

## Nedspice-Farmers Partnership Programme Update

May 2015

Nedspice believes that backward integration and sustainability are the main challenges for the food industry in the years ahead. In the spice sector many, often aging, smallholder farmers move to high intensive crops. Not only does this affect the scarcity of spices, it also has negative effects on the environment. 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 Vietnam and India and other countries we work in. This ambition is laid down in the Nedspice-Farmers Partnership Programme which defines the approach, key principles as well as the expected results.

### Vietnam Pepper

In 2013, in Vietnam's Binh Phuoc Province, a 2-year pilot-project on cultivation of Sustainable Pepper was started. The programme's 3 core pillars are 'Improving Agricultural Practice', 'Community Outreach'-activities and 'Partnership Building' (with farmers). The aim of the Sustainable Pepper project is to assist 500-700 farmers on how to improve agricultural practices, in turn also leading to improvement of social standard and the environment. Farmers are thus assisted in adapting their farming practices to comply with the Rainforest Alliance (RA) certification requirements. In this way, biodiversity, ecosystem conservation and labourers' occupational health and safety is ensured. The project also provides the farmers with a closer-to-market-access by establishing long-term cooperation with Nedspice, while farmers can improve their income by raising cultivation yields and the price they receive in return for their higher quality and certified product.



In 2013/2014, 200 farmers were already engaged under the pilot-project, which during the 2014/2015 season has grown to 500; farmers are organized into approximately 20 farmer clubs based on common/near-each-other locality. With that comes the advantage of farmers interacting much more than before and from that, experience sharing and mutual learning, is derived, while a "sense of belonging" is also strengthened.

As part of NFPP's Community Outreach-activities, the company also has supported a school in the Sustainable Pepper cultivation area. These activities included so far refurbishment of the school classrooms and the paving of the school's yard, so pupils can enjoy their break time in a clean and more spacious place to play. When contracting these activities for the school, suppliers located in the local area were chosen, thus contributing also to employment directly in the local community.

In support of the procurement of Sustainable Pepper, Nedspice is working exclusively with a collector who operates a buying station 100% dedicated to sustainable pepper, well situated among the farmers/farmer club locations. At the buying station, a team of buyers perform the daily procurement of the Sustainable Pepper. Once bought, the Sustainable Pepper is then brought to the buying station's warehouse, where it is sorted and graded; eventually then being sold and transported to Nedspice Processing Vietnam Ltd. in the pilot-project's neighbouring province, Binh Duong. Ultimately it is expected that the pilot-project will bring about app. 1,000MT Sustainable Pepper in 2015.



Nedspice-  
Farmers Partnership  
Programme

## India Cumin

Nedspice Processing India Pvt Ltd. has started NFPP with an overall objective of producing sustainable spices by integrating its operations from the farm level and to deliver the customer requirements by addressing critical issues at farm level and in the entire value chain. Under NFPP, Nedspice India started to produce IPM (Integrated Pest Management) cumin to meet the specifications of various import countries (e.g. Japan and Europe) with regards to pesticide residues, allergens and other contaminants.



The Sustainable Cumin programme started in the state of Rajasthan. The project was taken up in 4 villages, comprising 44 farmers with 440 hectares of land with a production of 300 MT in 2013/14, For 2014-15 project its is targeted to expanded to 7 villages with 1500 Hectares with 121 farmers, the target procurement would be about 600mton. This project was also successfully implemented with Nedspice sustainable agricultural principles and Sustainable Supplier status under the Unilever Sustainable Agriculture Code and Scheme rules (USAC) was obtained during 2014. Farmer categorization based on the education level/knowledge level and agricultural practices followed is in progress. Farmers have also been

educated on the soil health management practices and Integrated Nutrient Management. Conducted activities were demonstrations of occupational health and safety measures, awareness programmes on child labour, crop protection and chemicals storage. Risk assessment of sustainable agricultural practices is in progress.

## India Turmeric



NSPI has also started to produce “Better Turmeric” through sustainable agricultural practices and production of quality turmeric under hygienic conditions. During 2013 Sustainable Turmeric Farming was taken up in two districts of Andhra Pradesh in a two-year pilot. The overall aim is to encourage farmers to make cultivation practices more economically, socially and environmentally sustainable, integrate producers into long term cooperation with Nedspice’s value chain, and ultimately to provide good quality turmeric to meet increasing customer demand. Sixty farmers, amounting to 120 hectares of land, will be assisted in good agricultural practices. This will improve their productivity which increases their income and thereby contributes to the improvement of their livelihoods. They are also introduced to water saving techniques and taught how to release less nitrogen into the atmosphere, which will improve their living conditions and reduce investment

costs. Finally, farmers will receive a price premium from Nedspice.

The project aims at cultivating and delivering 200 MT of turmeric annually. During Q3 of 2014 Sustainable Supplier status was attained under USAC.

The farmers have also been educated in soil health and nutrient management, IPM and INM. Activities conducted were farmer training programmes on sustainable agricultural practices, risk assessment of the agricultural practices, survey for community development programmes is under progress and field visits are conducted for field diagnosis and on field recommendation. Farmers were also educated on the natural resources for conservation, biodiversity and occupational health and safety.

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