

MONTHLY BULLETIN

APRIL 2026 | #01



In this Issue

This month's bulletin highlights an investment brief from the Food and Agriculture Organization (2024) and the APM Center's Working Paper (2026), focusing on how tailored financial products, ecosystem-based support, and state-led coordination can foster structural transformation for smallholders and MSMEs in Cambodia's agri-food economy. It also discusses ARDB's contributions to inclusive rural finance under ASPIRE-AT and CASDP initiatives.

Additionally, this issue features key economic data on April's commodity and oil prices and exchange rates. It concludes with an overview of recent researcher training activities and events organized by the APM Center.

About APM Center

The **Akkak Pundit Sapheachar AUN Pornmoniroth Center for Policy Studies and Training (APM Center)** was established to advance knowledge, foster innovation, and enhance capacity across a wide range of stakeholders to support economic development and the development of the banking sector in Cambodia through its research and human resource development functions. The center operates under the technical and financial guardianship of the Agricultural and Rural Development Bank (ARDB).

NEWS SPOTLIGHT

SMALLHOLDER FINANCIAL INCLUSION PROGRAM VIA ARDB

By: Eang Meymey

Agriculture Services Program for an Inclusive Rural Economy and Agricultural Trade

ASPIRE-AT is an initiative of the Royal Government of Cambodia (RGC). This project, implemented over 7 years (2023-2029) by the Ministry of Agriculture, Forestry and Fisheries (MAFF), is jointly financed by the International Fund for Agricultural Development (IFAD), the European Investment Bank (EIB), and the Royal Government of Cambodia. ASPIRE-AT aims to promote inclusive and sustainable growth in the agriculture sector, ultimately increasing the incomes of rural producers and workers. Around 50% of beneficiaries

are targeted for women, 20% for youth and 1.5% for indigenous people. The project covers 21 provinces across Cambodia, with target commodities including native chicken, vegetables, maize, cashew nuts, pepper, fresh fruit, and export-grade fruit. ARDB plays a pivotal role in ASPIRE-AT by channeling \$10.4 million (\$7.9 million as a line of credit and \$2.5 million as a grant) to Producer Organizations (POs), Agricultural Cooperatives (ACs), and their individual smallholder farmer members. The investment capital loan facility offers flexible financing ranging from \$500 to \$200,000, with an interest rate of 8% per annum and extended repayment terms of up to 84 months (7 years). Grants are used as blocked deposits to secure credit default of up to 200% of the grant value. Smallholder farmers can receive up to \$1,000 in grants and POs, and ACS can receive up to \$15,000.



Cambodia Agricultural Sector Diversification Project (CASDP)

CASDP is a 7-year (2019–2026) implementation project that operates in 14 provinces, with a total funding of \$101.67 million, of which \$91.67 million is provided by the World Bank and \$10 million by the RGC.

CASDP aims to facilitate the development of diversified agricultural value chains in selected geographical areas of Cambodia, and to provide an immediate and effective response in the event of an eligible crisis or emergency.

ARDB, as the Treasury Bank of CASDP, is responsible for providing wholesale loans of approximately \$30 million, while Participating Financial Institutions (PFIs), namely Cambodia Post Bank Plc, AMK Microfinance Institution Plc, and Chamroeun Microfinance Institution Plc. provide direct lending to beneficiaries, including farmers, Producer Organisations (POs), Agricultural Cooperatives (ACs), and Small and Medium Agribusinesses (SMAs).

The credit line is allocated into 2 windows: \$20 million for the General Window, and \$10 million for the Diversification Window.

According to the Implementation Status & Results Report No. P163264 of the CASDP, gross sales for participating farms increased by 41.53%, while agribusinesses saw a substantial 65.75% rise compared to the 2022 baseline. Furthermore, this project has successfully reached 18,842 beneficiaries, with women representing 53% of those receiving financial services. Notably, the vast majority of these individuals (18,534) are members of the 49 Agricultural Cooperatives (ACs) and 26 Modern Agriculture Communities (MACs) currently under implementation. At the same time, an additional 308 beneficiaries received credit through the general lending window (World Bank, 2026).



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Cambodia Agricultural Sector Diversification Project

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FEATURED RESEARCH



SYNERGIZING FINANCIAL INCLUSION AND INSTITUTIONAL FRAMEWORKS: A STRATEGY FOR MSMES AND AGRI-FOOD DEVELOPMENT

By: Sorn Busta

In the context of smallholder agriculture and micro, small and medium-sized enterprises (MSMEs), this synthesis examines how financial inclusion and institutional frameworks drive economic development.

The Role of Institutions and Finance in Economic Transformation: A Synthesis

The cooperation of state-led institutional support and the availability of innovative financial instruments is crucial for a resilient and dynamic economy. One research study emphasizes the importance of macro-level institutional architecture in supporting economic growth (Nay et al., 2026), while the other focuses on the micro-level impacts of financial products, such as credit, savings, and insurance, on individual productivity (FAO & IPA, 2024). Together, they provide a roadmap for moving from subsistence-based pursuits to a more advanced industrial environment.

To explore these dynamics, this synthesis draws on key insights from two important studies on the subject: 1) experimental research

on agri-food finance (FAO & IPA, 2024); and 2) an institutional analysis of MSMEs in Cambodia (Nay et al., 2026). Despite operating at different levels, both studies highlight several fundamental similarities regarding how growth can best be achieved in developing economies, as follows:

Financial Access as a Key Foundation for Development

Inadequate access to financing is identified as a major obstacle to development in both studies. Studies by FAO & IPA (2024) found that access to credit leads to agricultural gains. First, on Input Adoption, credit access is linked to a significant increase in the purchase of chemical fertilizers and hybrid seeds, which has been shown to double crop yields in certain contexts. Second, on Income Smoothing, the study by FAO & IPA (2024)

on “post-harvest credit” allows farmers to store crops and sell them when prices are higher, rather than being forced to sell immediately at low harvest prices to meet cash needs. Third, Collateral Innovation allows credit take-up to increase by up to 40% when productive equipment itself (e.g. water tanks) serves as collateral.

