

## **Interview with Ambassador Kemvichet Long about Coffee in Cambodia**

Ambassador Kemvichet Long, Permanent Representative at the Permanent Mission of the Kingdom of Cambodia to the World Trade Organization and the World Intellectual Property Organization shares his views on the special relationship that Cambodia has developed with coffee. He describes the unique experience of Cambodian street coffee, his love for it, and explains the country's evolving coffee culture. He suggests several avenues to explore so that Cambodian coffee growers and roasters can make the best of the uniqueness of local coffee to attract the attention of the international market.

**WIPO:** Can you explain Cambodia's interest in coffee, how the coffee culture was integrated into Cambodian culture? Is it a new phenomenon?

**Ambassador Kemvichet Long (KL):** Coffee in Cambodian culture is not a new phenomenon. As far as I can remember, people have always drunk coffee in Cambodia, and coffee goes hand-in-hand with one other Cambodian product, which is Phnom Penh noodles. Typically you have Phnom Penh Noodle, and after that, you have coffee, mostly for breakfast. You cannot really have one without the other. Some years ago, people never drank coffee after lunchtime because there was a general perception the caffeine in coffee would prevent sleep.

These days, it is quite different. With the new coffee culture, people are drinking coffee all the time, even in the afternoon, or in the evening. People drink coffee because they want to socialize, while they are studying, relaxing, or playing games.

One other aspect is the gender aspect. Back in my father's days, when I was growing up, only men drank coffee, women preferred less caffeinated drinks, such as Ovaltine. Young people were also discouraged from drinking coffee then. Nowadays, everyone drinks coffee. The popularity of coffee among women and younger people is what stands out most in Cambodian society, which has always been quite conservative. From this perspective, those new consumers are the new phenomenon.

**WIPO:** Can you describe street coffee?

**KL:** Street coffee is coffee brewed by vendors on the sidewalks. They brew it the old-fashioned way, putting the ground coffee in a mesh net held by a steel wire. Then the water is poured over the coffee. You can use the ground coffee once or twice and then you throw it away.

Street coffee vendors sell coffee in glasses sometimes, or in plastic bags with a straw and tie the plastic bags with rubber bands. They prepare a bunch of these coffee bags and they sell them to market vendors.

What is interesting about street coffee is that it is quite strong, much stronger than modern-day coffees, such as latte or cappuccino. It does not compare. You get quite a kick when you drink street coffee. You can drink it black, or with crushed ice. But the most famous is what we call "coffee with milk and ice", which is street coffee with condensed milk and ice. It is very tasty and people who experience it always come back for it. People prefer to drink street coffee cold because Cambodia is a hot and humid country so people prefer cold drinks. The price remains affordable, in the range of US 50 cents to one dollar. In terms of taste, street coffee is the best.

**WIPO:** Was coffee first cultivated in the country as a commodity for export? When did the coffee cultivation start?

**KL:** Coffee cultivation started during colonial times. Cambodia used to be a French protectorate so the French brought coffee over to South East Asia. They introduced it to Cambodia, Laos, and Vietnam.

Modern-day cultivation started around 2008. This is when the first coffee producing company started planting coffee in a province called Monduliri, in the North East of the country, bordering Laos and Vietnam. Monduliri is a mountainous region suitable for coffee growing, not like most of Cambodia, which is quite flat and fit for rice plantations. Monduliri also has a particular red soil, a legacy of volcanoes, particularly rich in nutrients needed for coffee crops.

Cambodia however still has very limited production and most of the coffee produced in the country is for local consumption. Exports are still minimal. In 2020, we imported around 770 tons of coffee and the local production can only supply some 300 tons per year.

**WIPO:** Do you think coffee production in Cambodia will expand?

**KL:** I think coffee production is quite steady. The current area of coffee production is around 285 hectares in the Monduliri province alone. What is interesting to note is that half of those production areas are owned and cultivated by indigenous communities. The benefits that coffee cultivation provides to those people are enormous. They own the land, they were there first, and they were the first to cultivate the coffee crops, back in the days of the French Protectorate.

