

Nedspice-Farmers Partnership Programme



Pepper, March 2018

About NFPP



Nedspice believes that backward integration and sustainability are some of the main challenges for the food industry in the years ahead. To ensure that spice farming remains financially attractive and offers a sustainable livelihood for farmers Nedspice has initiated the development of backward integration programmes for farmers in the countries it works in. This ambition is laid down in the Nedspice - Farmers Partnership Programme (NFPP) which defines the approach, key principles as well as the expected results. In this update you will find information about the latest NFPP activities for pepper in Vietnam.

Crop stage



- The crop is in the middle of the harvesting stage, at a c. 70% completion rate. The India variety is fully harvested while the Vinh Linh and Trung variety will finish harvesting by the end of March or early April. The Vinh Linh variety contributes 70-80% of total production in the NFPP area.
- Farmers have invested less in their crop due to the downtrend in prices and it is expected that this will also be the case next season, for which preparations are already starting.

Climate development in NFPP area (2017/18 season)¹

Stage	Period	- ₩- _{C°}	mm 🔐 days		Lilili
Vegetative	May – Jun	(4%)	+7%	+0%	~
Spike formation	Jun – Aug	(2%)	+12%	+44%	X
Berry setting	Aug – Oct	+1%	(10%)	(12%)	X
Berry ripening	Oct – Feb	0%	(36%)	(41%)	X
Harvesting	Feb – May	0%	(93%)		

Developments



- NFPP started in 2014 in 2 districts within the Binh Phuoc province, involving 202 farmers and delivering 380MT volume.
- Nedspice expanded the programme to 540 farmers in 2016/17, more than quadrupling the volume.
- Since the 2017 crop, more than 1,000 new farmers in 5 new districts joined the NFPP, increasing coverage to the whole Binh Phuoc province.
- The total number of NFPP farmers is c. 1,500 this season, almost tripling versus last year.
- This expansion will be the basis to grow the NFPP 2017/18 crop volume to a target of ~3,000 MT.

Programme impact and evolution 8 2 3 1,500 202 540 380 1,800 3,000 2013/14 2016/17 2017/18F

Drying of pepper in the sun







- The weather during the harvesting stage is favorable for drying pepper in the sun.





¹⁾ Stages are indicative for the Vinh Linh variety (largest variety). The percentages represent the change versus the same period last year, considering data till 10-March-18. Rainy days are defined as days with >15mm rainfall. Temperature is based on the average of day maximum temperatures over the period.

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Activities



- Most activities during the period since the last update focused on the collection of the pepper, e.g.:
 - Communicating the daily buying price to farmer members by SMS in the early morning.
 - Collection and payment: once a collection is completed at the farmer's storage facility, a payment will be processed based on the
 actual receiving quantity and quality. Here, also pesticide residues are tested.
 - Tracking and tracing: all bags received are coded and tracked from the farm(ers) to the buying stations and to the factory.
 - Till early March, 311 collections took place for a total of 246 MT. Over 85% of this volume is compliant with EU MRL requirements.
- 27th February 2018: Meeting with Public Private Partnership (PPP) for pepper chaired by IDH, Vietnam Pepper Association (VPA), Crop Protection Department/ Ministry of Agriculture and Rural Development (MARD).
 - The meeting aimed to share new ideas on how to increase the effectiveness of the PPP in the pepper sector. Based on these inputs, the PPP will prepare an updated plan.
- 9th March 2018: Nedspice contributed on behalf of the pepper sector at the leadership meeting of the Partnership of Sustainable Agriculture of Vietnam lead by the Vietnamese government. The objective was to improve the operational framework for this network.

Farmer selling pepper to a collector



Collecting pepper at farmer's house







What's next?



- W/c 19th March: Rainforest Alliance (RA) audit
 - The audit will take 6 days including 1 day at the factory and 5 days in the fields.
- April 2018: Meeting with Eurofins, ASSSIT and farmer clubs in the project area on "Improving the quality of pepper production".
 - Test results on soil, water, berry quality, pre-harvesting and post-harvesting crops will be discussed. Learnings will be incorporated in the training materials for the first training in May (start of new crop).
- May 2018: Meeting with Department of Agriculture and Rural Development (DARD) and the Agriculture Extension Center (AEC) for the planning of the 2018/19 season.
 - In the coming period, Nedspice will continue working with DARD and AEC of Binh Phuoc province to maintain and expand the farmer network (1,500 farmers).

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