Likewise, for MSMEs, access to financing through state-coordinated financing mechanisms could also lead to agricultural gains, according to Nay et al. (2026). State-coordinated financing institutions are essential for growth and development as their services can provide better credit access to MSMEs. Key state-coordinated institutions include the Agricultural and Rural Development Bank (ARDB) with a focus on mobilizing public finance specifically for the agricultural sector and rural development, the SME Bank of Cambodia (SME Bank) which was established under the Rectangular Strategy, Phase IV to target job creation and financial inclusion for small businesses specifically, and Credit Guarantee Corporation of Cambodia (CGCC) which functions as a risk-sharing tool, providing credit guarantees that help MSMEs access loans even when they lack sufficient collateral (Nay et al., 2026).

Nay et al. (2026) also explains why these institutions exist. First, these banks represent “market-confirming” state intervention, in which the government acts as a central architect to guide capital toward strategic sectors that private banks might find too risky. Second is Performance-Based Legitimacy. The Cambodian government uses these targeted financial instruments to enhance its political legitimacy by delivering tangible economic growth and therefore political stability.



The Necessity of Tailored Product Design

A key issue is that financial solutions need to be considered in the local context. As highlighted by the FAO & IPA, traditional credit products often fail because their rigid, monthly repayment schedules do not align with the biological cycles of farming. To address these erratic income streams, experimental evidence from FAO & IPA demonstrates that Flexible Repayment Structures are required.

Integrating these findings with the research of Nay et al., two practical models emerge for de-risking smallholder investment:

- **Credit-Contingent & Insurance-Embedded Loans:** These instruments utilize satellite-based 'predetermined thresholds' to trigger automatic relief. By embedding insurance protection directly into the loan structure, a borrower’s liability is automatically reduced if a climate shock, such as a severe drought, occurs.
- **Harvest-Aligned Repayment:** Beyond simple flexibility, shifting the bulk of the repayment to the post-harvest period, when cash flow is at its peak, significantly reduces the "liquidity crunch" that often forces farmers into high-interest informal debt.

By combining automated climate triggers with repayment schedules that mirror the harvest cycle, financial institutions can move away from rigid models toward a more resilient, "harvest-aligned" system that protects both lenders and farmers.

Likewise, Nay et al. (2026) stress the importance of the government creating an "ecosystem" for MSME growth that goes beyond financial aid and includes support in other areas. The "ecosystem" for MSMEs in Cambodia refers to a state-led, integrated support network that provides more than just financial aid. It encompasses institutionalized linkages among the state, training providers, financial institutions, and the enterprises themselves. Based on Nay et al. (2026), the ecosystem is built upon 5 pillars as follows:

- **Capacity Building and Mentorship:** The government has established entities such as Khmer Enterprise, the Entrepreneurship Development Fund (EDF), and the Techo Startup Centre to provide mentorship, training, and networking opportunities to MSMEs and startups.
- **Human Capital Development:** The Skill Development Fund (SDF) addresses enterprise-specific skill gaps by co-financing joint training proposals between businesses and training providers.
- **Digital Transformation:** Programs like Enterprise Go Digital (EdG) and Platforms such as Startup Cambodia and Khmers ME aim to help MSMEs navigate the digital economy and overcome information asymmetries.
- **Public-Private Dialogue:** The Government-Private Sector Forum (G-PSF) serves as a formal platform for MSMEs to raise concerns

directly with the government, ensuring the business environment remains responsive to their needs.

- **State-Coordinated Financing:** This includes the specialized roles of the Agricultural and Rural Development Bank (ARDB), SME Bank of Cambodia, and the Credit Guarantee Corporation of Cambodia (CGCC), which work together to mitigate market failures in credit access.

With those 5 pillars, the ecosystem comprises a collective of non-financial and financial support mechanisms, coordinated largely by the Ministry of Economy and Finance (MEF), which acts as a "Pilot agency" to ensure these parts work together toward the national goal of industrial upgrading and economic development.



State-Led Coordination and Institutional Capacity

The two papers suggest the state's central role in coordinating and regulating development efforts. In both cases – the state plays a central coordinating development effort. This applies whether through the creation of a "pilot agency" to oversee MSMEs policy (Nay et al., 2026) or through the development of a

regulatory framework to ensure the credibility and effectiveness of financial instruments, such as an index-based insurance program for farmers (FAO & IPA, 2024).

The two papers' findings suggest that economic development requires a dual approach. First, individuals or enterprises must have access to a variety of financial mechanisms to manage risk and facilitate capital formation. Second, such financial

inclusion must be embedded within a strong institutional framework characterized by strategic state coordination, innovation, and capacity building – consistent with the "developmental state approach" – which promotes innovation, professionalization, as well as the integration of small producers into large production networks. Overall, the provision of appropriate financial services within such an institutional context proves to be feasible and effective.

REFERENCES

FAO & IPA. (2024). [Accessing finance to invest in agrifood – A review of experimental evidence](#). Investment Brief. Rome.

Nay, D., Leang, S., Heng, C., & Heang, V. (2026). [MSMEs development in Cambodia: An institutional analysis through developmental state theory \(Working Paper No.20260204\)](#). Agricultural and Rural Development Bank.

World Bank. (2026). [Cambodia Agricultural Sector Diversification Project \(P163264\): Implementation status & result report, sequence no. 12](#).



EVENTS AND ENGAGEMENTS

OUR TRAINING PROGRAM

1. Training on “Research Methodology”

March 13 - April 15, 2026

A series of training sessions on “Research Methodology,” led by **H.E. They Kheam**, Technical Advisor of ARDB, was conducted every Wednesday and Friday morning from March 13 to April 15, 2026, for the APM Center Working Group as well as ARDB Research Working Groups. The program aimed to strengthen the research team’s technical and analytical capacities in research design, data collection, data analysis, and interpretation through hands-on exercises.

2. Training on “Basic Research Methodology”

March 31 - April 1, 2026

A one-and-a-half-day training on “Basic Research Methodology,” led by **Dr. Samreth Sovanroeun**, Vice-Chairman of the APM Board of Directors, and **Dr. Ngov Penghuy**, Member of the APM Board of Directors, was provided to the ARDB Research Working Groups to enhance their research capabilities and technical proficiency. The training covered research proposal writing, academic skills, research ethics, and group presentations.

