



### 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 early berry ripening stage. The Indian variety entered into this stage first, followed by the Vinh Linh variety and the Trung variety.
- The weather conditions have been better during late spike formation and berry setting stage, nevertheless low rainfall during May-July is the key driver for poor berry setting overall.
- This crop season, farmers invested less in fertilisers and pesticides for their pepper farms due to low pepper prices. Although the yield in the project area is expected to be much lower, the quality should be good.

Climate development in NFPP area (2019/20 season)<sup>1</sup>

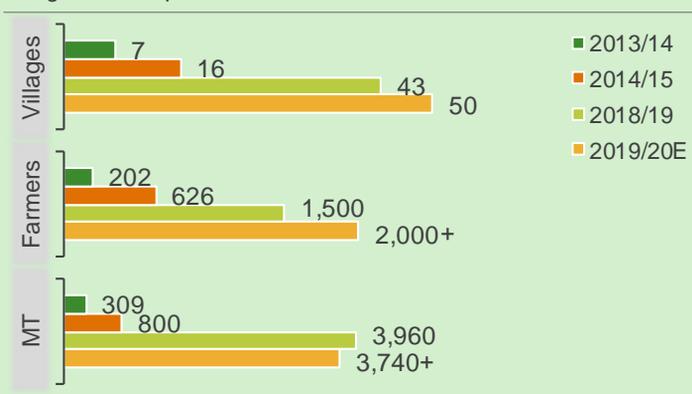
Stage	Period	☀️ °C	mm ☁️ days	📅
Vegetative	May – Jun	2%	(27%) (30%)	✗
Spike formation	Jun – Aug	1%	(3%) 20%	✗
Berry setting	Aug – Oct	(2%)	(7%) (6%)	✓
Berry ripening	Oct – Feb	(0%)	n.a n.a	✓
Harvesting	Feb – May			

### Developments



- The NFPP started in 2014 in 7 villages within the Binh Phuoc province, involving 202 farmers and delivering 309 MT of pepper.
- After 5 years, over 2,000 farmers are now participating in the programme, with 1,000 farmers having the Rainforest Alliance (RA) certificate.
- Over 3,740 MT are estimated to be harvested from 2,200ha this crop season, of which 90% is expected to be procured.
- Under NFPP Franchise channel, Nedspice continues to expand its network with local collectors who are trained to source qualified products and work closely with farmers, ensuring complete traceability.

Programme impact and evolution



### New crop



- Lower yield due to unfavourable rainfall.



### NFPP area overview



<sup>1</sup>) Stages are indicative for the Vinh Linh variety. The percentages represent the change versus the same period last year, considering data till 23-Oct-19. Rainy days are defined as days with >15mm rainfall. Temperature is based on the average of day maximum temperatures over the period



- 5-Sep-19: Nedspice Corporate Social Responsibility (CSR) activities:
  - Nedspice handed over the renovated community meeting house and kindergarten to Loc Thien village, Loc Ninh Dist. Through CSR, Nedspice aims to improve the living standards, education and environment conditions in the NFPP areas.
- 19-Sep-19: Vietnam-EU Forum on sustainable agriculture 4.0 in Hanoi:
  - Main discussion: Integration of small-scale farmers into value chains;
  - Nedspice shared its knowledge on managing increased pepper volumes with traceability to the farmer. This has become an essential criteria for exported agricultural products.
- Sep - Oct-19: Internal audit for 1,000 RA farmers from 5 districts in Binh Phuoc, to prepare for external audit in November.
  - Farmers were audited on their compliance with RA standards;
  - The corrective action plan was communicated to farmers after auditing.

## The corrective action activities after auditing

## Nedspice CSR Sep-19



## What's next?

- Nov-19: External RA audit will be carried out for 1,000 registered farmers in Binh Phuoc province.
- Nov - Dec-19: Field activities:
  - Pre-harvest sampling and quality analysis will be carried out for NFPP farmers.
  - Harvest and post harvest training:
    - To ensure the compliance of pesticide residues, for example by stopping use of agrochemicals one month before harvest;
    - To educate on safety precautions during harvest and proper handling of the product with respect to drying, storing and packaging.

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