

# Sourcing from Cambodia

## CHILLI

### Product & Supplier Brochure



Source: Freepik







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# Cambodia at a Glance

Cambodia has enjoyed over two decades of economic and urban development, averaging an annual GDP growth rate of 6% between 2010 and 2021. After a small post-Covid slump, GDP has continued increasing, from USD 27.2 billion in 2021 to USD 29.6 billion in 2022. Growth forecasts are 5.5% and 6% for 2023 and 2024, respectively.

The country's population is 17 million and increasing, with a relatively young median age of 27. Cambodia's middle class is growing, as is the urbanization rate, currently estimated at 25.3%. The presence of a young, growing and increasingly urbanized middle class suggests Cambodian consumer demand and spending will continue to grow steadily in the future, as has been the case for over two decades. Cambodia's GDP per capita is estimated at USD 1,784.79 for 2022 with household consumption being equivalent to 65.2% of the GDP.

The Government of Cambodia has embraced free market principles and sees the opening of the country

to foreign investment as one of its priorities; it aims to bring the country to upper-middle-income status by 2030 and high-middle-income status by 2050. The Government has introduced various policy incentives to ease business engagement. One of them, called Qualified Investment Projects (QIPs), offers several benefits including tax holidays and duty exemptions on the import of construction materials.

Cambodia's international trade benefits from the country's favourable geographic location at the crossroads between Thailand and Vietnam – two major manufacturing economies and trading partners in the region. The recent signing of regional and bilateral free trade agreements (FTAs) is expected to strengthen Cambodia's connectivity with international markets. Examples of such agreements include the China-Cambodia FTA and the Regional Comprehensive Economic Partnership (RCEP). Although there is no bilateral FTA between Cambodia and the European Union yet, trade links are significant. After China and the USA, the

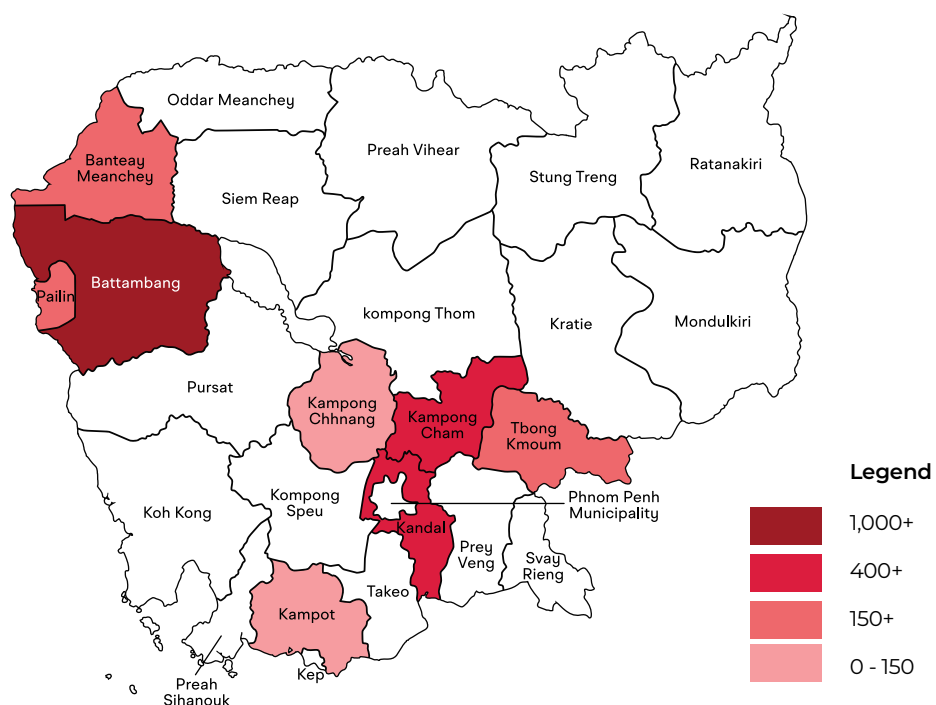
European Union (EU27) is Cambodia's third largest trade partner as of 2022 (followed by Vietnam and Thailand), with Germany being the top individual EU country.

Cambodia's trade performance has been very impressive in the last 10 years. The country's exports have grown by an average of 16% per year, while imports have grown by an average of 12% annually. This has led to a significant increase in the country's trade surplus: In 2022, Cambodia's exports totalled USD 16.3 billion, while imports totalled USD 12.7 billion, resulting in a USD 3.6

billion surplus. The garment industry is the country's single largest export sector, accounting for about 70% of total exports. However, there are also rising opportunities for the export of local agricultural products, such as rice and cashew nuts. Going forward, Cambodia's trade performance is expected to remain strong. Besides the country's traditional exports, the Government is working to diversify the country's export base, including new agricultural products.