OUR MONTHLY LECTURE SERIES

The APM Center successfully organized the Monthly Lecture Series on “Policy Analysis in Artificial Intelligence (AI) Era,” featuring a keynote lecture by **H.E. Dr. Chhem Kieth Rethy**, Senior Minister in Charge of Special Missions and Chairman of the Economic, Social and Cultural Council (ECOSOCC). The event brought together participants from universities, research institutes, and various professional sectors to discuss the growing role of AI in research and innovation.

APM CENTER MONTHLY LECTURE SERIES

Lecture on

Policy Analysis in Artificial Intelligence (AI) Era

Speaker

H.E. Dr. Chhem Kieth Rethy

Senior Minister in Charge of Special Missions,
Chairman of the Economic, Social and Cultural Council (ECOSOCC)



Monday May 4th, 2026	9:30 AM - 12:00 PM	ARDB HQ
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DATA DASHBOARD

AGRICULTURAL COMMODITY PRICE MONITOR: APRIL 2026

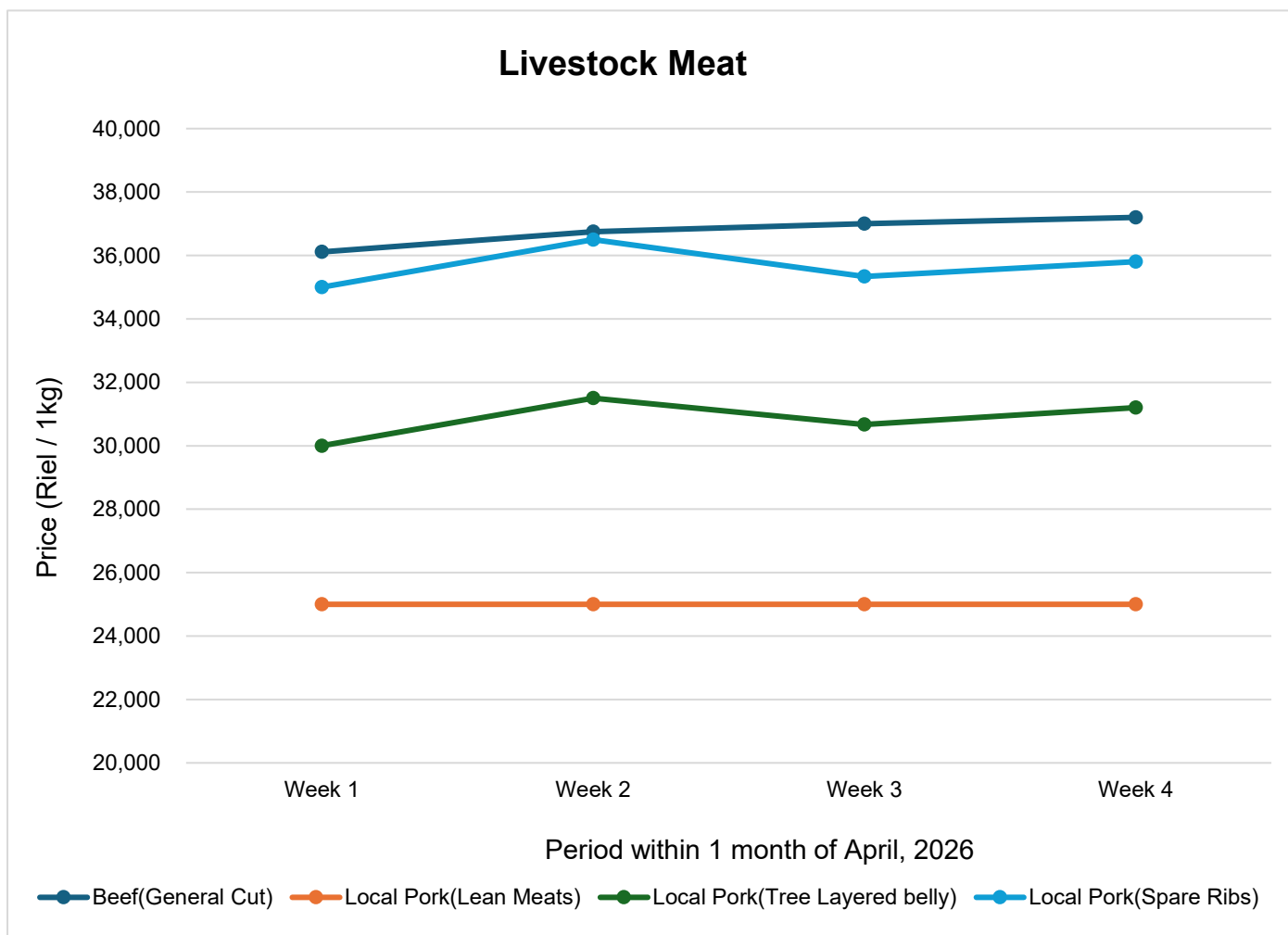
By: Chhit Dysavath, Tuy Puli, and Chhum Monika

The graphs below present the average week-to-week price movements for April 2026. During the month, beef and pork prices rose, while those of chicken, eggs, rice, and corn remained broadly stable. Overall, despite moderate inflationary pressures in the red meat segment, prices of staple foods and key agricultural commodities remained largely stable.

