

OFFICIAL FEEDBACK FORM

DIALOGUE DATE	Thursday, 20 May 2021 08:00 GMT +07:00
DIALOGUE TITLE	Commercialization of Food Fortification Roundtable
CONVENED BY	HE Sok Silo, Secretary General, CARD and Mr Duong Sarak, International Finance Corporation
DIALOGUE EVENT PAGE	https://summitdialogues.org/dialogue/16675/
DIALOGUE TYPE	Member State
GEOGRAPHICAL FOCUS	Cambodia

The outcomes from a Food Systems Summit Dialogue will be of use in developing the pathway to sustainable food systems within the locality in which they take place. They will be a valuable contribution to the national pathways and also of interest to the different workstreams preparing for the Summit: the Action Tracks, Scientific Groups and Champions as well as for other Dialogues.

1. PARTICIPATION

TOTAL NUMBER OF PARTICIPANTS

68

PARTICIPATION BY AGE RANGE

0-18

19-30

52 31-50

16 51-65

66-80

80+

PARTICIPATION BY GENDER

48 Male

20 Female

Prefer not to say or Other

NUMBER OF PARTICIPANTS IN EACH SECTOR

4 Agriculture/crops
Fish and aquaculture
Livestock
Agro-forestry
Environment and ecology
16 Trade and commerce

Education
Communication
11 Food processing
Food retail, markets
Food industry
19 Financial Services

Health care
8 Nutrition
10 National or local government
Utilities
Industrial
Other

NUMBER OF PARTICIPANTS FROM EACH STAKEHOLDER GROUP

10 Small/medium enterprise/artisan
8 Large national business
4 Multi-national corporation
Small-scale farmer
Medium-scale farmer
Large-scale farmer
Local Non-Governmental Organization
2 International Non-Governmental Organization
Indigenous People
Science and academia

Workers and trade union
Member of Parliament
Local authority
10 Government and national institution
Regional economic community
5 United Nations
19 International financial institution
4 Private Foundation / Partnership / Alliance
Consumer group
6 Other

2. PRINCIPLES OF ENGAGEMENT

HOW DID YOU ORGANIZE THE DIALOGUE SO THAT THE PRINCIPLES WERE INCORPORATED, REINFORCED AND ENHANCED?

This dialogue was conducted as part of the series of dialogue events on food fortification. The dialogue was directed towards the private sector and commercial interests whilst including the broad spectrum of interest in fortification including those interested in food fortification in terms of social assistance measures and the nutritional benefits contributing to affordable healthy diets. Bringing stakeholders together for this dialogue helped in sharing information and building trust.

HOW DID YOUR DIALOGUE REFLECT SPECIFIC ASPECTS OF THE PRINCIPLES?

The participants were respectful of different interests and could see the benefits of working together across the private and public sector, promoting profitable business opportunities and providing public health benefits.

DO YOU HAVE ADVICE FOR OTHER DIALOGUE CONVENORS ABOUT APPRECIATING THE PRINCIPLES OF ENGAGEMENT?

Tailor your event to meet the interests of the stakeholders and to make it easier for the private sector representatives to join meetings. Networking and communication prior to the event will help to bring the parties to the table and a focus on actions to follow through on opportunities.

3. METHOD

The outcomes of a Dialogue are influenced by the method that is used.

DID YOU USE THE SAME METHOD AS RECOMMENDED BY THE CONVENORS REFERENCE MANUAL?

Yes

No

Because of the international aspects of this event and the need to present different experiences, the emphasis was on presentations and panel discussion, with a final question and answer session. This limited input from all the participants but it was necessary to provide the critical insights that were brought together for the event.

4. DIALOGUE FOCUS & OUTCOMES

MAJOR FOCUS

The focus of this dialogue was to clarify the need for staple food fortification in Cambodia and to assess this need in terms of the associated commercial opportunities. The dialogue provided a background on micronutrient deficiencies, the regulatory environment and governance of fortification activities, the challenges facing commercial fortification and a wide range of experience with the development of commercial fortification both from inside and outside the countries. The lessons provided were very valuable and the commercial focus provided real opportunities for networking between finance institutions and businesses, between businesses and between business and government.