Cambodia will continue developing as a sourcing destination of high-quality products for the international market.

**Cambodian chilli production (in tons, est.), by region**



# Cambodia Factsheet

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**Currency**

Riel (KHR): 1 USD  $\approx$  4,100 KHR. Dollarised economy (83%)

**GDP**

USD 28.3 billion (2022)

**GDP growth rate**

5.3% (2022)

**GDP per capita**

1,771 USD (2022)

**Official language**

Khmer, English widely used

**Capital city**

Phnom Penh

**Major cities**

Siem Reap, Sihanoukville, Battambang

**Government type**

Constitutional Monarchy

**Head of State**

His Majesty King Norodom Sihamoni

**Population**

17 million (2023), annual growth 1.08 %, <27 years old: 50%

**Economy**

Garments, Tourism, Construction, Agriculture

**Climate**

Wet season: May to October

Dry season: November to April, average temperature: 27°C

**Major religion**

Buddhism (95%)





Source: Freepik



Source: Freepik

# Introduction

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Chilli peppers of the *Capsicum* species are hot-tasting tropical berries that belong to the Solanaceae family. While the exact origin of chilli peppers is debated, it is believed that they were introduced to Cambodia during the 16th century by Portuguese traders. The spicy peppers quickly found their way into Cambodian cuisine, adding a fiery sensation to traditional dishes. Today, they are cultivated in various regions of Cambodia, with local farmers growing different types with varying capsaicin levels, ranging from mild to extremely spicy. Some areas have gained international recognition for their high-quality, flavourful varieties.

Chilli peppers hold significant cultural importance in Cambodian cuisine and are widely used in various recipes. They are considered a fundamental ingredient, adding heat, flavour, and depth to dishes. Cambodian cuisine

often strikes a delicate balance between sweet, sour, salty, and spicy flavours, with chilli peppers playing a vital role in creating that harmonious blend. One iconic traditional Cambodian dish that showcases their use is amok, which is made with fish, vegetables, and a rich coconut milk sauce. Chilli peppers are used to add a spicy element to the dish, enhancing its flavours and giving it a distinct Cambodian taste.

Chilli peppers are not only valued for their flavour but also for their perceived health benefits. In Cambodian traditional medicine, chilli peppers are believed to have medicinal properties, such as aiding digestion, improving circulation, and providing relief from cold symptoms. They are also considered to have properties that can ward off evil spirits and bring good luck.





Beyond their culinary and medicinal significance, chilli peppers have also influenced Cambodian culture and festivals. For instance, during the Khmer New Year celebrations, a popular tradition involves throwing chilli seeds at one another, symbolising the hope for a spicy and vibrant year ahead. The popularity of chilli has also contributed to the emergence of culinary tourism in the country. Visitors are eager to sample and learn about the diverse range of chilli peppers and their role in traditional Cambodian cuisine.

That being said, Cambodia's harvested area and yield per hectare for chilli is still far behind in regional comparison, with produced volumes and declared exports only representing a small fraction of those reported by neighbouring Thailand and Vietnam. Nevertheless, there is still room for improvement and growth in the sector.

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## Varieties

Cambodian production (currently around 760 ha) is based on three varieties, Bird's Eye, Cayene (Lady's Finger) and Hawaii (Sweet) and they are used to produce predominantly fresh and dried chillies and chilli sauce. These types, as with all chilli species, vary in spiciness. This quality is conventionally measured in Scoville heat units (SHU): The higher the SHU, the hotter the chilli pepper. For example, a chilli pepper with a rating of 5,000 SHUs is considered mild, while a chilli pepper with a rating of 500,000 SHUs is considered very hot.

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### **BIRD'S EYE**

The Bird's Eye Chilli Pepper, also known as the Thai chilli pepper or the finger chilli, is native to Southeast Asia, including Cambodia. Many farmers in Battambang province grow this type of chilli. The yield of this variety is around two tons per ha per season. It is typically 1-2 inches long with a Scoville heat rating of 50,000 to 100,000 SHU. It is a key ingredient in many popular dishes, such as nam phrik, a chilli dipping sauce, and kuy teav, a noodle soup.



