



**KINGDOM OF CAMBODIA
NATION RELIGION KING**

Royal Government of Cambodia

No. .145 អនក្រឹត្យ.បក្តិ

SUB-DECREE

ON

**THE ESTABLISHMENT OF
CAMBODIA FOOD RESERVE SYSTEM**



The Royal Government

- Having seen the Constitution of the Kingdom of Cambodia,
- Having seen the Royal Decree No. នស/រកត/0908/1055 dated 25 September 2008 on the Appointment of the Royal Government of Cambodia,
- Having seen Royal Kram No. 02/នស/94 date 20 July 1994 Promulgating the law on the Organization and Functioning of the Council of Ministers,
- Having seen the Royal Kram No. នស/រកម/0196/08 dated 24 January 1996 Promulgating the law on the Establishment of the Ministry of Interior,
- Having seen the Royal Kram No. នស/រកម/ 0196/13 dated 24 January 1996 Promulgating the law on the Establishment of the Ministry of Agriculture, Forestry and Fisheries,
- Having seen the Royal Kram No. នស/រកម/ 0196/16 dated 24 January 1996 Promulgating the law on the Establishment of the Ministry of Commerce,
- Having seen the Royal Kram No. នស/រកម/ 0196/18 dated 24 January 1996 Promulgating the law on the Establishment of the Ministry of Economy and Finance,
- Having seen the Royal Kram No. ជស/រកម/0696/03 dated 17 June 1996 Promulgating the law on the General Statute of the Public Enterprise,

- Having seen the Royal Kram No. នស/រកម/0508/015 dated 13 May 2008 Promulgating the law of Crop Seed Management and the right of crops seed breeder,
- Having seen the Royal Kram No. នស/រកម/0508/016 dated 13 May 2008 Promulgating the law on the public financial system,
- Having seen the Royal Decree No. នស/រកត/0202/040 dated 16 February 2002 on the formation of the National Committee for Disaster Management,
- Having seen the Royal Decree No. នស/រកត/0809/866 dated 27 August 2009 Promulgating the law on the Establishment of the Council for Agriculture and Rural Development,
- Having seen the Sub Decree No. 16 អនក្រឹត្យ.ប័ណ្ណ dated 20 December 1993 on the organization and functioning of the Ministry of Interior,
- Having seen the Sub Decree No. 72 អនក្រឹត្យ.ប័ណ្ណ dated 23 November 1998 on the establishment of Green Trade Company,
- Having seen the Sub Decree No. 04 អនក្រឹត្យ.ប័ណ្ណ dated 20 January 2000 on the organization and functioning of the Ministry of Economy and Finance,
- Having seen the Sub Decree No. 135 អនក្រឹត្យ/ប័ណ្ណ dated 21 September 2007 on the revision of organization and functioning of the Committee for Economy and Finance Policy,
- Having seen the Sub Decree No. 188 អនក្រឹត្យ/ប័ណ្ណ dated 14 November 2008 on the restructuring of the General Directorate of the Ministry to General Secretariat, Augment of Forestry Administration and Fishery Administration equal to General Directorate, Augment of Department of Agronomy and Soil Improvement to General Directorate of Agriculture, and restructuring the General Department of Rubber Plantation to General Department of Rubber under management of the Ministry of Agriculture, Forestry and Fisheries,
- Through the request of the Minister of the Ministry of Economy and Finance, and also the Chairman of Committee for Economic and Finance Policy.

Hereby Decides

Chapter 1 General Provision

Article 1 The purpose of this sub decree is to establish Cambodia Food Reserve System with the abbreviation word of "CFRS" in order to respond to the vulnerable people on time during disaster or emergency.

Article 2 This sub decree has the following goals:

- Manage food and seed reserve information system, food and seed stocks position, and financial resources of CFRS;
- Establish an executive committee of the Cambodia Food Reserve System with the abbreviation word of "CFRS Committee";
- Provide immediate emergency food support essentially needed by the people affected by disaster or emergency; and

- Provide immediate quality seed support to the farmers who mostly need seed for ensuring the rehabilitation of damaged crop production area because of disaster or emergency.

Article 3 The scope of this sub decree covers vulnerable people and farmers affected by disaster or emergency and mostly in need of food and/or seed for rehabilitation of rice, vegetable and other crops land in the Kingdom of Cambodia.

Article 4 The vocabulary of “Food Reserve System” used in this Sub Decree is aimed at food in terms of paddy, rice and quality seed including rice seed, vegetable and other crops seed, and also cash reserve needed for supporting the vulnerable people on time because of disaster or emergency.