Cambodia

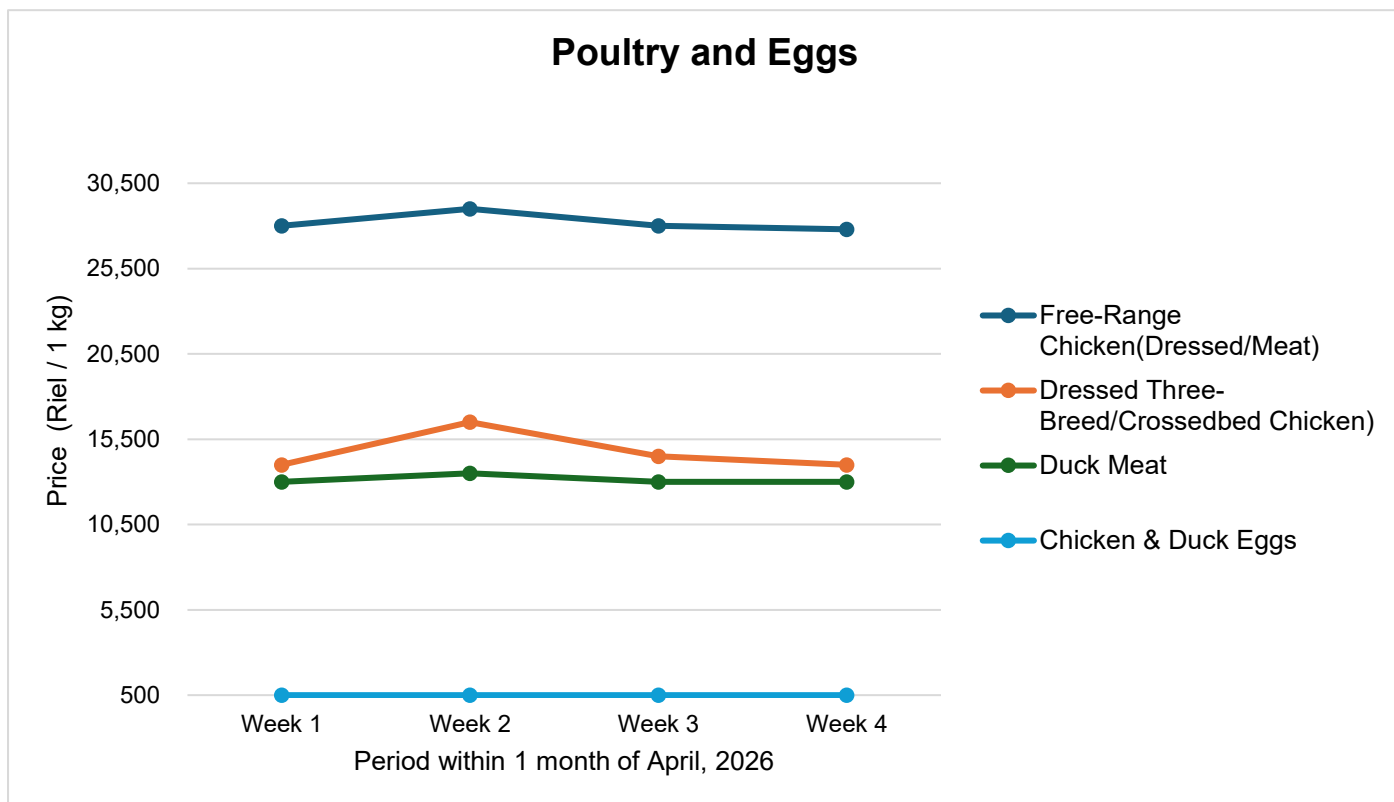
MEAT PRICE

1. Livestock Meat



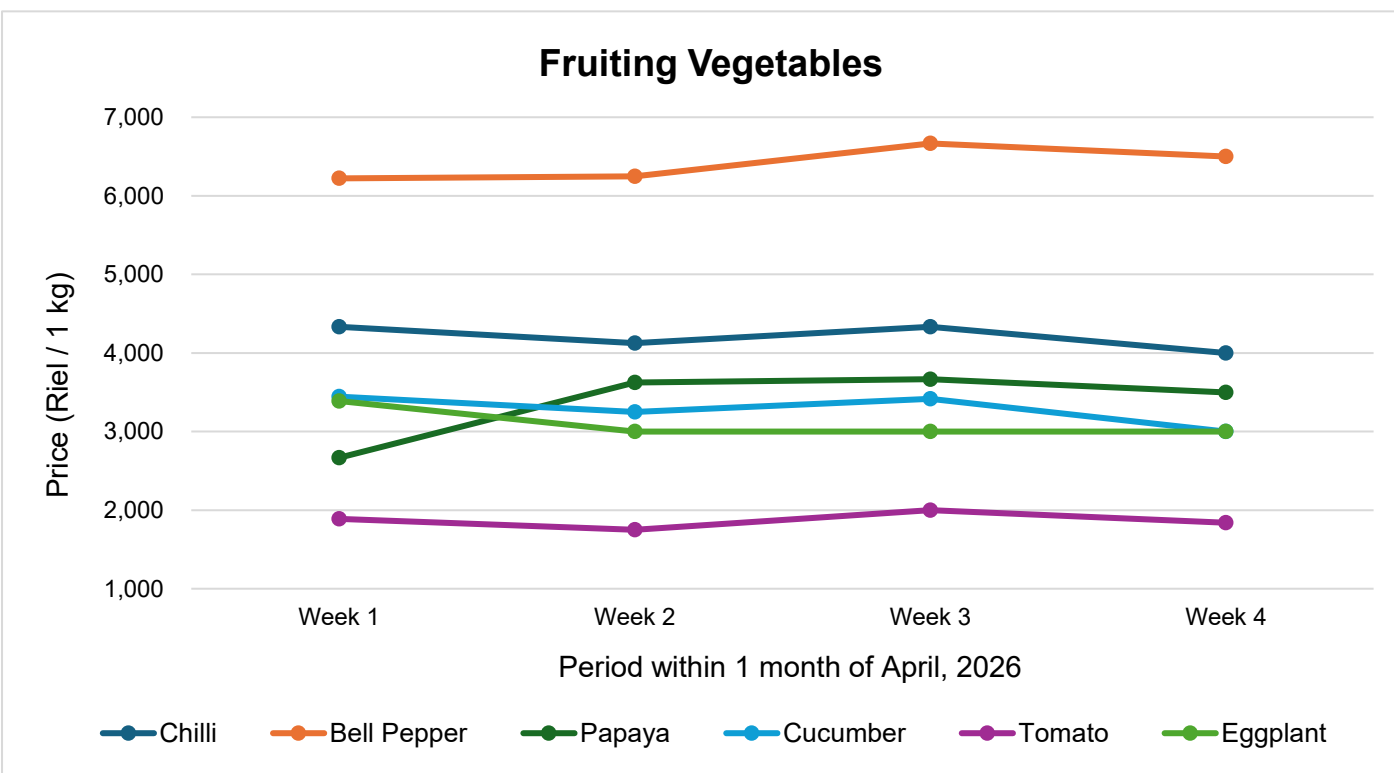
Source: Department of Government Policy Supporting of ARDB

