

CPF to set up feed mill plant in Cambodia

A new silo for corn in Cambodia and a new feed meal plant in Laos, Charoen Pokphand Foods (CPF) are going to invest a combined THB 250 million (US\$ 8.40 million) to strengthen their agri-industrial business ahead of the Asean Economic Community (AEC).



The investment through its subsidiaries involve the purchase of a corn silo and drying plant in Cambodia and the establishment of a new feed-mill plant in Champasak province, south-western Laos.

The company has also further invested in its three core businesses of feed production, farming and food processing in the two countries. Its businesses there are focused on the efficient development of the supply chain to access quality raw materials. This is aimed at making CPF well placed to serve rising demand once the regional single market is established in 2015.

Most recently, the company has invested in developing a silo and drying plant for corn in Pailin province, western Cambodia. The investment is to ensure high-quality raw material to serve its feed production for both the domestic market and export.

CPF is continuing to invest in Laos and Cambodia to take advantage of increasing purchasing power of people there. The two countries are fully supportive of the CP subsidiaries. Political stability in both countries has prompted economic growth to ensure sustainable business development.

Meanwhile, investment in Laos has reached approximately THB1 billion (US\$33.61 million) in the feed, farm and food businesses. However, the food business is in the beginning stage, with only Five Star grilled chicken launched so far.

CP operates one feed mill in Vientiane with production capacity of 10,000 tonnes per month. The new plant in Champasak province will have initial production capacity of 5,000 tonnes per month to serve consumption in southern Laos. Having a plant there will reduce the company's logistical cost by avoiding the need to transport goods from Vientiane.

by AllAboutFeed 12 Mar 2013