Doing business for the greater good? Building adaptive capacity and climate resilience in Cambodia's agricultural sector

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Figure 1.Cambodia and the fieldwork areas

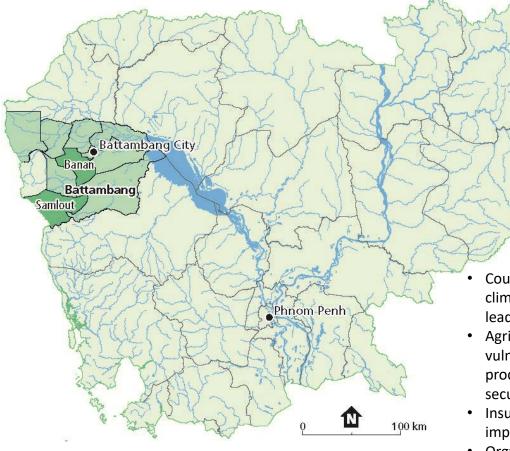
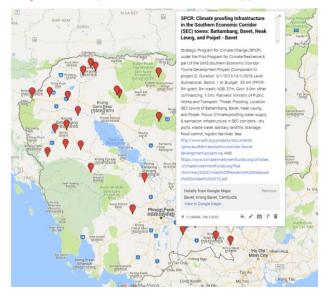


Figure 2. Adaptation interventions mapping



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CAMBODIA

- Post-conflict country Population mostly poor, rural and:
- dependent on natural resources Agriculture socially and
- economically important
- Foreign direct/private investment is 'engine of development'
- Abundant land, cheap labor, friendly investment environment
- Weak governance framework and rule of law

CLIMATE CHANGE

- Country ranked especially vulnerable to climate change impacts; floods and droughts leading concerns
- Agriculture and water sectors particularly vulnerable. Threats to agricultural production; water quality/availability; food security and human health
- Insufficient ability and funds to deal with impacts
- Organizations, policies and funding mechanisms increasingly propel private sector-led initiatives

SIGNIFICANCE

- Poor and marginalized most affected by climate change yet least able to cope.
- 'Adaptation gap' already large, expected to grow; private sector resources required.
- Market logic promoted as more efficient and pro-poor, yet:
 - Information on corporate engagement in adaptation lacking;
 - Market approach has generated development 'winners and losers.'

STUDY AIMS

- Obtain and share in-depth knowledge about corporate engagement in climate change adaptation.
- Help bridge the gap between discursive dynamics and local adaptation needs for more effective and fair climate change policies and interventions.
- Help build business capacity to sustainably contribute to propoor climate change solutions

RESEARCH QUESTIONS

- To what extent is the private sector capable of helping vulnerable communities to become more resilient?
- 1. What characteristics, trends and policies define the adaptation landscape of Cambodia's agricultural sector?
- 2. How do rural farmers experience climate change, what factors influence vulnerability, and what barriers stand in the way of adaptation and increased resilience at the local level?
- 3. How do business-led interventions work, and how do they manifest on the ground? What are the implications for local adaptation and resilience?
- 4. What actors and trends characterize Cambodia's business climate, and do climate-smart business leadership opportunities emerge?

METHODS

After a literature and policy review, data was collected in Phnom Penh, Battambang city, and in 10 rural villages in Battambang province via:

- (Participant) observation
- Semi-structured, in-depth interviews
- Focus group discussions
- Surveys (online and in-person)

Research participants included:

- Government representatives
- Multilateral bank representatives
- Landed and landless agriculturalists
- Experts, researchers and project leaders
- Non-governmental organization and climate change network representatives
- to international business Local organization representatives
- Local business owners



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RESEARCH ACTIVITIES

- 1. Policy analysis; mapping (figure 2) over 100 agricultural adaptation interventions. Focus areas included: funding mechanisms and amounts; partnering institutions; key threats; objectives and tools; beneficiaries.
- 2. Investigation of private sector engagement on the ground (figure 1). Focus: two business-led interventions integrating smallholders into high-quality rice and organic turmeric value chains.
- 3. Profiling Cambodia's business landscape. Focus: attendance at regional and local business and climate change forums and workshops as well as business networking events; interviews with business stakeholders.

MAIN FINDINGS

- 1. Important climate change information results from intervention activities but remains difficult to access and understand. Institutions largely work as silos.
- 2. The private sector is very active at the local level, yet business is often the 'silent stakeholder' in interventions and communities.
- 3. Without responsible practices, business-led action can increase locallevel marginalization and vulnerability. Business-as-usual undermines the potential of scarce climate change funding.
- 4. Implementing adaptation technologies is important but often incomplete. Social barriers undermine technology effectiveness and so hinder local, business, and sectoral resilience.
- 5. Individual businesses may lack capacity and will to engage with the poorest; resilience requires inclusive policies and support structures such as multi-stakeholder partnerships.
- 6. 'Scaling-up' business solutions can imply greater reach but may risk glossing over lack of embeddedness and the reality that development opportunities may only reach the 'cream of the crop,' not the most vulnerable.
- 7. Raw market principles alone are unlikely to guide pro-poor adaptation action. Transformational change requires processes of democratisation.
- 8. Cambodia's current responsible business trend is driven by increasing awareness and demands for both government and business accountability; key characteristics include a rising youth movement and concerns over ASEAN integration and geopolitical vulnerabilities.
- 9. Business organizations represent the private sector at the national level and so play a key role in policy formation and governance mechanisms.
- 10. Among business stakeholders, climate change remains abstract and strategic action is largely non-existent; where business leadership is observed, perspectives are biased toward the environment and green technologies.
- 11. Business organizations are well-situated to cultivate climate change leaders and leadership but often are limited by approaches that are business-as-usual, service-based and demand driven. Youth business leaders show significant potential but lack access to resources and support structures.