2. Poultry and Eggs



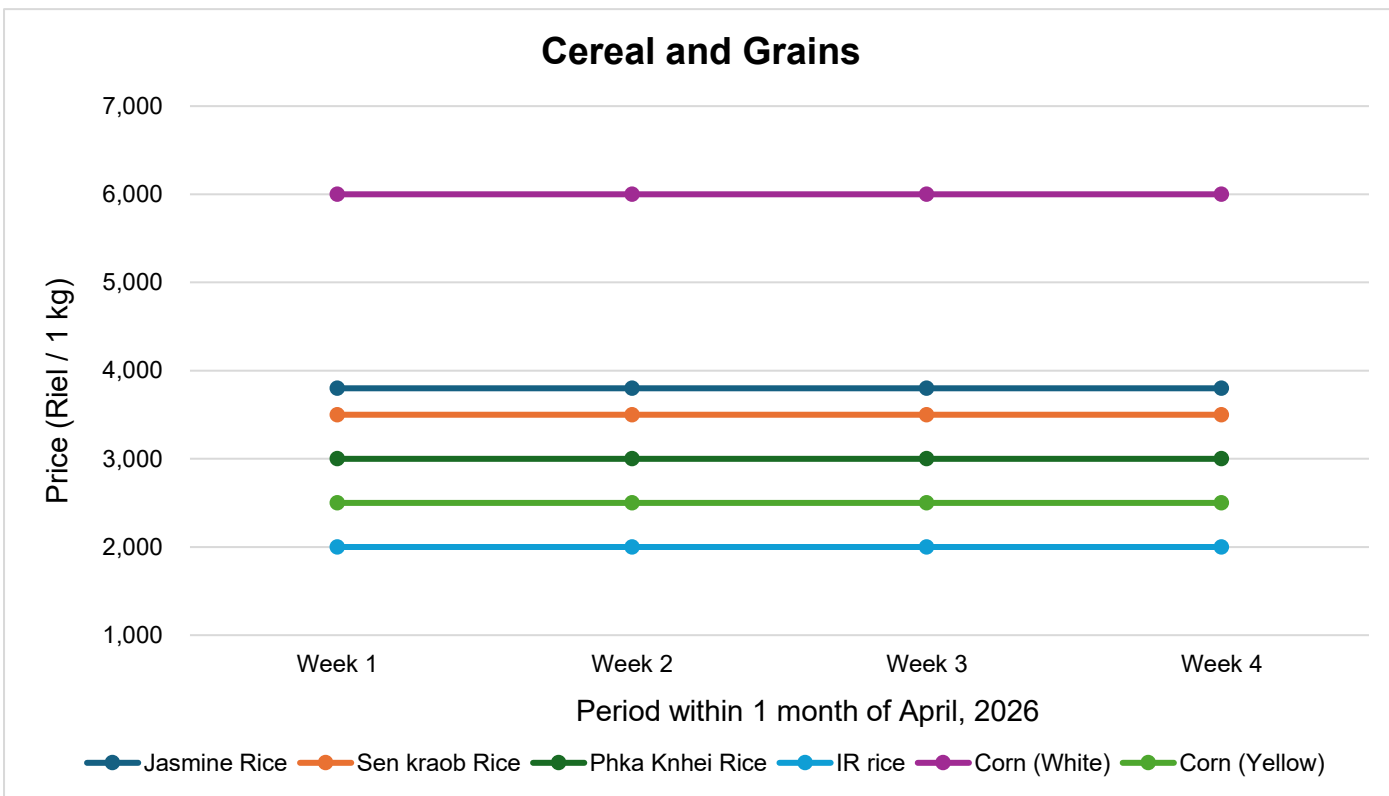
Source: Department of Government Policy Supporting of ARDB

3. Fruiting Vegetables



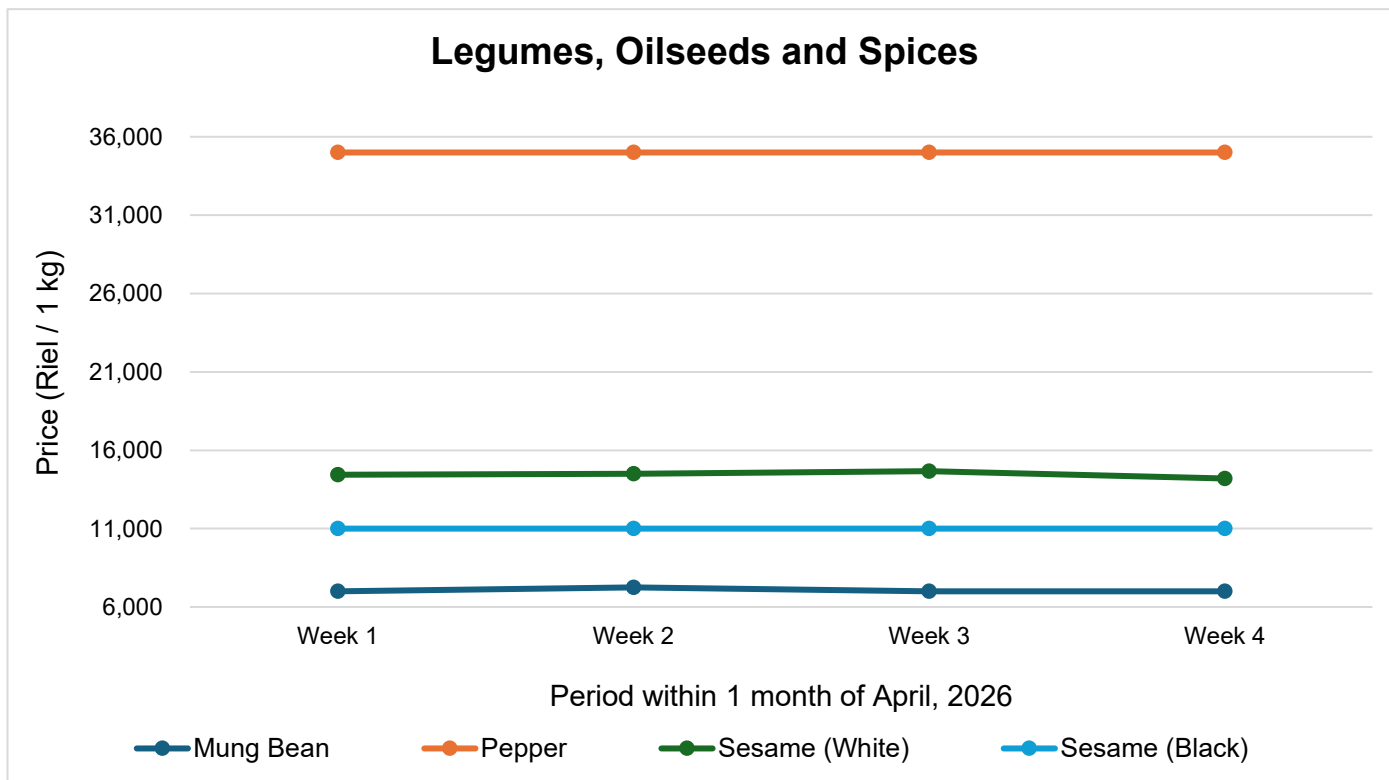
Source: Department of Government Policy Supporting of ARDB

