

Field Note on Field Study on Community Shops "*CEDAC continues to improve community shops*"

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CEDAC has been working to improve community shops since 2006, by promoting the sale and purchase of goods such as rice, chickens, pigs and vegetables within the community. The first community shop was established in Tagnork village, Prasat commune, Santuk district, Kampong Thom province. Now the community shops have improved in terms of numbers, members, the quantity of goods for sale and the capital they generate. Due to this improvement the farmers are now discussing whether to create district and cluster (two or three districts) shops.

A community shop is made up of a group of likeminded farmers, who are prepared to invest their capital into a market, because they believe as a group they are stronger and will make a greater profit from their goods. This shop's role is not only to supply their own local community but also neighbouring ones. The goods for sale at the shops are the farmers' own produce, as well as those goods that cannot be produced locally and therefore are bought in from larger markets.

During the past three months CEDAC has:

- Provided training and built capacity on how to exchange ideas, an overview of a community shop, accounting, business plan preparation and market strategy.
- Provided support and advice on customer service/sales, problem solving, management, closing the monthly accounts and product management.
- Conducted study tours for farmers to already active communities shops, so they can reflect and consider starting their own community shop.

So far the project has helped set up 101 community shops located across 20 districts throughout 10 provinces, the shops currently have 1916 members. The total capital for all the shops is 210 million riels; each shop has on average 19 members and an approximate capital of 2 million riel. CEDAC expects that by the end of 2008, the number of shops will increase to 409 across the target area.

To ensure the success of the shop, CEDAC should:

- Reduced the quantity of goods they supply to community shops from larger markets, because inflation makes it difficult for farmers to keep a track on the price of commodities and they can overspend. CEDAC needs to help farmers to be more self-sufficient.

- Continue to teach and support the community regarding new techniques, such as cooperation, common business, accounting, customer service skills, stock control, market management and leadership, supply and demand analysis and other administrative skills.
- Consider new suitable places to create district and cluster shops.
- Try to find ways for community shops to cooperate with private shops and establish a shop association.
- Understand the best and most appropriate places to source agricultural tools, and inform the farmer of these.

The creation of the community shop has increased the profit farmers can make on their produce, and therefore has made a real improvement to their livelihoods. The farmers as well as being financially better off, also now have an improved skill base that they can pass onto their children. The community shop is the best way to directly link the farmers to the customers. However, caution should be taken not to expand the community shops too fast, because problems need to be analysed and addressed, in addition shops should be expanded to the areas with most potential first. Finally, CEDAC must continue to teach and reinforce the topics already mentioned, because those skills are essential to the success of the community shops.