Chapter 2

Structure and Function of CFRS Committee

Article 5 The CFRS is under the guidance and direct order from the Prime Minister of the Royal Government of Cambodia.

The CFRS committee is formed to serve as a focal point for assistance to the Prime Minister in the management and preparation of draft policies for the CFRS.

The CFRS committee has the following members:

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|---|---------------|
| - Representative of Ministry of Economy and Finance | Chairman |
| - Representative of National Committee for Disaster Management | Vice Chairman |
| - Representative of the Council of Ministry | Member |
| - Representative of Ministry of Interior | Member |
| - Representative of Council for Agriculture and Rural Development | Member |
| - Representative of Ministry of Commerce | Member |
| - Representative of Ministry of Agriculture, Forestry and Fisheries | Member |
| - Representative of Cambodian Red Cross | Member |

The actual representative for each of the committee members will be notified by the Royal Government of Cambodia.

The CFRS committee has one secretariat located inside the General Secretariat of the Ministry of Economy and Finance.

Article 6 The CFRS committee will have the following roles and responsibilities:

- Manage food and seed reserve information system, food and seed stocks position, and financial resources of the CFRS;
- Define a Standard Operating Procedure for management and coordination of stakeholders at national and sub national level to fulfill their roles and responsibilities under the CFRS;
- Monitoring and evaluation of measures taken in response to disaster or emergency including the ways food and seed support were provided in the past so as to improve the effectiveness of the CFRS;

- Review need for modification of the food and seed reserves for emergency response based on the evolving social situation and availability of resources of the country;
- Check and decide for the replenishment of food and seed stocks to ensure quality according to the quality standard;
- Prepare annual report and report as required based on the necessity of emergency response and put forth the idea to the Prime Minister;
- Prepare draft policies and strategies related to the CFRS, and submit to the Prime Minister for a final decision;
- Prepare annual budget plan for the CFRS; and
- Carry out any other duties and functions as shall be required and instructed by the Prime Minister.

Article 7 All the members of the CFRS Committee have to attend the meeting after receiving the invitation from the chairman.

In case, the chairman is absent, the deputy chairman or the member who is delegated with the responsibility, will invite and lead the meeting of the CFRS Committee.

Article 8 The CFRS Committee has to organize ordinary meeting once in every year to:

- Review issues related to release and distribution of food and seed reserves,
- Prepare annual budget plan for the CFRS;
- Prepare report about the emergency response; and
- Solve the problems/issues faced by the CFRS.

The CFRS Committee has to organize ordinary meeting once in every three years to:

- Monitor, evaluate, improve and increase the effectiveness of the CFRS; and
- Prepare draft policies and strategies related to the CFRS, and submit to the Prime Minister for a final decision;

The CFRS Committee can organize urgent meetings or meetings as necessary to respond immediately to a disaster or emergency when it takes place.

Article 9 The CFRS Committee has the authority to use the stamp of the Ministry of Economy and Finance.

Chapter 3

Principle of Management and Organization of the Initial Food Stock and Seed Stock

Part 1

Management Principle

Article 10 The CFRS needs to have an initial total quantity of food stock equivalent to sixteen thousand (16,000) tons of rice in combinations as defined below:

- The initial food stock in terms of rice is ten thousand (10,000) tons which is equivalent to 62.5% of the food reserve stock; and
- The initial food stock in terms of cash food reserve fund is equivalent to six thousand (6,000) tons of rice which is equivalent to 37.5% of food reserve stock.

If necessary, the initial total quantity of food stock defined above can be revised by the Prime Minister based on the request from the CFRS Committee.

Article 11 The initial food stock of ten thousand (10,000) tons in terms of rice needs to be managed by the Green Trade Company which is the focal point for assistance to the Ministry of Commerce. The Green Trade Company will manage seven thousand (7,000) tons of rice from its stocks directly and the rest three thousand (3,000) tons of rice has to be managed by the private partner companies through collaborative contractual agreements. The Green Trade Company would be allowed to store the paddy equivalent to the quantity of physical stock of rice defined above.

The initial food stock in terms of rice needs to be stored carefully following proper storage techniques.

The initial food stock in terms of cash that is equivalent to six thousand (6,000) tons of rice needs to be managed by the Ministry of Economy and Finance.

Article 12 The CFRS needs to have an initial total quantity of seed stock as defined below:

- Rice seed stock equivalent to three thousand (3,000) tons of early varieties rice seed out of which two thousand (2,000) tons is kept in terms of physical stock of seed and rest one thousand (1,000) tons is kept in terms of a cash equivalent; and
- Vegetable and other crops seed stock equivalent to fifty (50) tons out of which twenty-five (25) tons is kept in terms of physical stock of seed and rest twenty-five (25) tons is kept in terms of a cash equivalent.