In terms of expansion of coffee cultivation, it is expanding to other provinces as well. We also have a coffee plantation in Kampong Cham, Ratanakiri, Pailin, and other places where the red soil provided the basis for cultivation.

**WIPO:** Does Cambodia have large local brands?

**KL:** Some companies not only produce the beans but also roast and package them for the local and export market. There are three main ones: The Monduliri coffee, Chay Mao, also produced in the Monduliri province, and Angkor Coffee.

In terms of coffee shop brands, there are a lot more. There are also foreign brands, such as Starbuck, Costa Coffee, local coffee shop brands are doing quite well against those international brands.

However, the local coffee shops should promote Cambodian coffee by giving it more prominence, for example by identifying Cambodian coffee on their menus. That would help a lot to provide exposure to Cambodian coffee, which we are lacking at the moment.

**WIPO:** Do you think roasters in Cambodia are being attentive about protecting their trademarks?

**KL:** I think Cambodian roasters still need some help. They do have some marketing strategy, and they have registered their trademark, but they are mostly working with the local farmers and they need to expand their marketing strategy quite a bit. Not only for export purposes but to improve their brand recognition inside the country. They need to work with those coffee shops to help promote Cambodian coffee brands in the country.

Another aspect is that coffee growers and roasters should form some kind of association. They are quite scattered and not united in one front in terms of marketing strategy. It would be beneficial

if they could come together, and have a consolidated strategy for the coffee business in Cambodia.

If they can come together they could try to register a certification mark. It is a proven concept. It worked very well for Malys Angkor, Cambodian fragrant rice, in terms of export and promote Cambodian fragrant rice all over the world. The coffee producers can come together and do the same. GI could be considered for Cambodian coffee but that would need to have a dedicated study.

**WIPO:** How large is the impact of coffee revenues on the Cambodian economy?

**KL:** Coffee is a big business in Cambodia. All famous coffee brands are in Cambodia including Starbucks, Costa, Gloria Jean's, Erick Kaiser just to name a few. Of course their local brands as well, the most famous is Brown Coffee, which started in 2009. But they only became prominent around 2012 due to innovations that they introduced, in terms of presentation, customer greetings, and services among many things. Brown Coffee became popular among young people where they can go and socialize, browse the internet, do their assignments, or just relax and play games.

The coffee market is estimated to be around \$50 million in a year in Cambodia which is quite big for a small market like us.

**WIPO:** Which kind of coffee does Cambodia export?

**KL:** We export processed and organic coffee as well as green coffee beans. However, exporting coffee beans does not provide added value for the coffee business. We are a small coffee-producing country. Instead of exporting green coffee beans, we should roast them and export the process product. That would provide a lot of benefits to the coffee industry in Cambodia.

**WIPO:** Where is Cambodian coffee exported?

**KL:** In 2021, Cambodia processed coffee was mainly exported to Russia, South Korea, and South Africa. Green coffee beans are exported to neighboring countries. If Cambodian companies who are processing coffee can absorb more of this green coffee, we can cut down on some imports. There is also a growing demand for organic coffee, in particular outside the country. This is where we should head to produce more for exports.

**WIPO:** Would you like to add anything on the Cambodia coffee business?

**KL:** According to some experts, the quality of the coffee we are producing is of the highest quality and can compete with coffee produced elsewhere in the world. We started this industry quite late, compared to countries that have a long tradition of coffee cultivation, so we have to catch up. We should work on brand promotion to improve the branding of Cambodian coffee either through certification marks, or Geographical Indications, and gain access to internationally-recognized certifications such as Ecocert, HACCP, and so on.

The ministry of commerce, which is the ministry where I am from, is working with development partners to develop a coffee strategy. We have built strategies for different commodities already, such as the cassava, the cashew nut, and the pepper strategies. I think we can do one for coffee as well because it has a lot of potential in terms of the inclusive benefits it can provide to the farmers. For example, the indigenous peoples in Mondulkiri do not have many alternatives to generate income to support their livelihoods.