ACTION TRACKS

- Action Track 1: Ensure access to safe and nutritious food for all
- Action Track 2: Shift to sustainable consumption patterns
- Action Track 3: Boost nature-positive production
- Action Track 4: Advance equitable livelihoods
- Action Track 5: Build resilience to vulnerabilities, shocks and stress

KEYWORDS

- Finance
- Innovation
- Human rights
- Women & Youth Empowerment
- Policy
- Data & Evidence
- Governance
- Trade-offs
- Environment and Climate

MAIN FINDINGS

Growth in the sector supports economic development and poverty reduction. There are good opportunities for transformational changes in the rice sector in Cambodia through improved farming practices, milling and introduction of food safety systems. IFC has an increasing focus on the rice sector where their efforts over the years have been most successful in Cambodia. The rice sector can benefit greatly from investments in agribusiness, financial services and trade facilitation. IFC is keen to move forward with support to the private sector for staple food fortification and product development, providing finance, technical and business support and trade facilitation.

The available evidence shows widespread micronutrient deficiencies amongst women and children in Cambodia. There is a need for more research to identify what the micronutrient deficiencies are and where the opportunities exist to treat and prevent these deficiencies through fortification of staple foods. Vitamin B, Zinc and Iron deficiencies are common in Cambodia and are a logical starting point. What we see in the world and in this region, is that in those countries where rice is most consumed, we see the most undernourished. In essence, we need to find ways of putting back the nutrients we take out with milling of white rice.

We should look at these issues in a regional context, taking account of nutritional status, local food preferences and the challenges. Twelve countries in the region use fortified rice yet a huge number of potential users have not yet been reached. We can learn a great deal from the examples of successful commercialization in other countries. Standards and regulations very important for stability and sustainability. Fortification is an important strategy to consider, being low cost, with good nutritional outcomes both through social safety nets and in commercial applications. Postharvest and bio-fortification options and postharvest fortification are the techniques most advanced in Cambodia but we need to take to next level for scaling up. We have successful examples in Cambodia including for export products and these companies serve as a model for others and as the basis for developing the supporting business environment.

Without the private sector, we may not reach the goals and the private sector must be recognized as very important players. We need the commercial applications to be successful in reaching the number of people necessary. Bigger operations bring economies of scale, and so too does the use of fortified foods in social safety assistance programmes. Strengthening of supply chains and SMEs are very important aspects of working with the private sector.

For the consumers, product positioning and pricing are critical for creating product appeal and for successful commercial fortification. Commercial entities need to pass on the costs involved. They can succeed in doing this if the customers recognize that fortification is value added. Affordability is a product quality that is also essential to make a successful product. Fortification must be supported by food standards and regulations and the use of a logo for approved products. This institutional support is what is needed from the government and producer associations.

Two very effective examples of commercial success from Olam Rice in Africa and Samaposhha from Sri Lanka. There has been growth in demand for these products that has been accelerated by COVID stimulated demand for more nutritious foods. There is additional interest in Vitamin D and Vitamin C and Zinc for boosting immunity. The growing concern for NCDs boosts the demand for healthy diets if consumers understand the connection. The product range and means of fortification can be adjusted to suit local palates, food traditions and the different age groups of consumers with different needs. The value chain can also extend to include the farmers involved in producing the raw materials so that consumers can also see that they are supporting local farmers when buying the products.

The critical elements for the making of a commercial success for fortified foods are: innovative product, secure and sustainable supply, processing to ensure high quality and food safety, consumer centric marketing and people led action, and a strong nation-wide distribution network.

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KEYWORDS

✓	Finance		Policy
✓	Innovation	✓	Data & Evidence
	Human rights	✓	Governance
	Women & Youth Empowerment		Trade-offs
			Environment and Climate

OUTCOMES FOR EACH DISCUSSION TOPIC

GENERAL QUESTIONS and ANSWERS

Many questions were raised by the participants. The questions showed that there is not a good understanding of the financing options for business in Cambodia and that networking opportunities are valued. There were concerns for who would be willing to pay for the fortification. This indicates that the prevailing mindset is that fortification is something to be supported by government or development partners and not seen in the same light as other aspects of food processing. There were many concerns about the cost of importing materials or equipment and for the capacity of SMEs to deal with fortification. These questions suggest that government can play a key role in improving the situation for the time taken and the costs of importing. Generally, there is a need for raising awareness for all parties, including the private sector, government and consumers. Development partners can continue to play a key role in awareness raising, consumer education, assistance with the regulatory environment and technical and business skills for SMEs and working with government to provide finance for commercial enterprises supporting fortification. National institutions like the Cambodian Rice Federation and Manufacturers associations also have a critical role to play in advancing commercial fortification.

