



The Royal Government of Cambodia

National Policy

**On Promotion of One Village, One Product
(OVOP) Movement**

2016-2026





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PREFACE

Having led the country through several major milestones, the Royal Government of Cambodia has adopted numerous farsighted policies that have led the country towards constant and steady development, taking it from a nation with a weak economy and high poverty rate to one experiencing economic growth, and lifting the country from a low income country to a lower middle income country. Furthermore, Cambodia has achieved high rates of economic growth over the last decade and this growth has continued during the last five years that Cambodia will be Asia's New Tiger Economy in the region.

Proud of this economic growth, the Royal Government has been implementing reformation in all fields and sectors, and these reforms are now gradually coming to fruition in improvements to people's living conditions. All these achievements have led Cambodia into a new development phase where the country needs to ensure high rates of sustainable economic growth as a basis for creating jobs and income generating opportunities for people.

To contribute to further economic growth, the Royal Government believes that the vision of the promotion of the 'One Village, One Product' movement is appropriate to promote local development in Cambodia. The aim of this is to encourage local people to produce raw materials, process or develop products, and sell them to both domestic and international markets, leading them to be proud, honorable and pleased with their products.

In this sense, the development and introduction of the National Policy on promotion of 'One Village, One Product' movement 2016 – 2026 underscored the necessity for developing strategies to promote Khmer products to strengthen and expand economic development in Cambodia in line with the Royal Government's efforts to make Cambodia a higher middle income country by 2030 and a high income country by 2050. Active involvement from all government ministries–institutions and relevant actors – including the private sector and development

partners, particularly farmers, handicrafts people, service providers and small and medium industrialists all over the country to successfully implement this policy – is very important for the glory, progress and prosperity of the Kingdom of Cambodia and for ensuring sustainable development.

In fact, the main goal of the National Policy on promotion of OVOP movement is to promote domestic products to ensure they are of good quality, well-packaged, good-looking and hygienic to create added value. The Royal Government therefore hopes that successful implementation of this policy will act as a strong message to encourage and pave the way for the production of domestic products, as well as of agricultural, handicraft and industrial products and services, in order to foster domestic consumption and export.

On behalf of the Royal Government of Cambodia, I would like to congratulate the National Committee for the promotion of OVOP movement and the Council for Agricultural and Rural Development for their coordination of the development of this important National Policy on promotion of OVOP Movement 2016 – 2026, and I would also like to express my great appreciation to all relevant ministries and institutions for their joint cooperation and efforts to make this national policy possible.

It is my strong hope and belief that the commitment, sense of responsibility and good cooperation among all implementing ministries–institutions of the Royal Government of Cambodia will assist in producing Khmer products in villages and communes that are of high quality, beautiful, and possess other added values to satisfy both domestic and international markets.

Phnom Penh, August 11, 2016

Prime Minister

(Signed and stamped)

SAMDECH AKKA MOHA SENA PADEI TECHO HUN SEN

NATIONAL POLICY
ON PROMOTION OF ONE VILLAGE, ONE PRODUCT (OVOP) MOVEMENT
2016 – 2026

1. Introduction

The One Village, One Product movement, by its nature, is a concept of rural economic development and community-based integrated development, which originated in Oita prefecture, Japan in the 1970s, and this movement has become a global movement with many developing countries adopting the concept of One Village, One Product in accordance with their economic, geographical, political and social situations. Also, the Republic of Korea suffered severe destruction to its society and economy as a result of the Korean War, which ended in 1953. In 1971, nearly 20 years after the Korean War, the Republic of Korea initiated a similar movement, called *Saemaul Undong* in Korean or New Village Movement in English. Until now, this movement has been a great success for the Korean people.

Japan first initiated a One Village, One Product movement in 1961 in the tiny town of Oyama, Oita prefecture, and 18 years later, in 1979, Japan expanded the successful movement to cover the entire prefecture of Oita. The promotion of the One Village, One Product movement in Oita province, Japan, depends on three key principles: 1) Think Globally, Act Locally, 2) Self-reliance and Creativity, and 3) Fostering Human Resource Development. The three key principles can be summarized as follows:

1. Think Globally, Act Locally: this refers to a concept linked with local culture and traditions, in which they produce any products that satisfy both domestic and international markets.

