



# Battambang Rice Investment Company

*Founded in 2012, The Battambang Rice Investment Company (BRICo) was Cambodia-Laos Development Fund (CLDF)'s first investment in a start-up company. Located in the heart of Cambodia's "rice bowl", the rice milling and processing firm is designed to meet domestic needs as well as export internationally.*



Location:	Battambang Province, Cambodia
Business focus:	Agricultural Processing
Investment year:	2012
Fund intermediary:	Cambodia-Laos Development Fund
SIFEM investment into Fund:	USD 3.5 million
Fund investment into BRICo:	USD 1.78 million
Employment:	56 employees
Website:	<a href="http://www.battambangrice.com">www.battambangrice.com</a>

## The Situation in Cambodia

- **More than 80% of Cambodia's population are farmers** and rice is grown on over 90% of the currently cropped area.
- **The Royal Government of Cambodia has a focus on rice processing** as a strategic sector to drive economic growth and poverty alleviation, creating an opportunity for both commercial and social impact. There is currently a lack of international standard operators in the sector.
- **Cambodia produced 9.31 million tons of paddy rice in 2012.** After local consumption, about 3 million tons was left over, but not all was able to be milled for export. A high-quality, international standard rice mill would make increased export possible.
- **Traditionally, Cambodia exports a large proportion of its unprocessed rice crop to Vietnam and Thailand,** where it is milled and often re-exported. By improving the domestic agriculture infrastructures, Cambodia is able to increase its share of profit and export its own product.
- **Approximately one-third of Cambodia's population lives below the international poverty line.** Increased jobs and increased exports leads to increased GDP, supporting poverty alleviation.

## Development Effects in a Nutshell

- **The mill can process 15 tons of rice per hour,** and BRICo is planning to export 30,000 tons each year.
- **From the outset, the company has focused on applying international standards and best practices** for good corporate governance, and operational and quality compliance.
- **The company is able to extend its export reach further by applying international standards.** It serves both international and domestic markets with premium and middle-market rice.
- **BRICo employed 56 people as of the end of 2013.** This is expected to continue to grow as the rice mill increases its operations.
- **BRICo is currently executing its plan to purchase a rice paddy which will allow it to host a farmer contract farming base model.** It would allow education, training and hands-on experience as part of the crop-growing process while at the same time creating profit both for the company as well as the farmers and local community.
- **In the longer term, the company will focus on the development of a farmer network** and its by-products such as rice husk and bran, to optimize the use of available resources and wastage.

