

Prosperity Initiative News

Sarah Gray

Launch of Cambodia Bamboo Sector Feasibility Study

Prosperity Initiative has launched a significant new Bamboo Feasibility Study in Cambodia in collaboration with the Maddox-Jolie Pitt Foundation (MJP).

"We're taking a demand-driven business like approach to a project aimed at securing a profitable and sustainable business with a pro-poor and socially responsible focus," explained Tim de Mestre, Head of Prosperity Initiative's Mekong Bamboo programme.

"And we're doing this with an NGO focused on environmental and rural livelihoods and sustainable production systems, who also see the need to give people an alternative way to make a living," he said.



Back in July, Prosperity Initiative agreed with MJP that a private sector focused investment model was the best vehicle to appropriately evaluate the impact of the bamboo sector and develop the industry in Cambodia. Prosperity Initiative's Sector Feasibility Team traveled to Battambang Province in mid- November to begin Phase I of this five month study.

The overall objective of the project is to design and facilitate a strand woven bamboo factory investment in Battambang province - based on the maxim of synthesising operational efficiencies and return on investment from a commercial and pro-poor perspective - as the entry point to develop the bamboo sector in Cambodia.

Based on Phase 1 research and findings expected to be completed in December or January, Mekong Bamboo will prepare a triple bottom line business investment case to validate the business proposition and address all key issues and constraints to launching a sustainable enterprise in Battambang. This analysis will focus on the processing of strand woven blocks and semi-finished products for premium hardwood and laminated products. It will confirm that such a manufacturing facility can be located in Battambang, where MJP has its operations.

The output of this feasibility study will be a formal report that defines the parameters of the potential investment and the impact it can have on poor, rural households. It will include an investment prospectus and a supply strategy based upon community forestry, which would be inclusive of as many smallholders as possible and assist in alleviating poverty in the district and the province.

"This collaboration with MJP is a great example of Mekong Bamboo's demand driven approach to poverty reduction in a difficult business operating environment," de Mestre explained. "It's also hugely valuable to gain more technical knowledge about the feasibility of a Greenfield, bottom up investment for industrial bamboo for the region."

According to Terrance Mohoruk, Prosperity Initiative's Head of Sector Feasibility, "If the model validates our assumptions, it would provide a platform to expand commercial activities in this sector throughout the six provinces in Cambodia that have significant bamboo resources."

Regardless of the next stage, the results from this work will benefit Cambodia and will further validate and allow Mekong Bamboo to modify its approach in Lao PDR and NW Viet Nam.