2. Self-reliance and Creativity: this means that local people may decide on the products, both goods and services, they will produce for the One Village, One Product movement, with one or more villages being able to choose one or more products. The local administration is responsible for technical facilitation and for locating the markets.

3. Fostering Human Resource Development: The success of the One Village, One Product movement depends on human resource development, and the movement will not be successful without envisioning future local leaders. This is therefore very important for the development of a community that can creatively respond when confronting difficulties.

In Cambodia, the concept of One Village, One Product promotion has already existed for a long time. Cambodian people are industrious in raising animals, growing crops and producing various raw materials, which they then process into a diverse range of products. Some villages, communes, districts or provinces were even named after the names of products that people have grown or produced for generations, such as Deum Mean Village and Chek Village (Kandal Province), Prey Romdeng Commune and Sla Commune (Takeo Province), Kroch Chhmar District (Tbong Khmum Province), and Romduol District (Svay Rieng Province). Kampong Chhnang Province was named after Chhnang (pot) because the province is well known for producing earthenware pots, and the province that is abundant with gems and mountains was named Ratanakkiri and so on.

The definition of One Village, One Product (OVOP) refers to products that are produced by people of one or more villages, and which reflect ancient and modern cultures and traditions that give pride and prestige to their village. The products must also have the potential to be strengthened and expanded in terms of quantity, quality and beauty to create added value and so help increase people's incomes. They must also be products for which registration in the One Village, One Product

movement has been applied for, and that have been approved by the National Committee for the promotion of OVOP movement.

During the third legislature of the National Assembly, **SAMDECH AKKA MOHA SENA PADEI TECHO HUN SEN**, Prime Minister of the Kingdom of Cambodia, led a group of 21 delegates to visit the successful One Village, One Product movement in Oita prefecture, Japan, from June 9 –11, 2001 to study the One Village, One Product movement in Oita prefecture. After the visit, the National Committee for the promotion of OVOP movement was established in 2006 with the aim of promoting the production and processing of agricultural products, handicrafts and services to satisfy both domestic and international markets as well as to contribute to the development of the tourism sector and the rural economy.

Given abundant potentials in many areas around the country, the promotion of the One Village, One Product movement will be successful in contributing to national economic development and poverty reduction. Now that the nation and the people are enjoying full peace throughout the country, with development in all sectors as well as a fast growing economy and increasing arrivals of tourists, it is the right time to boost the production of raw materials, as well as processing them. This will lead to value adding and to develop the fullest possible extent of Khmer products from previous generations to satisfy both domestic and international markets. The experience of the One Village, One Product promotion has so far indicated that support has been received from all circles, at both national and sub-national levels and from development partners, and that there is a need for a basic tool to direct and measure the success of this movement. And that is the development of the National Policy on Promotion of the One Village, One Product Movement.

In addition, the National Strategic Development Plan, Strategic Policies and Programs, particularly the Rectangular Strategy and the National Strategic Development Plan, the Agricultural Cooperative Law and the Industrial Development

Policy, 2015 - 2025 etc. that the Royal Government has been implementing are important foundations. They will allow the work to promote the One Village, One Product movement to commence in a clear and in-depth manner to increase household income and develop villages, communes and communities, thus reducing people's poverty more rapidly, as well as improving people's quality of life.

In this sense, the National Policy on promotion of One Village, One Product movement will contribute to accelerate the country's economic growth like in other countries where this movement has been successful, thereby helping the government achieve its vision for Cambodia to become a higher middle income country by 2030 and a high income country by 2050 as well as ensuring sustainable development.

2. Vision

The National Policy on promotion of OVOP movement has a vision to improve people's living conditions, help Cambodia to become a high income country by 2050, to improve the wellbeing of people so that they have confidence and a sense of self-help, and for villages or communities to take satisfaction and pride in producing goods and services for their villages or communities. A further aim is to contribute to sustainable development in all sectors, including the economy, environment and social affairs at village, community, national and global levels.