If necessary, the initial total quantity of seed stock defined above can be revised by the Prime Minister based on the request from the CFRS Committee.

Article 13 The initial quantity of early varieties rice seed stock of two thousand (2,000) tons and vegetable and other crops seed stock of twenty-five (25) tons need to be managed by the General Directorate of Agriculture which is the focal point for assistance to the Ministry of Agriculture, Forestry and Fisheries directly or through farms, stations, private companies and farmer communities that produce rice, vegetable and other crops seed.

The initial rice seed stock in terms of cash that is equivalent to one thousand (1,000) tons of rice seed and the initial of vegetable and other crops seed stock in terms of cash that is equivalent to twenty-five (25) tons of vegetable and other crops seed have to be managed by the Ministry of Economy and Finance.

The early varieties rice seed and vegetable and other crops seed that will be kept as seed stock for the CFRS have to be produced and stored carefully following the seed production techniques and seed storage techniques.

Part 2 Organization Principle

Article 14 During the disaster or emergency situation, the Prime Minister has the authority to decide on the use of food and seed stocks kept in terms of physical stock or cash reserve fund for distribution to the affected people as necessary and as per the emergency needs as below:

- Need of food in terms of rice is more than one thousand (1,000) tons;
- Need of rice seed is more than one hundred (100) tons;
- Need of vegetable and other crops seed is more than ten (10) tons; and
- Need to withdraw cash from the Escrow Account to buy an additional quantity of food of more than one thousand (1,000) tons; buy an additional quantity of rice seed of more than one hundred (100) tons; and buy an additional quantity of vegetable and other crops seed of more than ten (10) tons.

Article 15 During the disaster or emergency situation, the National Committee for Disaster Management will have the authority to give the order to release the food and seed stocks kept in terms of physical stock for distribution to the affected people as necessary and as per the emergency needs as below:

- Need of food in terms of rice is less than or equal to one thousand (1,000) tons;
- Need of rice seed is in between thirty (30) tons to one hundred (100) tons; and
- Need of vegetable and other crops seed is in between one (1) ton to 10 (ten) tons.

The National Committee for Disaster Management have the authority to make a decision on the release of food stock and seed stock after providing prior information to the Prime Minister and the CFRS Committee.

Article 16 During the disaster or emergency situation, the Ministry of Agriculture, Forestry and Fisheries will have the authority to give the order to release the seed stock kept in terms of physical stock for distribution to the affected people as necessary and as per the emergency needs as below:

- Need of rice seed is less than (30) tons; and
- Need of vegetable and other crops seed is less than one (1) ton.

The Ministry of Agriculture, Forestry and Fisheries have the authority to make a decision on the release of seed stock after providing prior information to the Prime Minister, the National Committee for Disaster Management and the CFRS Committee.

Article 17 During the disaster or emergency situation, the Ministry of Economy and Finance will have the authority to withdraw cash from the Escrow Account to buy an additional quantity of food and seed stocks as necessary and as per the emergency needs as below:

- Need to buy rice is less than or equal to one thousand (1,000) tons;
- Need to buy rice seed is less than or equal to one hundred (100) tons;
- Need to buy vegetable and other crops seed is less than or equal to ten (10) tons; and
- Need for the other expenses related to the CFRS.

Article 18 During the disaster or emergency situation, quality seed will be distributed to the affected farmers for free based on the order of the Prime Minister.

In case, there is no order as mentioned above, the seeds should be sold at fifty (50) percent discounted prices compared to the market prices through subsidized sales to the affected farmers. The fund collected from the sale of seeds should be transferred automatically to the Escrow Account.

Article 19 The CFRS Committee has to control the replenishment of the food and seed stocks if the quality of the stock is found to be dropping down and is below the prescribed standards. Such food stock and seed stock need to be sold out immediately and replenished with the new stock.

The fund collected from the above sale should be transferred automatically to the Escrow Account.

Article 20 The financial resources provided by the development partners (including UN agencies and International Organizations), Civil Societies, Private Sector and other private donations for the purpose of the CFRS will be transferred automatically to Escrow Account.

Chapter 4

Roles and Responsibilities of Implementing Ministries and Institutions under CFRS

Article 21 The Ministry of Economy and Finance, National Committee for Disaster Management, Council of **Ministry**, Council for Agriculture and Rural Development, Ministry of Agriculture, Forestry and Fisheries, Ministry of Commerce, Ministry of Interior are the implementing institutions of the CFRS who need to carry out their own roles and responsibilities.