4. Cereal and Grains



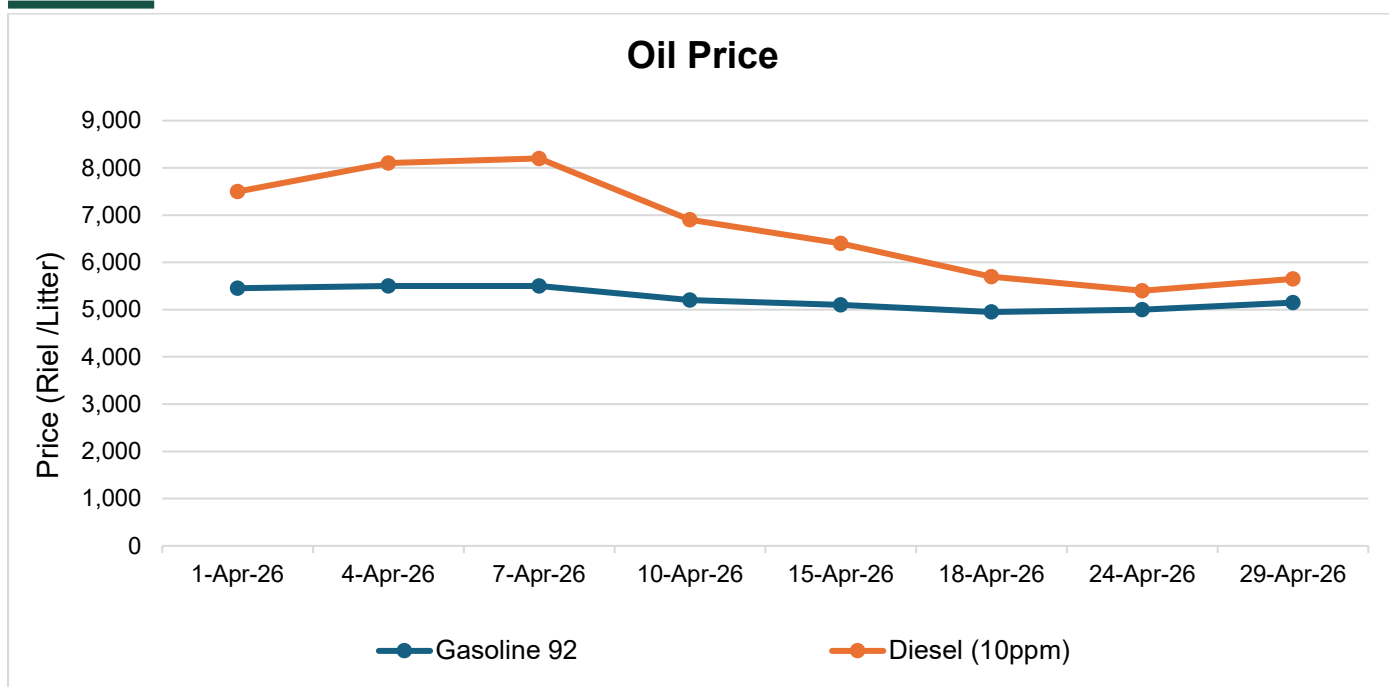
Source: Department of Government Policy Supporting of ARDB