### **CAYENNE PEPPER**

The Cayenne Pepper, known for its spiciness with a Scoville heat rating of 30,000 to 50,000 SHU, is highly sought after. Its yield, which can range from five to ten tons per hectare, depends on factors like soil quality and fertilizer usage. Farmers in Kampong Chhnang, Kampong Chan, and Tboung Khmum regions cultivate this chilli variety extensively. Among the types of Cambodian chillies, it holds the greatest potential for exports due to its easy processing into dried chilli or chilli sauce. This pepper plays a vital role as a key ingredient in various renowned dishes, including amok (a fish or chicken curry dish) and som tam (a papaya salad).



### **HAWAII SWEET**

The Hawaii variety, commonly referred to as Sweet Pepper, is a large mild pepper that is commonly grown by farmers in Pailin and Banteay Meanchey province. The yield of this variety can vary from 10 to 17 tons per hectare, depending on the quality of the soil and the use of fertilizers. It is a favoured option among consumers for cooking purposes and is often consumed fresh in salads. Furthermore, there is a strong market demand for dried red Hawaii chillies. This specific variety is predominantly sold in local markets.



# Production

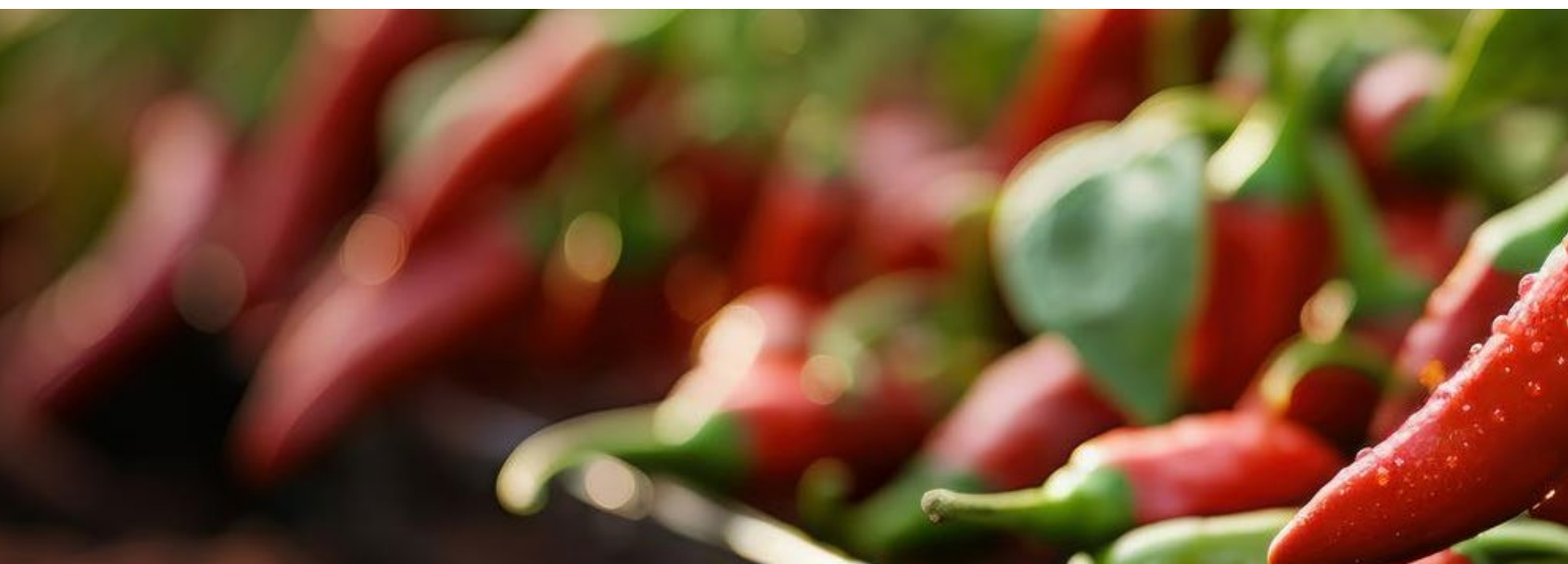
# 05

Chilli cultivation in Cambodia typically follows a cropping calendar from November to June. Farmers begin planting chilli after their flooded lands have dried up, usually in November. After three months, the chilli plants start yielding fruits, which can be harvested for a period of three to five months. However, during the rainy season from July to October, most chilli fields become flooded or are replaced by wet-season crops. This poses a significant challenge as chilli plants and fruits are susceptible to damage from rainwater and insects during this period, resulting in a limited supply of locally-grown chillies. A prognosis made by the German development agency GIZ estimated that Cambodia would produce around 3,000 tons of chilli peppers in 2022.