Article 22 The Ministry of Economy and Finance has to delegate the role of implementation of the CFRS to one of its senior civil servants and the concerned institutions under the ministry itself to take the additional duties as below:

- Manage Escrow Account of cash reserve fund for procurement, maintenance, management, transportation and other operation related to food and seed reserves under the CFRS;
- Follow up and control the use of cash reserve fund for purchasing food and seed reserves for the CFRS.
- Earmark budget for National Committee for Disaster Management, Ministry of Commerce and Ministry of Agriculture, Forestry and Fisheries for maintenance of food and seed stocks, seed production, emergency response operation and other operations related to the CFRS;
- Consolidate annual budget plan for the CFRS proposed by the Ministry of Commerce for food stock and the Ministry of Agriculture, Forestry and Fisheries for seed stock, and submit it for the approval by following the regulations and financial procedures in effect;

- Financial Management of the CFRS as a whole;
- Prepare a quarterly report and report as needed, and submit to the Prime Minister and inform other stakeholders about the general situation of the CFRS; and
- Organize the meetings for the CFRS Committee.

Article 23 The National Committee for Disaster Management has to delegate the role of implementation of the CFRS to its own Secretariat, and should be headed by one Deputy Secretary General to carry out the additional duties as below:

- Manage risk assessment database of a disaster or emergency;
- Prepare and conduct assessment of emergency food needs, and help in seed needs assessment during a disaster or emergency;
- Coordinate with other institutions and development partners to share information on the additional food and seed needs;
- Prepare a report on the emergency food needs for the Prime Minister for information or for initiating necessary action so that other stakeholders can take appropriate measures;
- Coordinate responses to a disaster or emergency when it takes place;
- Coordinate to identify target population affected by a disaster or emergency;
- Coordinate transportation, and supervise the distribution of food to the affected people;
- Collaborate in transportation, distribution and subsidized sale of seed to the affected farmers;
- Collect and transfer the fund from the subsidized sale of seed to the Escrow Account;
- Collect, check and manage Food and Seed Reserves Information System of the CFRS; and
- Control the logistics of food and seed reserve stocks of the CFRS.

Article 24 The Council of **Ministry** participates in the implementation of the CFRS with the following duties:

- Dissemination of the state of affairs related to the disasters or emergencies;
- Seek assistance/aid from concerned or interested parties; and
- Coordinate work of the concerned ministries/ stakeholders.

Article 25 The Ministry of Interior participates in the implementation of the CFRS through the administration of the Royal City, Province, City, District, Khan, Commune, Sangkat with the following roles and responsibilities:

- Collaborate in providing general information on the affected area due to a disaster or emergency;
- Collaborate in the data collection and assessment of risk arising out of a disaster or emergency;
- Collaborate in the data collection and assessment of emergency food and seed needs;
- Collaborate in the identification of target people for the distribution of food and seed;

- Provide collaboration in the distribution of food and seed reserves, or subsidized sale of seed; and
- Provide support and collaborate in monitoring during the distribution of food and seed reserves.

Article 26 The Council for Agriculture and Rural Development participates in the implementation of the CFRS with the following duties:

- Regularly prepare and disseminate quarterly bulletin on food security and nutrition;
- Regularly prepare and disseminate Monitoring and Evaluation Report for food security and nutrition;
- Provide information on the situation of food security and nutrition to the stakeholders of the CFRS based on their own mandate.
- Provide support and coordinate in Monitoring and Evaluation to ensure transparency and accountability of the CFRS.

Article 27 The Ministry of Commerce has to delegate the role of implementation of the CFRS to the Green Trade Company to take up the additional duties as below:

- Prepare procurement of food stock in terms of rice for the CFRS;
- Select and sign the collaborative contractual agreement with private partner companies under the CFRS that warrantee on the quantity, quality and transportation of food stock to the distribution points on time;
- Guarantee in transportation of food reserves under the CFRS to distribution points on time;
- Manage all the food stock inventory data kept at the Green Trade Company's warehouses and private partner company's warehouses;
- Management and control of the food stock to ensure quantity and quality;
- Prepare a proposed annual budget plan for procurement, maintenance, management, transportation and other operations related to food stock of the Green Trade Company under the CFRS; and
- Prepare monthly report and report as necessary on the condition of food stock under its direct management, and through collaborative contractual agreement with the private partners of the Green Trade Company under the CFRS by verifying clearly the quantity and quality of food stock and submit to the CFRS Committee.

