

Key information on the project:

Production of Char-Briquettes made from Agricultural Residues in Kandal Province, Cambodia

The project “Production of Char-Briquettes made from Agricultural Residues in Kandal Province, Cambodia” aims to replace traditional wood charcoal, which drives deforestation, with sustainable briquettes made from agricultural residues, particularly coconut shells. Traditional charcoal production contributes significantly to Cambodia’s deforestation, as forests are cleared each year for wood. By using coconut shells and other agricultural by-products, the project reduces pressure on natural forests and provides a cleaner, more efficient, and safer cooking fuel.

Khmer Green Charcoal Ltd. (KGC) does so by focusing on a production process that applies a circular approach, transforming leftover coconut shells and other agricultural residue into high-quality briquettes. Waste generation is kept to a minimum. The planned factory will reuse heat and smoke from the production process so that less energy and waste are created. The resulting briquettes are uniform, long-lasting, and produce less smoke than traditional charcoal. KGC offers two types: “Diamond” briquettes, which burn for up to five hours, and “Premium” briquettes, which burn for up to three hours. The facility will operate reliably year-round and provide local employment opportunities, including for people from disadvantaged backgrounds, thereby supporting families and strengthening the community. In addition, KGC promotes education for employees’ children through a partnership with the NGO “Pour un Sourire d’Enfant.”

The project activities shall be supported by carbon finance for the reduction of greenhouse gases. To ensure the highest social and environmental integrity, the project is seeking certification under the Gold Standard. Should additional certification pathways become relevant or feasible, these will be considered according to applicable requirements. The Local Stakeholder Consultation is an essential step in this process, allowing community members and other stakeholders to share their perspectives and help shape the project’s implementation and outcomes.

Project Implementation:




The project is implemented by KGC in Cambodia, building on more than ten years of experience in sustainable biomass utilization. Since early 2025, KGC has been majority-owned by Heritage Group Co., Ltd., which is also active in agricultural production, such as production of agricultural inputs, rice and other agricultural commodities. In recent years, KGC has successfully operated a briquetting facility and now plans to expand production capacity by constructing this new facility of approximately 4,000 m² to meet growing demand and improve efficiency. The tentative implementation plan is to construct the new briquetting facility in 2026 and have a full capacity operation in 2027.



Tentative Implementation Plan

2026	Construction of the new briquetting facility
2027	Full capacity operation

Social, economic and environmental impacts

Besides reducing GHG emission in line with the UN's Sustainable Development Goal (SDG) number 13, the project will also contribute to the following SDGs:

	SDG 4: Through its partnership with the NGO Pour un Sourire d'Enfant (PSE), the project supports education for employees' children.
	SDG 5: KGC actively tries to attract female employees and gender wage equity will be ensured among all employees hired in the project.
	SDG 7: The briquettes are a renewable energy source derived from biomass waste, providing an alternative to non-renewable fossil fuels and traditional wood charcoal.

	SDG 8: The operation of the facility drives economic development of the local communities and generates employment and professional development opportunities.
	SDG 12: The project installs sustainable waste management solutions that recycle organic waste and thereby close the nutrient cycle.