In Cambodia, the entire process of harvesting chilli is done manually by hired workers. Farm owners typically employ laborers to pick bird's eye or

cayenne chillies, paying them around KHR 500-700 per kilogram. The picking is done in the morning, followed by sorting in the afternoon. On average, each worker can pick and sort between 15 to 20 kilograms of chillies per day, earning approximately KHR 25,000 to KHR 30,000 per day (6-7 USD). After harvesting, chillies are briefly stored at the farmer's house before sorting and packing. Defective chillies, mainly those affected by rot, are removed, accounting for around 7-8% of the yield. After sorting and packing – usually in 10 kg bags – the chillies are sent to local collectors and markets.

In terms of consumption, green chillies are commonly eaten fresh, cooked with other dishes, or processed into pickled chillies. Red chillies, on the other hand, are more popular for processing into dried chilli, chilli powder, chilli paste, and chilli sauce.



Agricultural experts have highlighted some post-harvest practices that contribute to the loss of chilli quality on farms. Firstly, harvested chillies are often left under the sun without any heat protection, which increases the rate of metabolism and accelerates deterioration, resulting in a rapid decline in quality and shortened post-harvest life. Secondly, fresh chillies are packaged in plastic bags without any physical protection, leading to significant mechanical damage caused by impact, compression, and loading/unloading operations. This practice not only affects visual quality but also results in weight loss and decay. To mitigate post-harvest losses, it is crucial to improve on-farm handling procedures and adopt alternative packaging methods that reduce damage and prevent chillies from being stored under direct sunlight throughout the supply chain.

**Estimated chilli production in tons per region (2022)**

Province	Volume
Battambang	1309
Kandal	442
Kampong Cham	432
Banteay Meanchey	361
Pailin	222
Tboung Khmum	162
Kampong Chhnang	59
Kampot	11
<b>TOTAL</b>	<b>2,998</b>

Source: 2021 Study by GIZ



# Regulations

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Currently, there are no policies targeted specifically at the chilli industry. However, the Cambodian Government has implemented policies and regulations to promote agricultural development, also in the chilli sector. This includes providing incentives, subsidies, and tax exemptions to farmers and agribusinesses engaged in chilli production. These policies aim to create a favourable environment for investment and stimulate growth in the sector.

The Ministry of Agriculture, Forestry, and Fisheries' (MAFF) General Directorate of Agriculture (GDA) developed a "Chilli Farmer Guide" as an extension tool to aid farmers in growing chillies. They also lead in the development of agricultural policy, strategy, and projects for the horticulture sector, and they prepare and promote agricultural standards such as Good Agricultural Practice (GAP) at the national level.

MAFF works on policy and projects related to basic processing. They conduct training programs and workshops to enhance the technical skills and knowledge of farmers involved in chilli production. These capacity-building initiatives cover areas such as improved farming practices, post-harvest handling, and quality

control measures, enabling farmers to enhance their productivity and produce high-quality chilli peppers.

It also supports research and development activities in collaboration with agricultural research institutions (such as CIRAD) and universities. These initiatives focus on developing improved chilli varieties, addressing pest and disease management, and optimising production techniques to enhance yields and quality.

In terms of rural infrastructure, the Ministry of Water Resources and Meteorology invests in irrigation systems. Additionally, the Ministry of Rural Development focuses on the development of access roads and post-harvest facilities, among other initiatives. The objective of these infrastructure improvements is to enhance productivity, minimize post-harvest losses, and facilitate improved market access for chilli farmers.

Finally, the Ministry of Commerce's General Department of Trade Promotion (GDTP) is actively engaged in promoting chilli products and developing markets for them.









# Development Cooperation

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German Development Cooperation has been active in identifying potential production and export opportunities for Cambodia's chilli products. In 2020, there was an agreement to support the chilli value chain in partnership with Cambodia's General Directorate of Agriculture of the Ministry of Agriculture, Forestry and Fisheries (MAFF), under the framework of the German-ASEAN AgriTrade project which is implemented by GIZ.

Under this initiative, a study on "Rapid Assessment of Potential Cambodia Agriculture Value Chain on Chillies, Mangoes and Cashew Nuts in ASEAN Markets" was conducted. The findings from this study have pinpointed areas for improvement and challenges to overcome in order to enhance Cambodia's ability to supply chilli to global markets. These findings will also serve as the groundwork for a long-

term project aimed at strengthening Cambodia's chilli value chain.