5. Legumes, Oilseeds and Spices



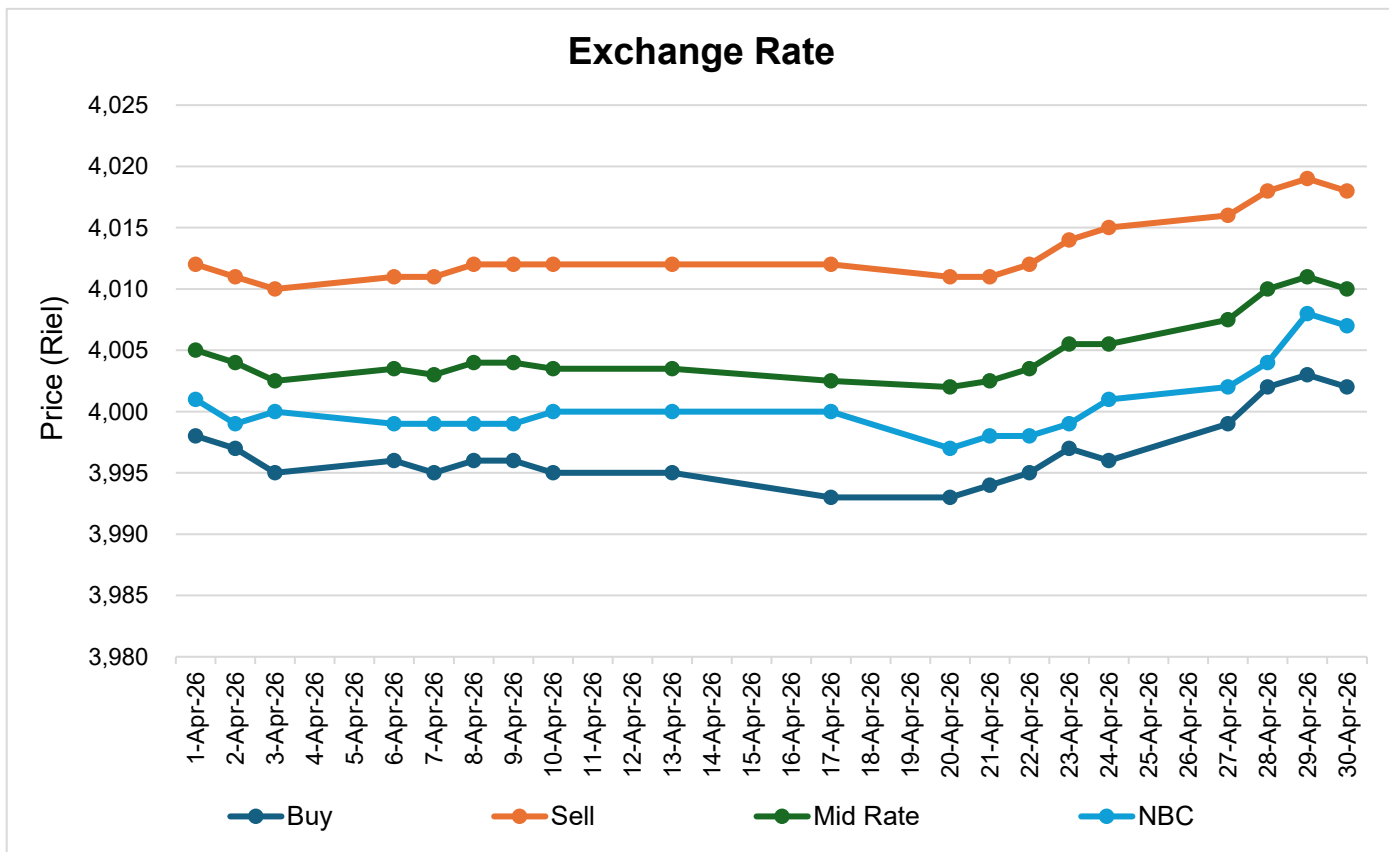
Source: Department of Government Policy Supporting of ARDB

OIL PRICE



Source: Ministry of Commerce, Cambodia

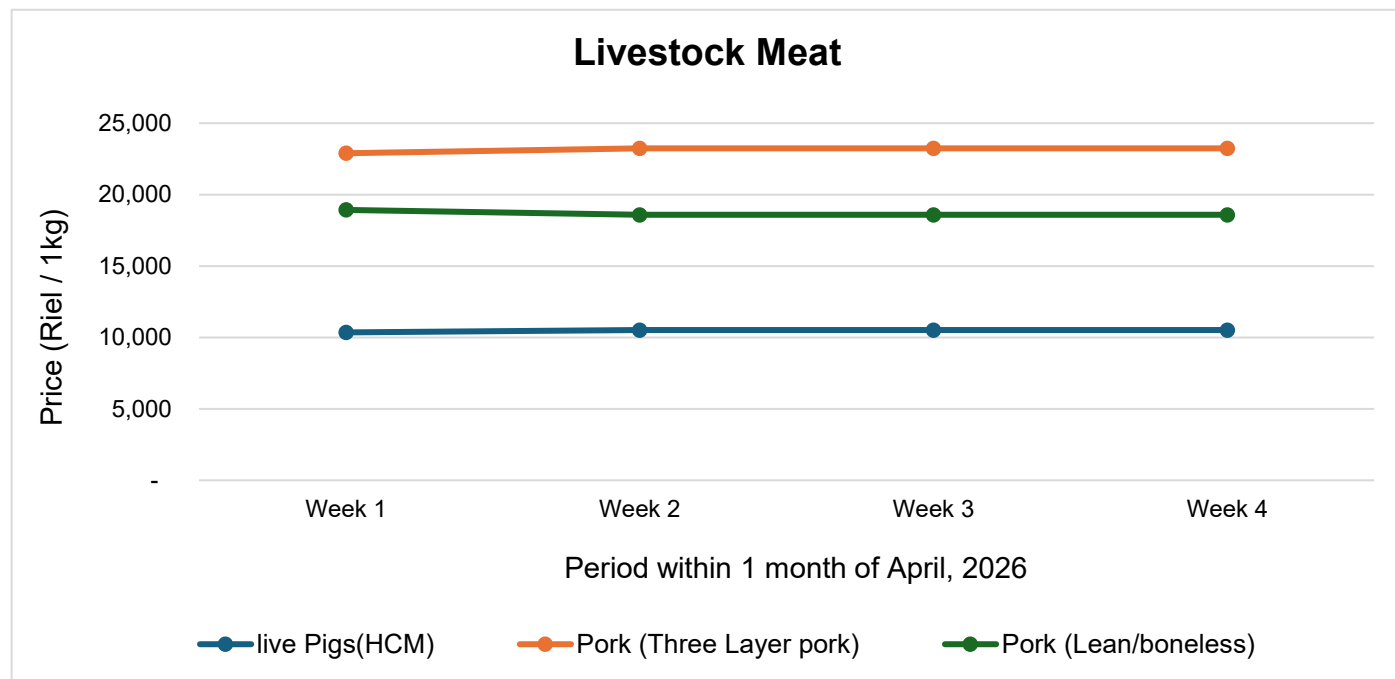
EXCHANGE RATE



The buy and sell prices are excerpted from the ARDB Bank's exchange rate.

