAL INSPECTING AND AUDITING

Internal inspector teams – 1 managed 10-15 members in the ACs in correcting and advising the members.

Amru’s CSR teams, PMUAC, and trainers also frequently inspected the rice farming and ICS book.
ECOCERT EXTERNAL AUDIT AND CERTIFICATION

EcoCert SA inspected and audited to farm site, storage, milling, processing, and export formality. Pre-audit is implemented to ensure the farmers are well understanding and correctly follow the organic standard for EOS and NOP.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
INSPECTING THE QUALITY AND PROCUREMENT

The harvesting time of the year is normally started from first week of November until mid of December.

Internal quality control is from AC / PMUAC checked the sample of the paddy before the external surveyor quality from Amru.
TRANSPORTING TO AMRU’S WAREHOUSE

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
WAREHOUSE AND STORAGE OF ORGANIC RICE

Organic paddy is stored at Amru’s Battambang Warehouse.

Sun dried by farmers and automatic machine dried at Amru’s warehouse.
Store in jute bag 100kg and jumbo 1 ton bag in open warehouses with air ventilation.
MILLING, PROCESSING, AND PACKAGING

Milling and processing portfolio of organic brown rice is around 60% of the total milling and export, while 40% is white milled. Packing size from 1kg, 25kg, 50kg, 1000kg, and 24,000kg (bulk).
CO2 TREATMENT AND EXPORT

CO2 treatment range from 21 days to 30 days to ensure the clean and killed insects performed by certified treatment companies in Cambodia.

Containers have to be clean and safe of food grade shipment.

Containers have to be clean and safe of food grade shipment.
AMRU Rice Co, in PARTNERSHIP with Nordic Food Partners A/S

• Global Annual Frame for Commitments to Volume and Price
• Exchange of International Price Information < Optimizing Prices in Cambodia to Farmers
• Product Development (varieties of rice, new products, quality aspects) Latest Product shipped was Organic Rice Paper (pioneering product!)
• Common Definition of Important Trade Parameter such as packing, timing etc
• Great efforts in Cambodia to reach necessary EU standards for Food Safety, Certifications etc

• In Denmark we freeze, defrost, destone, clean and sometimes mill the rice in order to avoid infestation, purity issues and protect AMRU Rice and farmers from complaints and loss of reputation

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
Facilities in Denmark Processing AMRU Organic Rice

NFP PACK 2012

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
<table>
<thead>
<tr>
<th>Laboratory Test</th>
</tr>
</thead>
</table>

**AMRU RICE**

Finest Quality of Cambodia Rice
FOOD SAFETY AND CERTIFICATES

1. GMP / HACCP certified by TUV Rhineland in Germany in 2014.
2. The Organic rice certified company as handler and exporter certified by EcoCert SA, France in 2014 – NOP and EOS Standard.
3. The CSR Company in Fairness, Solidarity, and Responsible company certified by EcoCert in 2015.
4. ISO 22000 by SGS for higher food safety standard in 2016.
5. Fairtrade IMO, Fairtrade SSP, Fair for Life
CASE STUDY, AWARD, AND RECOGNITION

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
CASE STUDY

AMRURICE CONTRACT FARMING FOR SUSTAINABLE DEVELOPMENT

Case Study

Mr. VEANG Sam Oeun, 57 years old, is an organic rice farmer living at Malu Prey village, Malu Prey 1 commune, Chheb district, Preah Vihear province. He has 2 hectares of land and in this season, he has started growing organic Phkor Rumdoul rice in August and just harvested in early November 2015 with total productivity about 8.02 t (4.01 t/ha)

Below is economical analysis result on his organic rice production:
- Gross income: about 10,426,000 KHR (2,607 USD)
- Production cost: 1,957,000 KHR (489.25 USD)
- Net income: 8,469,000 KHR (about 2,117 USD)

Mr. VEANG Sam Oeun is a good farmer and may the others can learn from him to get more experiences in order to improve livelihood through making the Contract Farming for producing and supplying organic rice (EU and USA standards) for sustainable rural development.

Mr. Saran said to secure the sustainable supply chain, I has launched the contract farming with 10,000 farmers from 2014 to 2019 working with agriculture cooperatives, the farmers can get higher income and growth the paddy rice sustainable way.

By Mr. Song Saran
CEO of Amru Rice (Cambodia) Co., Ltd
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
CERTIFICATION, AWARD, AND RECOGNITION

Certified by ISO: 22000:2005 and GMP/HACCP

2015 Best White Rice Award – Cambodian Rice Federation
2014 Winner of Cambodian Rice Cup
2015 Winner of the Young Takeda Entrepreneur Award – Japan
2015 Contribution Award in Cambodian Rice Industry – Samdach Prime Minister Hun Sen
2015 & 2016 CSR Company in Fairness, Solidarity, and Responsible

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
THE WAY FORWARD

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
THE WAY FORWARD

1) **Post Harvest** - mainly high aflatoxine level leading to non-acceptance

- Strengthen the internal inspectors to strengthen internal monitoring about food safety
- In-house training to staff & farmers on post harvest methodology
- Need more main agronomists to enact TOT within 2017.

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
THE WAY FORWARD

2) Organic/SRP Products

- Training of Trainers for USDA & EU organic standards as well as Bio Suisse and fairtrade
- Need more Organic / SRP rice trainers
- Internal Inspection Surveyor
- External Audit & Certification
THE WAY FORWARD

3) CSR project expansion

- In-house training, Environment, Human Rights, Governance, Good Practice, Community
- Internal Control System
- External Audit & Certification and accreditation

Organic Rice contract Signing between AGRO ANKOR INTERTRADE and 5 Agriculture Cooperatives at Preah Vihear on 31 July 2015 at Phnom Penh

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD

AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand
THANK YOU
QUESTION AND ANSWER

BY MR. SONG SARAN
CEO OF AMRU RICE (CAMBODIA) CO., LTD
AmruRice Noodle, AmruRice Paper, Preah Vihear Jasmine Rice, Preah Vihear Organic Rice, and Palm Tree Brand