The Cambodia-Australia Agricultural Value Chain Program (CAVAC) has previously worked on the chilli value chain. They also conducted a study, which includes an assessment of chilli export markets.

Another notable mention is the five-year project Feed the Future Cambodia Harvest II (2017-2022), funded by the United States Agency for International Development (USAID). It aims to increase agricultural productivity and incomes for smallholder farmers in Cambodia. One of the project's components focuses on improving the production and export of chilli peppers. The project provides farmers with training on chilli pepper cultivation and production, access to improved seed varieties, and support for marketing their chilli peppers.

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## International Trade

In the realm of international trade, fresh chilli falls under the Harmonized System (HS) code 070960. On the other hand, dried, crushed or ground spices are classified under HS Code 0904. Specifically, this includes the subcategories 1) dried, crushed, or ground chilli in various processed forms (HS 090420), 2) whole dried chilli peppers that have not been crushed or ground (HS 090421), as well as 3) crushed or ground chilli, indicating that it has been processed into a fine powder or flakes (HS 090422). These distinct HS Codes enable precise categorization and monitoring of chilli trade.

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### Exports

The export of chilli from Cambodia is still very miniscule. In 2022, there were only 9 tons of fresh chilli exported from Cambodia. According to the ITC Trade Map, there was no recorded data for dried, crushed, and ground chilli exports and in 2021 only a single ton of crushed and ground chilli was exported.

### Imports

The import volume of chilli in Cambodia is relatively small, and the country imports more chilli than it exports. In 2022, Cambodia imported 246 tons of fresh chilli, with a total value of USD 81,000. Additionally, Cambodia imported 186 tons of dried chilli, valued at USD 260,000, during the same year and 64 tons of ground chilli were imported, with a value of USD 140,000.



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## Company Profiles

The following section features selected Chilli Pepper companies.

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Source: Freepik



## AMPLE AGRO PRODUCT CO., LTD

Ample Agro Products Co., Ltd is a private social agribusiness specializing in producing, processing, and standardizing premium agro-commodities from Cambodia. Serving both local and global markets, their portfolio includes cashew kernels, organic-PGI Kampot peppercorns, chilli, palm sugar, dehydrated mango, pineapple, and dried sesame. Ample's exported products meet high international standards and hold certifications such as EU Organic and ISO 22000. Beyond providing healthy food, the company strives to contribute to sustainable agricultural development and environmental protection. Operating with a strong sense of responsibility and ethical values, Ample places importance on corporate social responsibility (CSR) and actively engages in inclusive business development.



## MAIN PRODUCTS

**Dried red chilli**  
**Fresh red chilli**  
**Cashew kernels**  
**Organic-PGI Kampot**  
**Peppercorns**  
**Palm sugar**  
**Dehydrated mango**  
**Dehydrated pineapple**  
**Dried sesame**

## CERTIFICATIONS

**EU Organic**  
**USDA Organic**  
**ISO 22000**  
**Geographical**  
**Indication (GI)**  
**GMP**  
**HACCP**

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## CONTACT

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#23D, St. 350, Boeung Keng Kang 3, Boeung Keng Kang, Phnom Penh 120104, Cambodia



## CSL ENTERPRISE

CSL Enterprise is a Cambodian enterprise that specializes in the production and supply of high-quality snacks, nuts, spices, and grains. The company's natural snack range includes dried fruits, roasted nuts, and chips made from popular fruits in Cambodia. Additionally, it offers a selection of spices and grains, which includes mung beans, soybeans, red beans, chilli powder, and pepper, among others.

CSL products can be found in various local supermarkets, allowing easy access for consumers. Currently, their exports are limited to Natural Dried Mango, Natural Dried Longan, and Natural Roasted Cashew Nut. However, the company has plans to expand their export range to include other products such as Dried Banana and Dried Pineapple in the future.

## MAIN PRODUCTS

**Chilli flakes**  
**Ground chilli**  
**Fried Chilli**  
**Dried fried chilli**  
**Natural Dried Mango**  
**Natural Dried Longan**  
**Natural Roasted**  
**Cashew Nut**

## CERTIFICATIONS

**HACCP**

## CONTACT

[www.cslsnack.com](http://www.cslsnack.com) | +855 10 663 899 / +855 12 663 899 | [info@cslsnack.com](mailto:info@cslsnack.com)

#50, Plauv Lorm, Sangkat Thoeuk Thla, Kan Sensok, Phnom Penh 120802, Cambodia





## LA PLANTATION

Established in 2013, La Plantation is a family-owned enterprise committed to cultivating and delivering sustainable spices of the highest quality. Situated in the Kampot region of southern Cambodia, its flagship farm adheres to century-old traditions that preserve the authentic flavors inherent in each spice. La Plantation continuously develops new blends and recipes, annually showcasing the unique terroir of Kampot to discerning palates worldwide.

