>>> NEWSLETTER <<<

SUPPLY CHAIN WORKING GROUP



IBC's Supply Chain subcommittee was established in early 2021. Our key focus:

- Improve coordination among industry members
- Develop cooperation with key players to discuss common issues, attract investments and logistic to Cambodia
- Support existing initiatives in the supply chain sector.

We will begin this edition of the Supply Chain newsletter with an in-depth interview with Mr. Stefan Bonin, Country Director of Rieckermann (Cambodia) Co., Ltd. on business operations and plans for future.

The next section is the industry update, where we highlight the recent developments in agriculture and other industry views.

Company in Focus: Rieckermann (Cambodia) Co., Ltd.

Headquartered in Hamburg, Germany, Rieckermann (Cambodia) Co., Ltd. is a leading engineering service provider serving amongst others food processing and infrastructure sectors.

Mr. Jhelum Chowdhury, Member of IBC's Supply Chain Sub Committee, talked to Mr. Stefan Bonin, Country Director of Rieckermann (Cambodia) Co., Ltd. about the company's business operations and plans for the future.



Mr. Jhelum Chowdhury



Mr. Stefan Bonin

Answers to IBC Supply Chain Subcommittee Questions

Q: Could you tell us something about yourself and Rieckermann in Cambodia?

A: Rieckermann was established in 1892 as a traditional trading company and then forayed into engineering and technical services. Globally, Rieckermann employs 750+ people and has revenues of circa half a billion dollars.

The company has been active in Cambodia since the 1970s. I have joined Rieckermann in Cambodia in 2022.

Q: Could you share more on your services in Cambodia?

A: Engineering services can start with a concept design to give a customer an idea, like this is how your facility would look like. Let's say a customer wishes to process 300 tons of mango every month. We can deliver equipment for processing mangoes from the raw mangoes down to either mango powder or mango puree or juice.

Mango being a seasonal fruit, we can also plan other products to be processed during off-season so as to have a full year utilization of the equipment. Mango can go with Apple or Dragon fruit. So there are certain possibilities to combine the processing. Many steps of the process can be done for different fruit on the same equipment. Maybe we have to sometimes change some parts because cutting or peeling a mango is different than a dragon fruit.

Q. Can you highlight some like key projects?

A: We worked on a precast concrete project for a housing developer who not only develop his own real estate projects but also does his own construction. He produced the wall panels in his factory, which he then uses as partition walls by which to split the condos into the right size.

Q: What is the way ahead and your view of future opportunities in Cambodia?

A: The value chains are still at the nascent stage, but the new government is pushing to get more value added into the process and move from unprocessed to processed. There's the possibility for different local supply infrastructure to develop as this happens. The more you process locally, the more you need faster supply of raw materials. So, there is quite a bit of opportunity going forward as Cambodia moves up the value chain.

Construction is a sector where there's a lot of manual labour.

Sometimes there are hundreds workers on the construction sites putting brick by brick which is not very productive time and consuming. projects where you have time pressure, because you want to complete it fast, a developer may change different to building materials and technologies which significantly can reduce the construction time. The faster the construction is done the faster you can sell the units or rent out the units and get a return. Prefabrication in a factory environment and automating processes improves product quality, helps reducing the raw materials and also minimizes pollution at the construction site. As labour becomes scarcer, prefabrication can help to fill the gap.

Cambodia at present does not match the industrial scale of neighbours such as Thailand, which has a bigger operation and different market structure, for Cambodia often machinery with lower production capacity including manual, or semi-automatic, are required for the food and beverage sector.

With the development of the circular economy, we also see potential for a wide range of technologies and solutions for either converting the waste into something which can be used again or at least for energy generation.

In case you want to know more about Rieckermann's portfolio please visit their website https://www.rieckermann.com or contact Stefan Bonin.

From the Local News - Industry Updates

PPAP's cold storage facility to enhance logistics, port service – Published 25 January 2024

A cross docking and cold storage facility was inaugurated on Wednesday in the Phnom Penh Autonomous Port, Kandal province, to enhance cold storage standards and increase container throughput.

<u>Click here to read more.</u>

High hopes riding on cashew industry in 2024 – Published 15 January 2024

As the whole of 2024 looms, prospects look promising for Cambodia's cashew industry. Silot Uon, President of the Cashew Nut Association of Cambodia (CAC) has mapped out its goals for the year ahead.

Click here to read more.

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