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AREAS OF DIVERGENCE

For commercial development of fortified products, there is a challenge to create consumer demand in a country where price and traditions are the pre-dominant determinants for purchasing decisions. It is difficult for businesses to introduce new products and to promote fortification with micro-nutrients as a desirable product trait. Because food fortification in Cambodia comes from a background of enriching food for the poor and malnourished, commercial efforts to make fortification attractive to consumers is difficult. Stakeholders need to understand that profit is the driver for financial success and sustainability and not to think that there is a problem with profiting from the production of fortified products. There is a suspicion on the part of some stakeholders that commercial operators will be exploiting those who consume fortified foods because they associate this enterprise with caring for the poor and malnourished. The regulatory environment, labelling, standards and guidelines and the claims made on fortified foods need to be carefully managed to build trust in commercial products.

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✓	Finance		Policy
	Innovation		Data & Evidence
	Human rights	✓	Governance
	Women & Youth Empowerment	✓	Trade-offs
			Environment and Climate

CORRECTIONS, ADJUSTMENTS, OR CHANGES - 1/3

Title Additional Links

Date 31/05/2021

Additional links for organisations supporting the event

RELEVANT LINKS

- **Cambodia Rice Federation report on the event**
http://www.crf.org.kh/?page=api_location_detail&id=1404&lg=en
- **IFC Cambodia web page**
https://www.ifc.org/wps/wcm/connect/region_ext_content/ifc_external_corporate_site/east+asia+and+the+pacific/countries/ifc-in-cambodia

CORRECTIONS, ADJUSTMENTS, OR CHANGES - 2/3

Title Additional Presentations

Date 01/06/2021

Powerpoint presentations

ATTACHMENTS

- **DSM Cambodia IFC Introduction**
https://summitdialogues.org/wp-content/uploads/2021/05/DSM_Cambodia-IFC-webinar-slide-deck.pdf
- **Speech by HE Mom Borath**
https://summitdialogues.org/wp-content/uploads/2021/05/Govt-policy-and-regulation-Rice-Fortification-event-20521_ENG.pdf
- **WFP presentation on fortification**
<https://summitdialogues.org/wp-content/uploads/2021/05/WFP-PPT-Commercialization-of-Fortified-Rice-Round-Table-1.pdf>
- **Samaposhha: a Sri Lankan business case and success story**
<https://summitdialogues.org/wp-content/uploads/2021/05/CBL-Samaposhha-A-Sri-Lankan-Business-Case-for-Nutrition-170521-1.pdf>
- **Olam: a success story from Africa**
<https://summitdialogues.org/wp-content/uploads/2021/05/Olam-PPT-Food-Fortification-event-May-20-2021.pdf>
- **IFC Mill Assessment and rice fortification**
<https://summitdialogues.org/wp-content/uploads/2021/05/2021-IFC-Mill-Assessment-and-RICE-fortification.pdf>
- **IFC Upstream presentation for Cambodia**
<https://summitdialogues.org/wp-content/uploads/2021/05/IFC-MAS-Upstream-presentation-for-Cambodia-food-fortification-forum.pdf>

- **Indochina Rice Mill**

<https://summitdialogues.org/wp-content/uploads/2021/05/Indochina-Rice-Mill-PPT-Food-Fortification-event-May-20-2021.pdf>

CORRECTIONS, ADJUSTMENTS, OR CHANGES - 3/3

Title Additional Attachment for the roundtable event on Food Fortification

Date 30/07/2021

We would like to add the attached speech for completeness of the record of this event.

ATTACHMENTS

- **Remarks by HE Sok Silo on Commercialisation of Food Fortification**
<https://summitdialogues.org/wp-content/uploads/2021/05/SS-Speech-on-Commercialization-on-Food-Fortification-20-May-2021.pdf>