La Plantation's production model is built on fair trade principles. Upon harvesting, the company's peppercorns, spices, roots, leaves, and fruits are promptly processed in on-site facilities, ensuring optimal freshness and preserving the exceptional quality and aromatic characteristics of their products. Through establishing a short supply chain, La Plantation collaborates with trusted partners to guarantee the delivery of the freshest spices from farm to table.

## LA PLANTATION

FAIR SPICES PRODUCER

### MAIN PRODUCTS

**Sweet long chilli powder**  
**Smoked sweet long chilli powder**  
**Red bird chilli whole**  
**Smoked red bird chilli whole**  
**Green bird chilli whole**  
**White chilli powder**  
**Black, Red, White Kampot Pepper**  
**Fresh salted Kampot Pepper**  
**Turmeric**  
**Fruits**  
**Roots**  
**Aromatic herbs**  
**Herbal teas**  
**Spice blends**  
**Spice sauces**

### CERTIFICATIONS

**Organic certificate (EOS, NOP, JAS)**  
**Kampot Pepper PGI**  
**WFTO**  
**GAP**  
**GHP**  
**HACCP**

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## CONTACT

[www.kampotpepper.com](http://www.kampotpepper.com) | +33 672 791 238 | [nathalie@laplantation.com](mailto:nathalie@laplantation.com)

Boshjeng Village



## **KHMER ORGANIC COOPERATIVE CO., LTD.**

Established in 2014, Khmer Organic Cooperative (KOC) is a social enterprise with a comprehensive approach to the agricultural supply chain in Cambodia. Its vision is to make organic food accessible to all, providing fresh and high-quality organic produce while promoting awareness of organic agriculture. In 2017, the company's farms obtained EU and USDA Organic certifications, reinforcing its commitment to organic practices. Working closely with smallholder farmers and agricultural cooperatives, KOC strives to enhance farmers' income and livelihoods in rural areas. The company now plans to expand its reach by exporting high-value Cambodian products such as chilli, cashews, palm sugar, Kampot pepper, and wild forest honey. For organic chilli cultivation, KOC works closely with farmer cooperatives and groups in Kampong Chhnang Province to strengthen the entire chilli cultivation value chain, including production, processing, and market access.



### **MAIN PRODUCTS**

**Organic Fresh Chilli**  
**Organic Dried Chilli**  
**Organic Chili Powder**  
**Organic Cashew nuts**  
 (M-23 varieties)  
**Organic Kampot Pepper**  
**Pka Tnoat Palm Sugar**  
**Wild Forest Honey from Mondulkiri Province**  
**Locally grown organic certified fruits and vegetables**

### **CERTIFICATIONS**

**EU Organic**  
**USDA Organic**  
**Canada Organic**  
**HACCP**  
**GMP**  
**Protected Geographical Indication (PGI)**

## **CONTACT**

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#206 Preah Trasak Paem St. (63), Phnom Penh 12302, Cambodia

# Other Contacts

## SECTOR STAKEHOLDERS

**Cambodian Ministry of Agriculture, Forestry and Fisheries, Department of Agro-Industry**

<https://web.maff.gov.kh/?lang=en>

**Cambodia Chamber of Commerce**

<https://www.ccc.org.kh/>

**Cambodia Development Resource Institute**

<https://cdri.org.kh/>

**Cambodia Pepper and Spices Association**

<http://www.cpsfnet.org/>

**Cambodian Federation of Employers and Business Associations**

<https://www.camfeba.com/>

**Cambodian Ministry of Commerce**

<http://www.moc.gov.kh/>

**Cambodia Partnership for Sustainable Agriculture**

<https://cpsa-growasia.org/en/>

**European Chamber of Commerce in Cambodia (EuroCham)**

<https://www.eurocham-cambodia.org/>

**Group for the Environment, Renewable Energy and Solidarity (GERES)**

<https://www.geres.eu/en/>

**GRET – Professionals for Fair Development**

<https://www.gret.org/countries/south-east-asia/cambodia/?lang=en>



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