Article 28 The Ministry of Agriculture, Forestry and Fisheries has to delegate the role of implementation of the CFRS to the General Directorate of Agriculture to take additional duties as below:

- Conduct assessment of damage for all types of crops, and emergency seed needs;
- Prepare for procurement, manage the production and overall storage of a quality seed stock of rice, vegetable and other crops seed;
- Select and sign the collaborative contractual agreement with private partner companies and farmers seed grower community to produce quality rice, vegetable and other crops seed for the CFRS by ensuring the quantity, quality and transportation of seed to distribution points on time;

- Guarantee in transportation of seed reserves under the CFRS to distribution point on time;
- Manage all the seed stock inventory data kept at the General Directorate of Agriculture's warehouses and private partner companies and farmers seed grower community's warehouses;
- Management and control of the seed stock to ensure quantity and quality;
- Prepare a proposed annual budget plan for procurement, production, maintenance, management, transportation and other operations related to seed stock of General Directorate of Agriculture under the CFRS; and
- Prepare monthly report and report as necessary on the condition of seed stock under its direct management and through collaborative contractual agreement with the private partners of the General Directorate of Agriculture under the CFRS by verifying clearly the quantity and quality of seed stock and submit to the CFRS Committee.

Article 29 Cambodian Red Cross, development partners (including UN agencies and International Organizations), Civil Societies, Private Sector and other Private Donors are encouraged to participate and support the CFRS through collaboration and coordination with the CFRS Committee in the following priority activities:

- Share information on the emergency food and seed needs;
- Identification of target population for distribution of food and seed;
- Provide support during distribution of food and seed to the affected people of a disaster or emergency;
- Provide technical and financial assistance for data collection and emergency food and seed needs assessment;
- Share knowledge and experience on emergency response during a disaster or emergency;
- Provide technical and financial assistance to support activities related to Food Security and Nutrition; and
- Provide technical and financial assistance to stakeholders of the CFRS for strengthening capacity of human resources and institution, and other operational activities related to the CFRS.

Chapter 5

Sources of Resources

Article 30 The CFRS has a separate budget earmarked in the annual budget of the Ministry of Economy and Finance.

The CFRS has sources of resources from a national budget, development partners (including UN agencies and International Organizations), civil society, private sector and other private donations.

Article 31 The Ministry of Economy and Finance has to earmark the budget for the functioning of the CFRS as defined below:

- Procurement of ten thousand (10,000) tons of rice to serve as permanent food reserve stock for the CFRS;
- Production and procurement of two thousand (2,000) tons of early varieties rice seed and twenty-five (25) tons of vegetable and other crops seed to serve as permanent seed reserve stock for the CFRS;
- Maintenance of a cash reserve fund equivalent to six thousand (6,000) tons of rice, one thousand (1,000) tons of early varieties rice seed, and twenty-five (25) tons of vegetable and other crops seed; and
- Other operational expenses related to the CFRS such as expenses for management and maintenance of stocks, replenishment of stocks, warehouse rentals, and other operational expenses during food and seed distributions.

Article 32 The Escrow Account of cash reserve fund is to be managed by the Ministry of Economy and Finance.

All the incomes and expenses related to the functioning of the CFRS need to follow the laws and regulations in effect.

Chapter 6 Final Provision

Article 33 Provisions which are contrary to this sub decree stands null and void.

Article 34 Minister in charge of the Cabinet of the Council of Ministers, Minister of Ministry of Economy and Finance, Minister of Ministry of Interior, Minister of Ministry of Commerce, Minister of Ministry of Agriculture, Forestry and Fisheries, National Committee for Disaster management, Council for Agriculture and Rural Development, Minister Secretary of the Ministries, Stakeholders, City Governor, Provincial Governor shall take the responsibility for implementation of this Sub Decree from the date of signing.

Phnom Penh, 12 September 2012

Prime Minister

Samdech Akka Moha Sena Padei Techo HUN SEN

Submitted to
Samdech Akka Moha Sena Padei Techo, Prime Minister
for Signature

**Minister of Ministry of Economy and Finance
Chairman of Committee for Economy and Finance Policy**

Keat Chhon

CC:

- Ministry of the Royal Palace
- General Secretariat of Constitution Council
- General Secretariat of Senate
- General Secretariat of the National Assembly
- General Secretariat of the Royal Government
- Cabinet of Samdach Akka Moha Sena Padei Techo, Prime Minister
- Cabinet of Excellency Lok Chum Teav, Deputy Prime Minister
- As article 34
- Royal Duties
- Archives-Chronicles