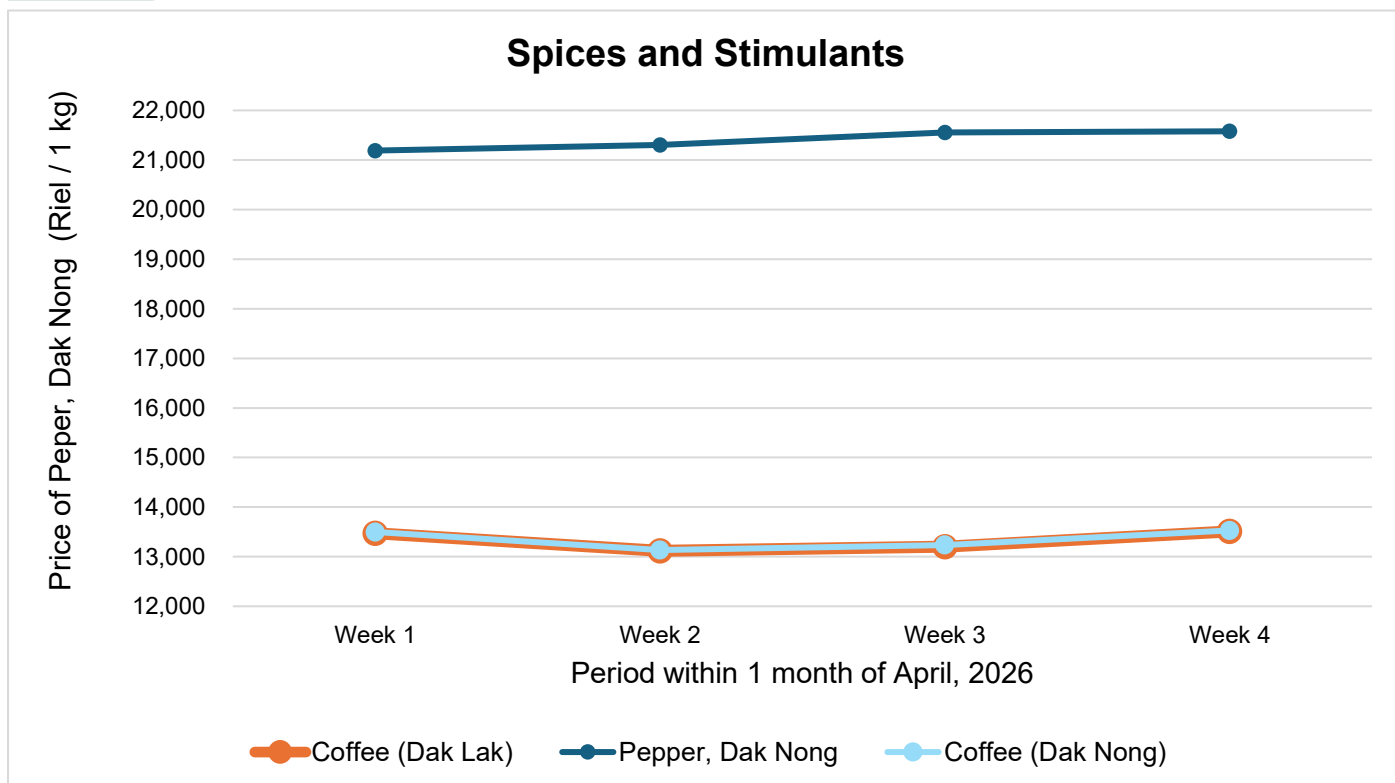
Vietnam

LIVESTOCK PRICE



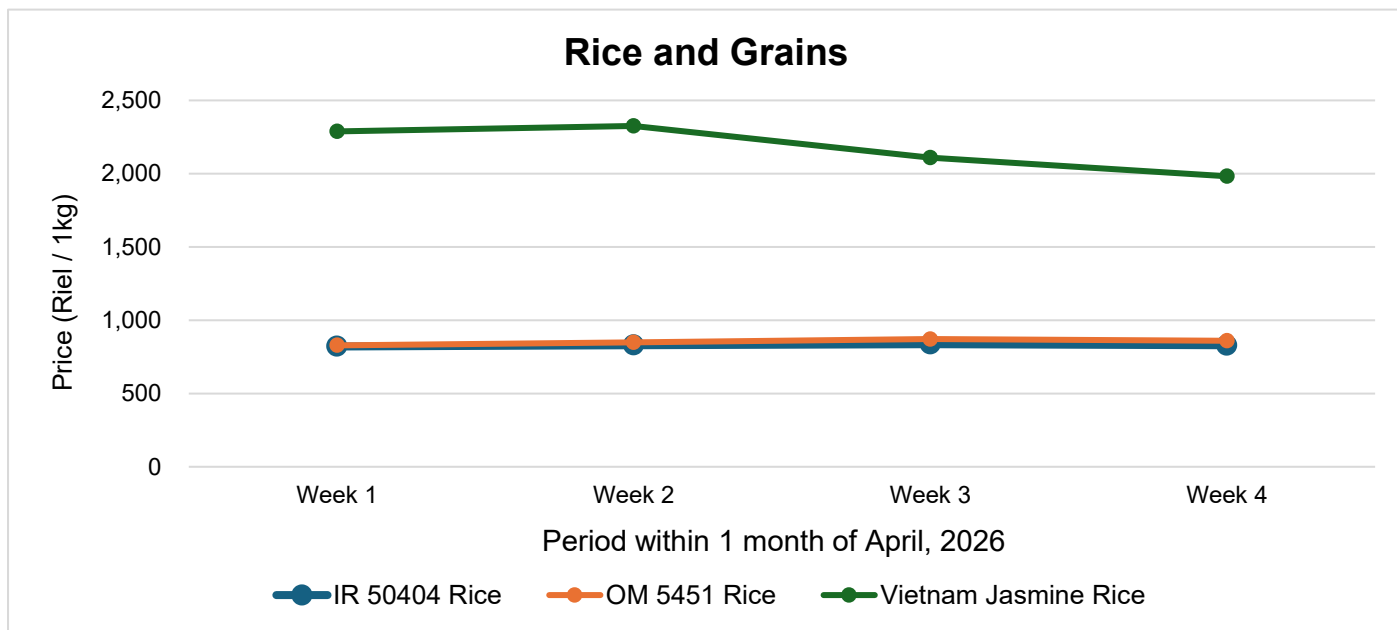
Source: <https://vietnambiz.vn/>

SPICES AND STIMULANTS



Source: <https://vietnambiz.vn/>

RICE AND GRAINS



Source: <https://vietnambiz.vn/>



ប្រជុំបណ្តុលអគ្គបណ្ឌិតសភាចារ្យ អូន ព័ន្ធមុនីរ័ត្ន
Akkak Pundit Sapheachar Aun Pornmoniroth Center



Empowerment



Excellence



Collaboration



Integrity



Respect