3. Goals

The National Policy on promotion of OVOP movement has the goal to promote the development of the production chain for village or community-based goods or services, including the production, processing, packaging and development of one or more products to create added value to satisfy both domestic and international markets and to increase income per capita and accelerate reduction of people's poverty. This will help Cambodia to become a higher middle income country by 2030

in addition to making people feel proud of and confident in the products they have produced.

4. Objectives

The National Policy on promotion of OVOP movement has the following objectives:

Objective 1: To raise the awareness of farmers, handicrafts people, industrialists, service providers or producers to change their mindset, be more self-reliant and have a strong sense of self-help, and be receptive to new technologies and innovations to improve the production of goods and services to increase per capita income and enable Cambodia to become a higher middle income country by 2030.

Objective 2: Strengthen and expand facilitation and cooperation, to the fullest extent possible, with relevant ministries, institutions, partner organizations, the private sector and individuals at national, sub-national and international levels to promote the OVOP movement.

Objective 3: Develop human resources and technologies for the purpose of promoting the OVOP movement.

Objective 4: Research and develop products, raw materials, processed products and technologies to satisfy both domestic and international markets.

Objective 5: Develop market, services and business management.

Objective 6: Mobilize concessional financing or loans to be used for OVOP enhancement.

5. Strategies

To achieve the goal and objectives of this National Policy on promotion of OVOP, the following strategies must be adopted:

5.1- Development of legal framework and mechanism

- Develop legal frameworks and mechanisms to support the implementation of the National Policy on promotion of OVOP movement by clearly defining cooperation, facilitation as well as the roles and responsibilities of all key stakeholders;
- Improve and accelerate this national policy through existing and new legal frameworks and mechanisms;
- Develop a National Action Plan on promotion of OVOP movement and other programs with clear actions, timeframes, resources, implementing agencies, indicators and accountability at relevant ministries–institutions;

5.2- OVOP Products Mapping

- Document and classify products by their types;
- Select potential products to be included in the OVOP movement;
- Indicate the progress of products against indicators determined in a table or on a map or in pictures or by any scientific manner for release at a specific time;
- Determine indicators for measuring the progress of products participating in the OVOP movement;

5.3- Foster institutional and human resource development for OVOP promotion

- Develop human resources within the general secretariat of the National Committee for the promotion of OVOP movement;
- Develop human resources at relevant ministries and institutions, both at national and sub-national levels, that participate in OVOP promotion;

- Develop human resources at communities and associations that participate in OVOP promotion;
- Promote institutional development related to OVOP promotion;
- Raise the awareness of relevant individuals or development partners with regard to OVOP promotion;
- Define indicators for measuring the progress of institutional and human resource development involved in OVOP promotion;

5.4- Promote the better mindset

- Develop and disseminate tools or documents of all kinds that encourage mindset change to participate in OVOP movement;
- Organize small, medium or large-scale exposure trips and dialogues to encourage mindset change and improvement;
- Translate mindset change into real practice to participate in OVOP promotion;
- Define indicators to measure mindset change and improvement;

5.5- Raise the awareness of good practices for OVOP promotion

- Foster all means of the exchange and sharing of successful experiences and challenges related to OVOP promotion among all stakeholders involved in OVOP promotion;
- Organize local and overseas OVOP promotional trips;
- Encourage the uses of integrated approaches to ensure the success of OVOP promotion as well as the lessons learned from real practice;
- Define the indicators for measuring the progress of awareness-raising activities for OVOP promotion;

5.6- Foster the involvement of all stakeholders in OVOP promotion

- Identify individuals, NGOs, associations, development partners, ministries and institutions involved in OVOP promotion;
- Encourage relevant individuals, NGOs, associations, development partners, ministries and institutions through a broad information campaign on the importance of OVOP promotion;
- Define indicators to measure the progress of the involvement of individuals, NGOs, associations, development partners, ministries and institutions;

5.7- Develop research capacity for and promote the development of OVOP products

- Mobilize experts or relevant ministries, institutions and NGOs by categories of expertise including agriculture, industry, handicrafts and services involved in OVOP promotion;
- Push for creation of new institutions or places necessary for research and development related to OVOP promotion;
- Research on modern equipment, materials or technologies from all sources for the purposes of OVOP promotion;
- Training and capacity building on product research and development for service providers and service recipients;
- Define indicators for measuring the progress of research and development capacity building activities for OVOP promotion;

