

# 5281010124 MAJOR: INTERNATIONAL DEVELOPMENT STUDIES  
KEY WORD: CONTRACT FARMING / FARMERS' LIVELIHOOD / LAND  
TENURE/CAMBODIA

BETTI ROSITA SARI: THE IMPACT OF ORGANIC RICE CONTRACT  
FARMING ON FARMERS' LIVELIHOOD AND LAND TENURE IN  
CAMBODIA: A CASE STUDY IN KAMPONG SPEU PROVINCE  
CARL NIGEL MIDDLETON, Ph.D: [141] pp.

This study examines organic rice contract farming in Cambodia and its impact on farmers' livelihood and land tenure. The study's objective is to gain a better insight of the terms and conditions of rice contract farming scheme in Cambodia, and determine under what conditions contract farming could bring improvements to farmers' livelihoods and strengthen land tenure security. This study contributes new research findings on farmers' livelihood and land ownership changes due to organic-rice contract farming with a case study in Kampong Speu province, Cambodia.

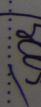
Rice contract farming is not widespread in Cambodia at present, but is expected to expand significantly in the near future. Contract farming can increase investment into agricultural and infrastructure in rural areas. Contract farming can also enable farmers to access credit, inputs, technical advice and information about market condition and pricing trends. Yet, the disadvantages of contract farming include loss of farmer bargaining power and a potential reduction in profit margins, increased emphasis on improving production quality, land consolidation in favor of participating contract farmers, and less secure livelihoods.

In this study, the contract farming arrangements of *Angkor Kasekam Rongroeng* (AKR) Company is studied. A survey of 16 contract farmers and 20 non-contract farmers in Kampong Speu province has been undertaken to examine the AKR contract farming scheme arrangements and to identify farmer's motivations to participate in contract farming and the costs, benefits and changes in the community.

AKR rice contract farming improves farmers' livelihood because they get a higher income and rice yields. Higher price, good rice seed, and access to market are the main reasons for farmers to participate in AKR contract farming. However, strict requirements, heavy penalties, poor extension services, and lack of information about the contract terms and conditions reduce farmers' long-term participation in contract farming. In addition, contract farmers have less bargaining power to negotiate with the company due to the absence of a farmer association. The AKR contract farming does not strengthen farmers' land tenure, but deforestation has been widespread in the villages studied due to the expansion of land under (contract) cultivation.

Overall, the status of contract farming in Cambodia clearly points to the great potential for its expansion in the future. However, for this to be realized and for the benefits to be shared fairly between companies and the farmers themselves, the study concludes that issues about the role of the government, the regulatory framework, contract enforcement, the land tenure system and the formation of small-scale farmer organizations must all be addressed.

Field of study: International

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