5.8- Develop production capacity for agricultural, industrial and handicraft products and services

- Organize training courses to strengthen production capacity for agricultural products including crop growing and animal husbandry;

- Organize training courses to build capacity for processing or developing agricultural products into handicrafts and industrial products of acceptable standards;
- Organize training courses to strengthen capacity for promoting tourism products such as eco-tourism, man-made tourism and cultural tourism;
- Organize other capacity and skill development training for non-tourism services;
- Define indicators for regular progress measurement;

5.9- Improve quality of OVOP products based on OVOP standards

- Develop and document acceptable sets of standards for OVOP products;
- Disseminate these sets of standards for OVOP products through all available means;
- Strengthen and expand existing, standardized products through the use of modern technology while maintaining their traditional and Khmer characteristics;
- Select leading OVOP products that meet prescribed standards;
- Promote product quality competition of all forms: individual, group, association or community;
- Initiate attractive events to promote the quality and standards of OVOP products;
- Define indicators for measuring the progress of the promotion of the quality and standards of OVOP products;

5.10- Mobilize financial resources through concession or loans

- Gather institutions and partner NGOs, local and international, that may provide concessional financing or loans at reasonable interest rates;

- Raise awareness of the conditions and uses of concessional financing or loans among producers, handicrafts people and service providers;
- Mobilize and cooperate with stakeholders in the development of community based credit structures;
- Disseminate information on institutions and NGOs that may provide concessional financing or loans to establishments or communities that participate in the OVOP movement;
- Define indicators for measuring the progress of activities to mobilize concessional financing or loans;

5.11- Promote marketing development and business management

- Identify locations for organizing product fairs, domestically and internationally;
- Organize training in marketing skills;
- Research new technologies for promoting market access;
- Prepare training tools and materials and publicize market access promotion;
- Publicize any skills for market access promotion;
- Organize training in project management and business plan development skills;
- Identify partners for promoting market access for domestic OVOP products;
- Define indicators for measuring the progress of market access development and business management skills;

5.12- Establish, organize, strengthen and expand OVOP associations and communities

- Organize existing associations or communities on agricultural, industrial, handicraft and service sectors into categories;
- Push for the creation of new producers' associations or communities based on their areas of expertise, including agriculture, industry, handicrafts, and services as necessary;
- Push for organization of an alliance of producers' associations or communities based on their areas of expertise, including agriculture, industry, handicrafts, and services;
- Select successful associations or communities as models for others to learn from;
- Compile indicators for measuring the progress of creating, organizing or strengthening and expanding associations or communities for OVOP promotion;

5.13. Promote youths' and women's involvement in accelerating OVOP movement

- Mainstream the OVOP concept among youths and women, either individually or in a group to get them involved in promoting this OVOP movement;
- Gather the existing youths' and women's associations or communities, based on different categories;
- Push for the creation of new youths' and women's associations or communities to promote the OVOP movement;
- Provide skills training in relation to OVOP for youths and women, either individually or in a group, who will be involved in promoting the OVOP movement;

- Disseminate by all possible means information about the movement to give youths and women the opportunity to take part in promoting the OVOP movement;
- Organize events for encouragement purposes or give incentives to youths and women participating in the promotion of the OVOP movement;
- Identify indicators for measuring the progress of promoting youths' and women's involvement in the OVOP movement;

5.14. Promoting participation of expert and experienced individuals or local people in OVOP activities

- Organize and prepare a table of expert individuals by sectors – agriculture, industry, handicraft and services – who might participate in promoting the OVOP movement;
- Further strengthen and improve the capacity of experts or local people in relation to the promotion of the OVOP movement;
- Assign expert individuals to help promote the OVOP movement using their skills where appropriate to promote the movement;
- Organize regular debates with local people to promote the OVOP campaign;
- Through all possible means, comprehensively use OVOP promotion strategies to reach local people;
- Identify indicators for measuring the progress of promoting experts' and local people's involvement in the OVOP movement;

5.15. Promote sustainable development

- Promote understanding of environmental protection (biodiversity, water, soil and air);
- Promote development of the surrounding environment and residences, both inside and outside, for all households across the country;

- Promote education quality;
- Promote healthcare quality;
- Promote technical skills and vocational training;
- Promote efforts to develop other social affairs;
- Determine the indicators for measuring the progress of people's income generation and sustainable development;

6. Action plan

To realize the above strategies, certain actions below shall be focused:

6.1. Mechanism development

The existing mechanisms shall be reviewed for their shortcomings, which need to be updated by the National Committee for the promotion of OVOP movement for future implementation while the Royal Government will be responsible for developing the following mechanisms:

- Review and adjust the establishment of the National Committee for the promotion of OVOP movement
- Establish OVOP working groups within relevant ministries and institutions, which will cooperate with the national committee in monitoring and evaluating the progress of OVOP movement's promotion.
- Review and adjust the establishment of municipal and provincial committees for the promotion OVOP movement, which serve as a network of the National Committee for the promotion of OVOP movement to ensure the development, implementation, monitoring, and evaluation of activities related to the promotion of the OVOP movement within the capital and each province; and organize the establishment of sub-committees at town, district/*khan*, commune/*sangkat* and village levels to promote the OVOP movement.

- Establish communities or associations to support the OVOP movement at national and sub-national levels with recognition from the competent ministries and institutions.

6.2. Legal framework formulation

- The National Committee for the promotion of OVOP movement shall issue an instruction on the organization and functioning of OVOP working groups within relevant ministries and institutions.
- Municipal and Provincial Committees for the promotion of OVOP movement and sub-committees at town, district/*khan*, commune/*sangkat* and village levels shall be determined through decisions by responsible institutions.
- Establishment of OVOP communities or associations at national and sub-national levels shall be determined and recognized through decisions by responsible institutions.

6.3. Financial support

In implementing activities to support the National Policy on promotion of OVOP movement, the National and Sub-national committees for the promotion of OVOP movement need to use national budget, OVOP support funds, contributions from the private sector, and budget from other sources to successfully promote this movement. OVOP working groups based in ministries and institutions shall prepare and use the budget from their own institutions.

6.4. Human resources development

To ensure effective implementation of the National Policy on promotion of OVOP movement, the National Committee for the promotion of OVOP movement shall focus on providing training courses on certain skills related to the OVOP promotion activities for officials with the OVOP general secretariat, officials with relevant ministries and institutions, officials within the municipal and provincial

committees and sub-committees at the town, district/*khan*, commune/*sangkat*, and village levels, communities, and associations.

6.5. Project implementation process

The OVOP promotion plan shall be developed annually and every five years, based on consultative meetings with stakeholders, to ensure the effectiveness of policy implementation. The plan shall entail the Royal Government's vision to promote the OVOP movement and shall correspond to the National Development Strategic Plan and other legal documents of the Royal Government. The plan shall also be implemented within the Royal Government's political program framework.

7. Monitoring and evaluation

For effective and transparent implementation of the National Policy on promotion of OVOP movement, a monitoring, evaluation and reviewing system shall be in place and be applied to the following:

- Goals and strategies of the National Policy on promotion of OVOP movement
- Progress report and indicators of the National Action Plan on promotion of OVOP movement
- Achievements versus the determined goals
- Involvement of all stakeholders in promoting the OVOP movement
- Benefits that villages, associations or communities gain from taking part in the implementation of the OVOP movement.

8. Conclusion

The National Policy on promotion of OVOP movement corresponds to the wishes, needs, and requirements of each local village, municipality, and province to boost production, raw materials, processing or development, and market access within and outside the country for their products, both traditional and newly-processed ones; and clearly states the vision, goals, and resources with a view to

developing each village through the country by constantly increasing people's average income to the point where Cambodia becomes a high middle-income country by 2030 and a high income country by 2050.

The Royal Government strongly believes that relevant ministries and institutions, both at national and sub-national levels, development partners, non-governmental organizations, associations, communities, households, and individuals will participate in supporting and implementing this policy to achieve success.